

# Discretionary Management Service – September 2021 Portfolio Performance

Your financial affairs in a safe pair of hands

**The Offering** The NLPFM Discretionary Management Service offers a number of different portfolios to clients. The needs of each client are considered independently and different portfolios are selected based on suitability and approach to risk after a discussion directly with the client. The philosophy of NLPFM is that irrespective of which standard portfolio or specially tailored portfolio is used, clients can be assured that their money is looked after with their interests at heart.

**The Month In Review September** saw a coordinated sell-off of risk assets, as investors digested news of a potential slowdown in economic growth, supply chain bottlenecks and rising inflation. Despite this, developed market equities are still sitting pretty for the year, with continued support emanating from strong corporate earnings. The same cannot be said for emerging economies, which have endured a difficult third quarter on the back of continued negative sentiment in China. The world's second largest economy has become a regular topic of discussion of late, with the Communist Party of China targeting the education sector earlier in the quarter, before switching focus to the tech sector. Concerns also increased on the news that the second largest property developer in China could default on its debt, and any possible spill-over effects resulting from this. Central banks in the US and UK struck a more hawkish tone, with the Bank of England signalling they could begin a cycle of interest rate hikes either side of the new year, and the US Federal Reserve forecasting a tapering of asset purchases to begin in November. This had led investors to dump bonds, seeing yields spike and growth stocks weaken on the expectation of increased borrowing costs. Consequently our bond funds were mixed for the month but negative as a whole, with the alternatives also detracting from performance. With the exception of Japan, other regions ended September in negative territory. The MSCI UK ended the month flat after strong quarter, whilst the mixed investment sectors were -1.14% and -1.35%. Our models fell after a positive start to the quarter, but continue to deliver strong, risk-adjusted returns.

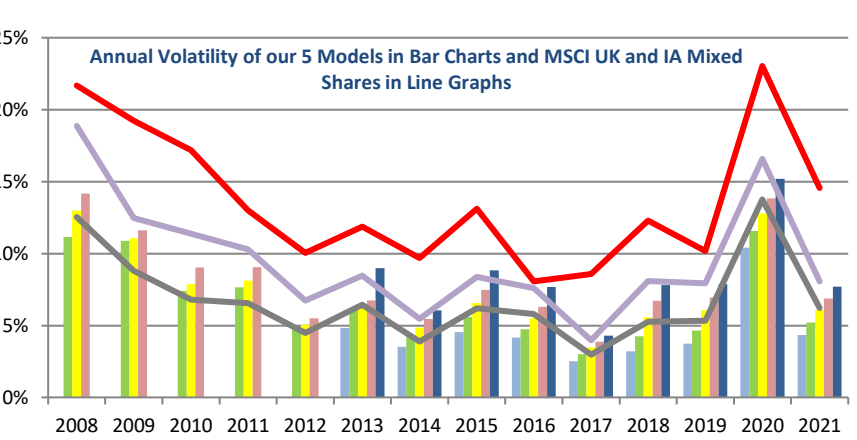
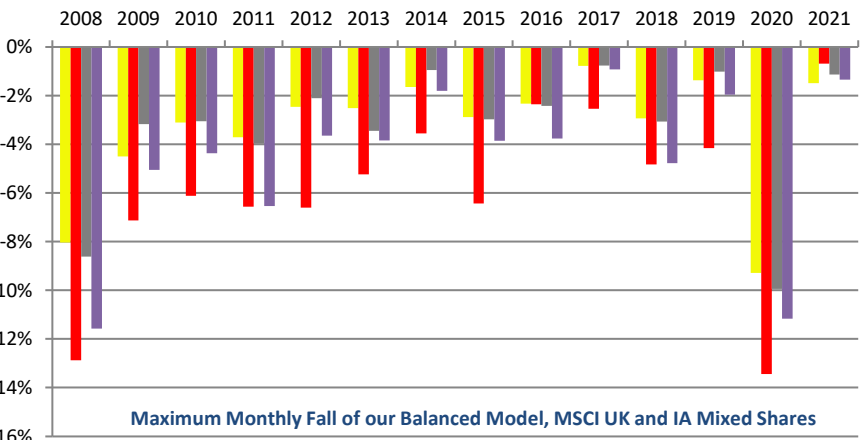
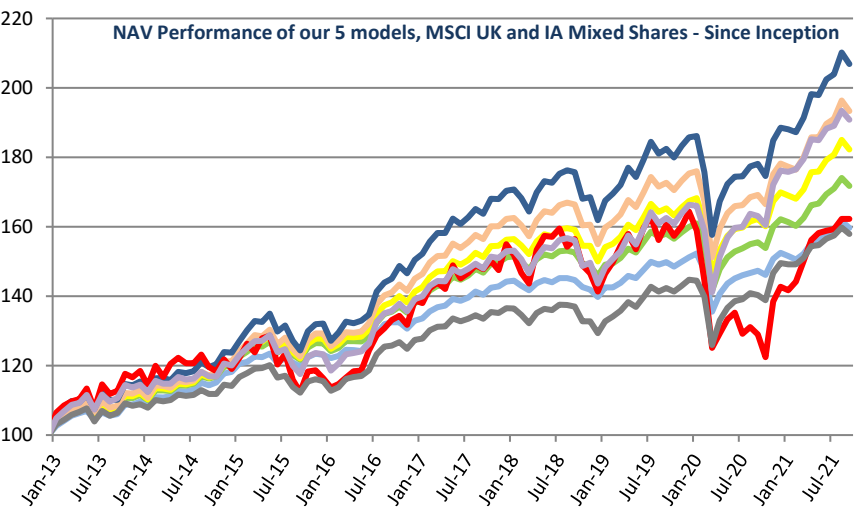
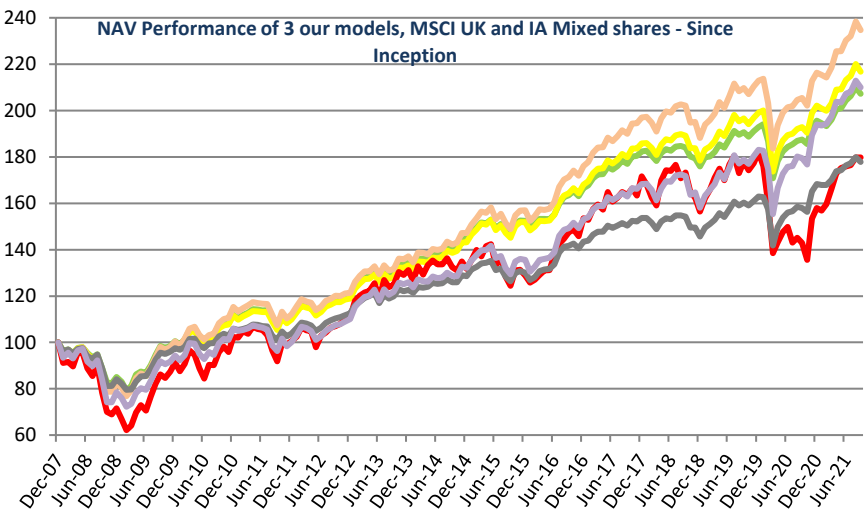
Performance & Volatility (%)	1 Month Returns	YTD Returns	1 Year Returns	5 Years Returns	10 Years Returns	Volatility Since January 2013	Returns since January 2008	Volatility Since January 2008
NLPFM Defensive	-1.22	4.70	8.35	20.55	N/A	5.05	N/A	N/A
NLPFM Cautious	-1.31	5.93	10.47	26.75	93.82	5.87	107.18	7.16
NLPFM Balanced	-1.49	7.25	12.35	31.91	105.73	6.69	116.72	7.93
NLPFM Balanced Growth	-1.57	8.48	14.27	37.01	118.33	7.41	134.72	8.74
NLPFM Growth	-1.61	9.72	16.12	42.56	N/A	8.52	N/A	N/A
NLPFM Sustainable Balanced	-2.15	7.35	15.55	N/A	N/A	N/A	N/A	N/A
MSCI UK Index	0.00	13.74	25.79	21.90	79.70	12.41	79.70	14.26
Mixed Investment 20-60% Shares	-1.14	5.63	12.57	25.58	76.01	6.65	77.86	7.41
Mixed Investment 40-85% Shares	-1.35	8.29	16.98	40.65	118.18	8.62	110.02	10.37

# Discretionary Management Service relative performance

## January 2008 to September 2021

The graphs below show the performance and volatility of our DMS portfolios against the MSCI UK Index and the IA Mixed Shares Indexes.

- NLPFM Defensive
- NLPFM Cautious
- NLPFM Balanced
- NLPFM Balanced Growth
- NLPFM Growth
- MSCI UNITED KINGDOM
- IA Mixed Investment 20-60% Shares
- IA Mixed Investment 40-85% Shares



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