

# Discretionary Managed Portfolio Service

## Enterprise Model

**March 2021**

### Key information

#### Model details

Launch date	1 January 2006
Minimum initial investment	£1,000
Rebalancing strategy (minimum)	Quarterly
Currency	£ GBP
Annual management charge	0.50%*
Ongoing charges figure ('OCF')	0.37%
Annual yield (current)	1.76%

\*Not including platform fees  
Source: FE Analytics as at 31.03.21.

#### Investment update - March

Markets have come a long way since their nadir last March thanks to the prospect, and now rollout, of COVID-19 vaccines along with the substantial support given by governments and central banks. This monetary and fiscal stimulus is likely to remain in place, which should allow both a relatively stable economic recovery and risk assets to prosper further. As such, the strategy remains at the upper end of the corresponding Dynamic Planner risk profile with a bias in equity exposure remaining towards the parts of the world where we expect stronger and more resilient economic growth trajectories i.e. the US and Asia-Pacific ex. Japan. Whilst 'growth' stocks generally dictated the direction of markets for the majority of 2020, 'value' stocks have recently seen a period of better performance. We continue to take a blended approach and are happy with having feet in both the 'growth' and 'value' market camps. The immediate outlook for fixed interest investments is confused by the inflation debate. We maintain a diversified approach, with exposure towards corporate and inflation-linked bonds as well as to strategic bond managers who should be able to pivot quickly to minimise risks or take advantage of opportunities. During the month some minor asset allocation adjustments were made to maintain alignment with the strategy's corresponding Dynamic Planner risk profile.

#### Discretionary Managed Portfolio Service

The service consists of six actively managed investment models, offering lower cost access to our discretionary fund management capabilities, through the combination of active and passive collective investments. The service provides a solution that, when cost considerations are paramount, does not compromise on quality. Investment models are monitored by our central Investment Committee to ensure consistency of performance from one portfolio to another.

#### Investment objective

To build capital in real (inflation-adjusted) terms over the medium to longer term. Investors should expect a high correlation to stock market behaviour and rewards, and be entirely comfortable with substantial volatility and very limited protection in times of market weakness.

#### Risk profile

The model is managed in accordance with Dynamic Planner risk profile 7 (Highest Medium), with the model's expected volatility targeted to stay within the assigned Dynamic Planner risk profile's boundaries.

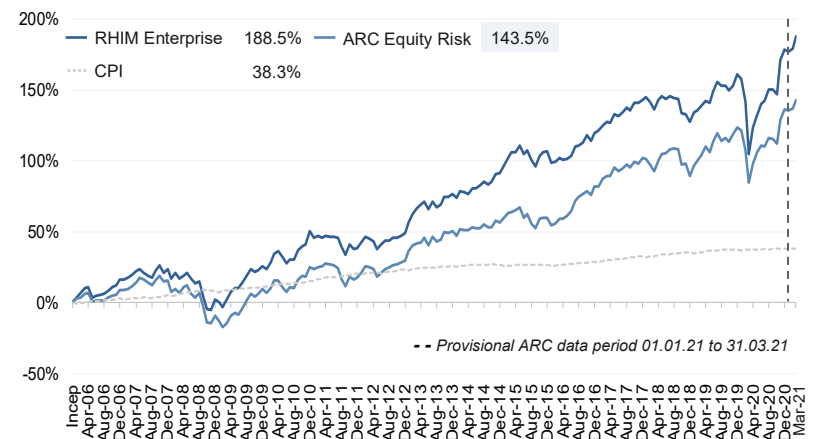
#### Discrete performance

	YTD	2020	2019	2018	2017	2016
RHIM Enterprise	3.5%	6.6%	14.9%	-6.5%	11.0%	6.0%
ARC Equity Risk PCI	2.9%	5.8%	18.0%	-6.5%	11.4%	16.8%
CPI	-0.1%	0.7%	1.3%	2.1%	2.9%	2.1%

#### Cumulative performance

	1yr	3yr	5yr	10yr
RHIM Enterprise	40.9%	21.9%	42.7%	197.4%

#### Inception performance



#### Annualised performance since inception

	Inception
RHIM Enterprise	7.2%
ARC Equity Risk PCI	6.0%
CPI	2.2%

Source: FE Analytics and Morningstar as at 31.03.21. Inception from 01.01.06. RHIM performance is net of fund charges, but does not include RHIM discretionary management fees, nor fees that may be incurred through your financial adviser. Highlighted ARC PCI figure is provisional. Past performance is not a guide to future results. See full risk warning overleaf.

## About Richmond House

We launched our discretionary management service in 2006, and have navigated the portfolios through good times and bad. We're proud to say that we've protected our clients' capital and today we have around £200 million of funds under management.

We focus on both actively managed funds and lower cost passive funds where appropriate, taking a sensible approach and always maintaining our awareness of downside risks. Adopting a global view, we continually identify where the risks and opportunities lie.

We offer a range of model portfolios, and the discretionary powers of our specialist team allow us to make alterations to these quickly and efficiently. Each portfolio typically holds between 25 and 30 funds selected from the whole of the market, ensuring diversification across asset classes, countries and sectors.

We conduct our own fund research using specialist tools such as Morningstar, but we also take the opportunity to meet fund managers regularly face-to-face to ensure each fund continues to meet its objectives and remains appropriate to our clients' needs.

## Contact Richmond House

For further information on this model please contact us:

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## Headline asset allocation and positioning

Summary of current Investment Committee positioning

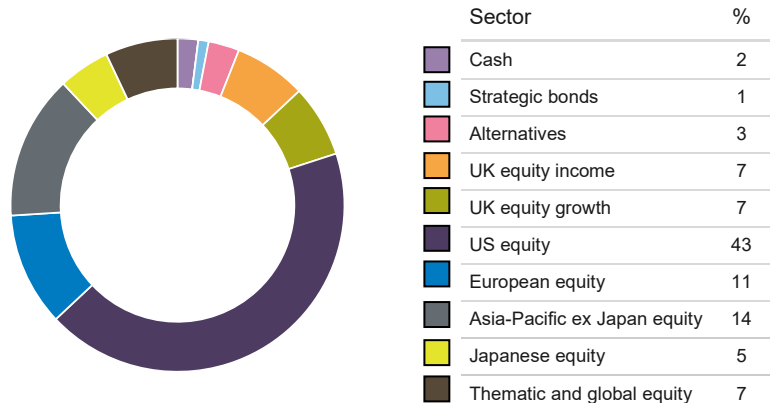
	UW (-)	N (=)	OW (+)	Key
Fixed interest				
Equities				
Property				
Alternative investments				
Cash				

■ Current  
■ Previous\*  
**UW (-)** Underweight  
**N (=)** Neutral  
**OW (+)** Overweight

- The strategy remains at the upper end of the corresponding Dynamic Planner risk profile with a bias in equity exposure to the US and Asia-Pacific ex. Japan.
- We maintain a diversified approach to our fixed income exposure, with increased allocations to corporate and inflation-linked bonds as well as to strategic bond managers.
- Cash levels remain reduced following our allocation to the thematic and global sector in December last year.
- There remains a focus on high levels of liquidity in everything we own.
- Market neutral alternative investments continue to act as stabilisers.

\*Positioning prior to last Investment Committee meeting

## Model asset allocation



## Top 10 holdings

Holding	%	Holding	%
HSBC Pacific Index	9	Fidelity Index US	7
HSBC American Index	8	HSBC European Index	6
Premier Miton US Opportunities	8	AXA Framlington Global Technology	5
Vanguard US Equity Index	8	Fidelity Index Japan	5
Artemis US Select	7	Ninety One Global Environment	5

As at 31.03.21

This document is issued and approved by Richmond House Investment Management Limited.

Past performance should not be seen as an indication of future performance. The price of shares/units and income from them may fall as well as rise and is not guaranteed. The models used are typical of portfolios managed by Richmond House Investment Management. Your actual portfolio may differ depending on your individual circumstances.

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