

PORTFOLIO OBJECTIVE

Aims for modest growth with reduced risk, though it can still fall in value.

A more conservative portfolio diversified across a number of different investment areas, such as shares, bonds and total return funds, to reduce risk

Portfolio holdings (target %)

HL Multi-Manager Balanced Managed	35
HL Multi-Manager Strategic Bond	35
HL Multi-Manager Equity & Bond	30

Portfolio's top ten underlying holdings (%)

Invesco Tactical Bond	7.5
Royal London Sterling Extra Yield Bond	6.7
Jupiter Strategic Bond	5.8
Kames Investment Grade Bond	5.2
Fidelity MoneyBuilder Income	5.0
M&G Optimal Income	5.0
LF Woodford Equity Income	4.8
M&G UK Inflation Linked Corporate Bond	4.4
Man GLG Japan CoreAlpha	3.6
Artemis Income	3.4

THE INVESTMENT MANAGERS



LEE GARDHOUSE
Chief Investment Officer



ELLEN POWLEY
Fund Manager



DAVID SMITH
Fund Manager



ROGER CLARK
Fund Manager

Investment research is a core part of our business. We believe exceptional fund managers are few and far between, but can be identified using a combination of rigorous statistical analysis and face-to-face meetings.

HOW DO WE SELECT INVESTMENTS?

Our proprietary, in-house quantitative model looks at over 2,000 funds and allows us to see more than just past performance. It enables us to drill down and decipher why a fund is at the top (or bottom) of performance tables. A key way to judge a manager is to find out if they consistently add value with their stock selection. In other words, do they do better than we would expect when considering their investment style? That is one of the key things we look for when we evaluate managers.

MORE THAN JUST NUMERICAL ANALYSIS

In addition to number crunching, we have unrivalled access to fund managers and conduct hundreds of face-to-face meetings each year. These meetings explore the manager's philosophy, process, team and incentivisation, among other things. We do all this because we want our clients to have exposure only to the limited pool of exceptional talent available. Each fund goes through a rigorous selection process. We constantly monitor funds and regularly review sectors to ensure you're invested only in what we believe are the very best funds.

Backtested, and since launch, performance

● Portfolio **+24.4%** ● Benchmark **+24.8%** ● Cash* **+2.0%**



* Bank of England base rate net of basic rate tax until 5th April 2016, gross thereafter.

The portfolios have been available since 03 June 2015. We have added the performance since launch as indicated by the vertical line. The Multi-Manager funds have been trading since at least 2009 and in most cases much longer, this has enabled us to backtest the performance data to give an indication of the likely performance pre-launch. We have selected a five year performance time frame which includes backtested performance up to the 03 June 2015, and actual performance since the 03 June 2015.

ABOUT THE BENCHMARK

The Investment Association (IA) is the UK fund industry's body. This portfolio uses a benchmark made up of three IA sectors to reflect the benchmark of the underlying Multi-Manager funds. The benchmark comprises 35% IA Mixed Investment 40-85% Shares, 35% IA GBP Strategic Bond and 30% IA Mixed Investment 20-60% Shares.

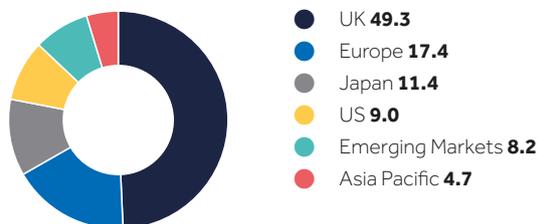
Past performance is not a guide to future returns.

Year on year performance (%)	Backtested Performance		Actual Performance				Rolling Performance – 5 Years
	Oct 13 – Oct 14	Oct 14 – 3rd Jun 15	3rd Jun 15 – Oct 15	Oct 15 – Oct 16	Oct 16 – Oct 17	Oct 17 – Oct 18	
Portfolio for Conservative Growth	2.3	8.1	-2.6	10.1	7.7	-2.6	24.4
Benchmark	3.0	6.3	-2.9	9.7	8.6	-1.5	24.8

Asset Allocation (%)



Geographical equity allocation (%)



Please note figures may not add up to 100% due to rounding.

MARKET REVIEW & OUTLOOK

Global stock markets fell in the three months to 31 October 2018. Investors faced a cocktail of worries including Donald Trump's tussle with China and the threat of rising interest rates, which could add to borrowing costs and slow economic growth.

Uncertainty across the globe made some investors turn to bond markets, which are often less volatile than stock markets. Global bonds performed well over the period, boosted by the strength of overseas currencies against the pound. UK bonds issued by companies delivered a small gain, while UK government bonds lost a small amount of money.

Asia and emerging markets were home to some of the worst performing stock markets. We used the weakness to add to funds like First State Asia All-Cap and Stewart Investors Asia Pacific Leaders at lower prices.

An investment in AXA Framlington UK Select Opportunities was sold and the proceeds added to AXA WF Framlington UK. The former fund has been managed by experienced investor Nigel Thomas for 16 years but he's retiring at the end of the year. He'll be replaced by Chris St John, a manager we hold in high regard. We prefer to back him through the smaller and more nimble AXA WF Framlington UK Fund.

Underlying holdings in focus



MARLBOROUGH MULTI CAP INCOME

This fund combines the growth potential of small businesses with the attraction of a regular income. Its focus on higher-risk small and medium-sized companies differentiates it from most of its peers in the IA UK Equity Income sector. The fund is managed by Siddarth Chand Lall with the support of an experienced UK smaller companies investment team. We hold them in high regard and think they'll deliver strong performance in the long run.



TROY TROJAN

Sebastian Lyon and his team try to deliver growth over the long term, and limit the volatility that normally comes with stock market investing. They increase investments in high quality shares when they think prices are low and rotate into bonds, gold and cash when they feel stock markets offer less potential. We think this fund will hold up well when markets perform poorly, and deliver modest returns when they're rising rapidly. We think it brings stability to the wider portfolio.



M&G GLOBAL MACRO BOND

This fund gives Jim Leaviss and his team the freedom to invest across all bond markets. From government bonds and high quality investment-grade corporate debt, to higher-risk areas like high yield bonds and emerging market debt. He can also use derivatives to boost returns. This means he can make changes to the portfolio quickly, although it can add risk. The manager has a good record of investing in a way that best suits the current economic and bond market conditions and we think his fund could do well over the long term.



MERIAN UK DYNAMIC EQUITY

Luke Kerr invests in companies of all sizes, but mainly focuses on small and medium-sized businesses. They normally get less attention from other investors, so there are plenty of overlooked opportunities to choose from. Smaller companies are higher-risk than larger businesses though. He does something different to a lot of other managers in the UK All Companies sector and has an exceptional track record. We're excited to see how the fund performs over the long term.

IMPORTANT INFORMATION

Factsheet correct as at 31/10/18. All investments and any income from them can fall and rise in value so you may get back less than you invest. Neither income nor capital are guaranteed, unlike a bank or building society account. Investing is not recommended for less than 5 years. This portfolio may invest in funds with exposure to overseas markets, including emerging markets, and smaller

companies. These type of funds could also invest in high yield bonds. The funds may also be able to use derivatives, and invest in a concentrated number of investments. Each of these factors adds risk. For more details please see the key investor information of the HL Multi-Manager Balanced Managed, Strategic Bond and Equity & Bond funds. This portfolio has an ongoing charge of 1.36% plus our platform charge of up to 0.45% per

annum. Source for all figures: Lipper IM/ Hargreaves Lansdown, bid-to-bid pricing, net income reinvested. This factsheet is not a promotion of any funds profiled nor is it personal advice. For more information on these funds please see their key investor information on our website. The HL Multi-Manager funds are managed by our sister company Hargreaves Lansdown Fund Managers.

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