

### PORTFOLIO OBJECTIVE

Aims to maximise income and capital growth by focusing on the stock market.

An adventurous portfolio designed to generate a rising dividend income, alongside capital growth. The focus is on UK shares, but it also includes some investments overseas.

Gross yield, variable, and not a reliable indicator of future performance % 3.67

#### Portfolio Holdings (Target %)

HL Multi-Manager Income & Growth	80
HL Multi-Manager Special Situations	20

#### Portfolio's Top Ten Underlying Holdings (%)

Jupiter Income	13.3
Artemis Income	13.2
J O Hambro UK Equity Income	12.9
LF Woodford Equity Income	12.3
Marlborough Multi Cap Income	8.6
Threadneedle UK Equity Alpha Income	8.4
Majedie UK Income	6.7
Jupiter Asian Income	3.2
Findlay Park American	1.9
Man GLG Japan CoreAlpha	1.6

### 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?

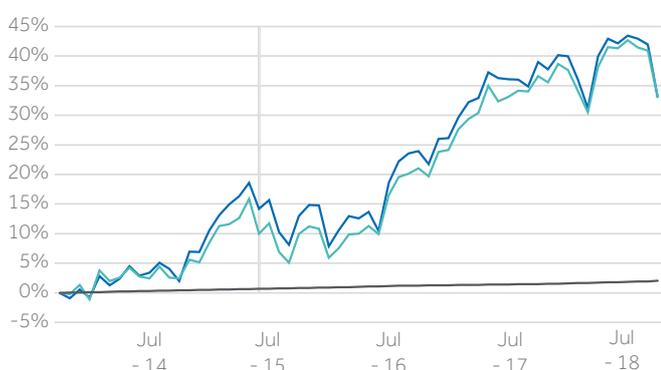
Our proprietary, in-house quantitative model looks at over 2,000 funds and allows us to see more than just past performance. It enables us to drill down and decipher why a fund is at the top (or bottom) of performance tables. A key way to judge a manager is to find out if they consistently add value 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 **+33.0%** ● Benchmark **+32.9%** ● 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 two IA sectors to reflect the benchmark of the underlying Multi-Manager funds. The benchmark comprises 80% IA UK Equity Income sector and 20% IA Global sector.

**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 Adventurous Income	2.0	16.0	-4.5	9.7	12.1	-4.3	33.0
Benchmark	2.4	12.4	-4.5	10.1	12.9	-2.7	32.9

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Asset Allocation (%)



Geographical equity allocation (%)



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

MARKET REVIEW & OUTLOOK

The UK stock market lost money in the three months to 31 October 2018. Investors faced a cocktail of worries including Brexit negotiations, Donald Trump's tussle with China over trade and a spate of elections in Europe.

The UK is home to some of the world's leading businesses. There's a lot of uncertainty around at the moment, but many of them have survived and continued to make money during tough times in the past. We don't expect good businesses to suddenly turn bad overnight. So we're happy to maintain exposure to this area of the market.

We've used the recent share price weakness to add to our favoured funds at lower cost. J O Hambro UK Equity Income and Artemis Income are examples.

There were a number of success stories in the portfolio. Threadneedle UK Equity Alpha Income and LF Woodford Equity Income were just two of the funds that managed to perform better than the broader UK stock market over the period. Performance was also boosted by overseas investments like Man GLG Japan CoreAlpha and Newton Global Income.

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.



JUPITER ASIAN INCOME

Most investors don't look to Asia when investing for income. But that's exactly what this fund does. That makes it different from most other income-paying funds out there. Jason Pidcock tends to focus on developed Asian economies like Australia and Singapore. He looks for sustainable companies run by good management teams, which make plenty of cash to support dividends. He's got a long track record of identifying strong companies with the potential to pay investors a high and rising income.



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.



FP CRUX EUROPEAN SPECIAL SITUATIONS

Richard Pease is one of the most-experienced investors in the European sector. He focuses on companies that are located in Europe, but carry out business across the globe. He looks for companies that do something unique that competitors struggle to do better. They have the potential to do well in both good and bad times for the wider economy. The manager has a great track record of investing in European companies and our analysis puts this down to his ability to select companies with outstanding prospects.

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 funds can 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 Special Situations and Income & Growth funds. This portfolio has an ongoing charge of 1.34% 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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