

# Balanced Growth HL PORTFOLIO +

July 2021

HARGREAVES  
LANSDOWN

## PORTFOLIO OBJECTIVE

Holds a broad spread of investments, aiming for capital growth.

A multi-asset portfolio holding a mixture of shares, bonds and total return funds. It should be less volatile than more adventurous options.

### Portfolio holdings (target %)

HL Multi-Manager Special Situations	45
HL Multi-Manager Balanced Managed	37.5
HL Multi-Manager Strategic Bond	17.5

### Portfolio's top ten underlying holdings (%)

Findlay Park American	10.4
Stewart Investors Asia Pacific Leaders Sustainability	4.8
FSSA Asia All-Cap	4.7
Man GLG Japan CoreAlpha	4.2
Invesco Tactical Bond	3.2
Lindsell Train Global Equity	3.1
Jupiter Strategic Bond	2.8
Barings European Equity Mandate (HL SS)	2.6
Jupiter UK Small & Mid Cap Equity Mandate (HL SS)	2.6
M&G Global Macro Bond	2.5

## THE INVESTMENT MANAGERS



**LEE GARDHOUSE**  
Chief Investment Officer



**RICHARD TROUE**  
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

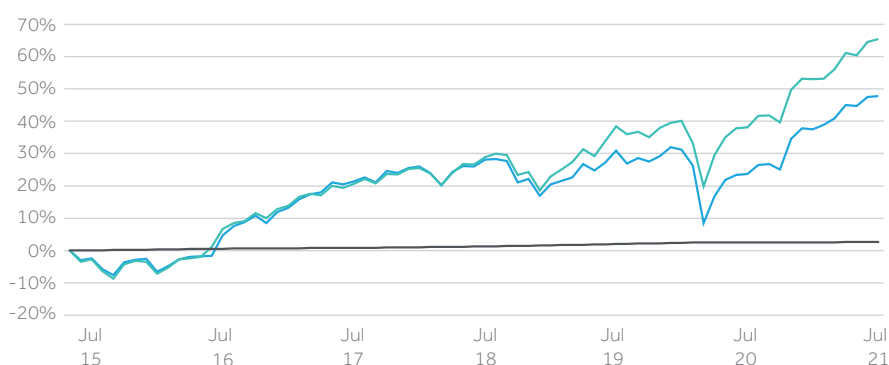
In addition to number crunching, we have unrivalled access to fund managers and conduct hundreds of face-to-face meetings each year. These meetings explore the manager's philosophy, process, team and incentivisation, among other things. We do all this because we want our clients to have exposure only 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.

## PORTFOLIO UPDATE

This portfolio has a holding in LF Equity Income (formerly the LF Woodford Equity Income Fund), in which dealing is currently suspended. This portfolio continues to trade as normal.

## Performance since launch

● Portfolio **+47.8%** ● Benchmark **+65.5%** ● Cash\* **+2.6%**



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

## 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 45% IA Global sector, 37.5% IA Mixed Investment 40-85% Shares and 17.5% IA GBP Strategic Bond.

The portfolios have been available since 03 June 2015.

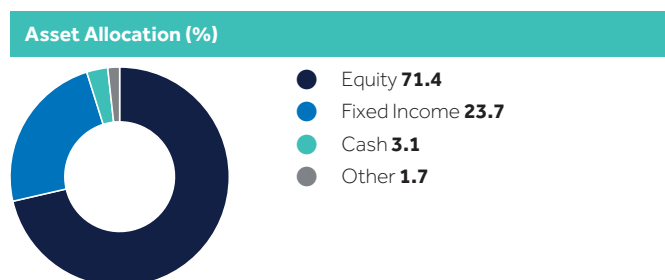
**Past performance is not an indication of future returns.**

## Year on year performance (%)

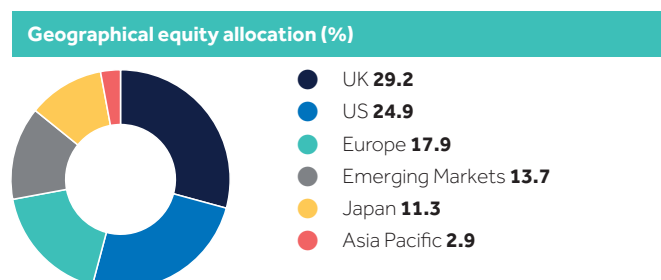
	Jul 16 – Jul 17	Jul 17 – Jul 18	Jul 18 – Jul 19	Jul 19 – Jul 20	Jul 20 – Jul 21	Since launch 03/06/15
Portfolio for Balanced Growth	16.0	5.5	2.1	-5.5	19.5	47.8
Benchmark	13.1	6.8	7.4	-0.2	19.8	65.5

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



## MARKET REVIEW AND OUTLOOK

Global stock markets delivered mixed returns in the three months to the end of July 2021. The US did best, boosted by the strong performance of big tech names like Microsoft, Facebook and Alphabet (formerly Google). UK companies rose 1.8%, with small and medium-sized companies outperforming their larger peers. Asian and emerging markets were the worst performers, falling heavily in response to China's regulatory crackdown on a range of industries.

In bond markets, UK inflation-linked gilts performed best. They proved popular amid concerns that wage inflation and record-high government spending could mean higher inflation is here to stay. UK gilts and UK corporate bonds also made money, as did global bonds, emerging market bonds and high yield bonds.

In terms of activity, we recently initiated a new segregated mandate, managed by Marlborough fund managers Eustace Santa Barbara and Guy Feld. We've invested with the duo and their team through their open-ended funds for several years and hold them in high regard.

Elsewhere, we reduced our investment in Comgest Growth Emerging Markets following a period of disappointing performance. We added the proceeds to the Stewart Investors Asia Pacific Leaders Sustainability fund, managed by David Gait and his experienced team.

## Underlying holdings in focus



### JUPITER GLOBAL VALUE EQUITY

Ben Whitmore and Dermot Murphy seek companies that have fallen out of favour and whose shares can be bought at an attractive price. They invest in those they think will turn themselves around, which could see their share prices rise. If this happens, or if their view on a company changes, they'll sell it and invest the proceeds into a new opportunity. Whitmore has managed funds using this process for many years and we think he has the potential to deliver for long-term, patient investors.



### PYRFORD GLOBAL TOTAL RETURN

Tony Cousins and his team are conservative investors. They aim not to lose money over any 12-month period. They also aim to deliver an inflation-beating return over the long term with relatively low volatility. To achieve this, they invest in government bonds, shares and cash. When their outlook is positive, they invest more in shares. When they're cautious they invest more in government bonds and cash. We expect them to offer some shelter from swings in the stock market.



### M&G GLOBAL MACRO BOND

This fund is run by an experienced manager with great flexibility to invest across global bond markets. A significant proportion of the fund can be invested overseas and it can be heavily exposed to foreign currencies, particularly the US dollar. Jim Leaviss invests with conviction, and proactively adjusts the portfolio in response to changing economic conditions. We think the fund provides important diversification to the UK-focused part of our bond portfolio and offers exposure to currencies other than sterling.

## IMPORTANT INFORMATION

Factsheet correct as at 31/07/2021. 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, smaller companies and 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, Balanced Managed and Strategic Bond funds. This portfolio has an ongoing charge of 1.35% plus our platform charge of up to 0.45% per annum. Source for all figures: Lipper IM/ Hargreaves Lansdown, NAV-to-NAV

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. The Lindsell Train Global Equity Fund holds shares in Hargreaves Lansdown plc.

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