

# True Potential Cautious + Portfolio

## Portfolio Objective

The objective of the True Potential Cautious + Portfolio is to provide investors with a way to achieve their investment goals. The Portfolio offers exposure to a select group of investment partners and a range of risk profiles (Defensive to Aggressive), whilst remaining within the Cautious risk profile. We review the Portfolio monthly and, if necessary, rebalance to the allocation of styles that we believe offers the best opportunity for growth within the Cautious risk profile. The Portfolio aims to produce a higher risk-adjusted outcome at a lower average cost, compared to an equally-weighted model of Cautious funds.

## Risk Profile: Cautious

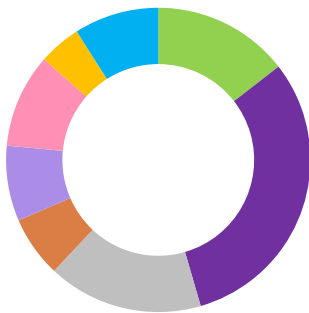
The Cautious Investor may be sensitive to short-term losses. A Cautious Investor's potential aversion to losses could compel them to shift into a more stable investment if significant short-term losses occur. Analysing the risk-return choices available, a Cautious Investor is usually willing to accept somewhat lower returns in order to assure greater safety of his or her investment.

Ongoing Charge Figure (OCF)\*: 0.81%

There are no entry or exit charges.

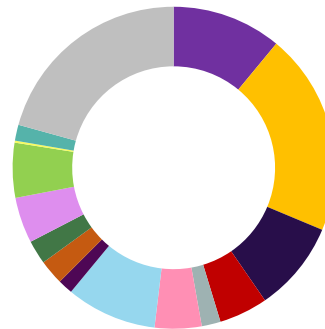
Launch Date: 1st October 2015

## Portfolio Diversification



### Strategy Allocation

Adaptive Investment - True Potential UBS Growth	14.50%
Manager of Managers - True Potential SEI Defensive	31.00%
Directly Invested - True Potential Close Brothers Balanced	16.50%
Fund of Funds - True Potential Schroders Balanced	6.50%
Actively Passive - True Potential 7IM Growth	8.00%
Risk-Based - True Potential Allianz Balanced	10.00%
Alternative Dynamic - True Potential Goldman Sachs Balanced	4.50%
Positive Alignment - True Potential Growth-Aligned Defensive	9.00%



### Asset Allocation

UK Equities	11.00%
North American Equities	20.30%
European (ex UK) Equities	9.10%
Japanese Equities	4.90%
Asia Pacific (ex JPN) Equities	1.90%
Emerging Markets Equities	4.70%
Global Bonds	9.10%
Global Inflation Linked bonds	1.50%
Emerging Market Bonds	2.50%
Global High Yield Bonds	2.40%
UK Gilts	4.60%
UK Credit	5.50%
Property	0.20%
Commodities	1.60%
Cash	20.70%

Strategy and Asset Allocation are subject to change at any time without notice, are for information purposes only and should not be construed as investment recommendations.

The True Potential Growth-Aligned Fund range may be subject to a Share of Growth fee.

Please refer to the Fund Prospectus and Key Investor Information Document (KIID) for more information.

\*OCF payable can fluctuate over time as the underlying investments are variable and can change.

# Investment Commentary

The True Potential Cautious + Portfolio returned 0.34% over the month of November.

In general, global bonds provided muted but positive returns over the month as the likelihood of the Federal Reserve pausing their current interest rate hike cycle increased. Returns from equity markets were positive for the month with global equities up 1.2% in sterling terms as markets bounced back from 'red October'. This resurgence in equity markets was led by Asia Pacific and Emerging Markets; both shy of a 5% return as investors rotated towards higher risk assets. Trailing the pack were both UK and European equities with political instability weighing on investor sentiment.

Moving onto the individual fund performance the True Potential UBS Growth Fund was one of the best performers with larger exposure to Asia Pacific and Emerging Market equities driving returns.

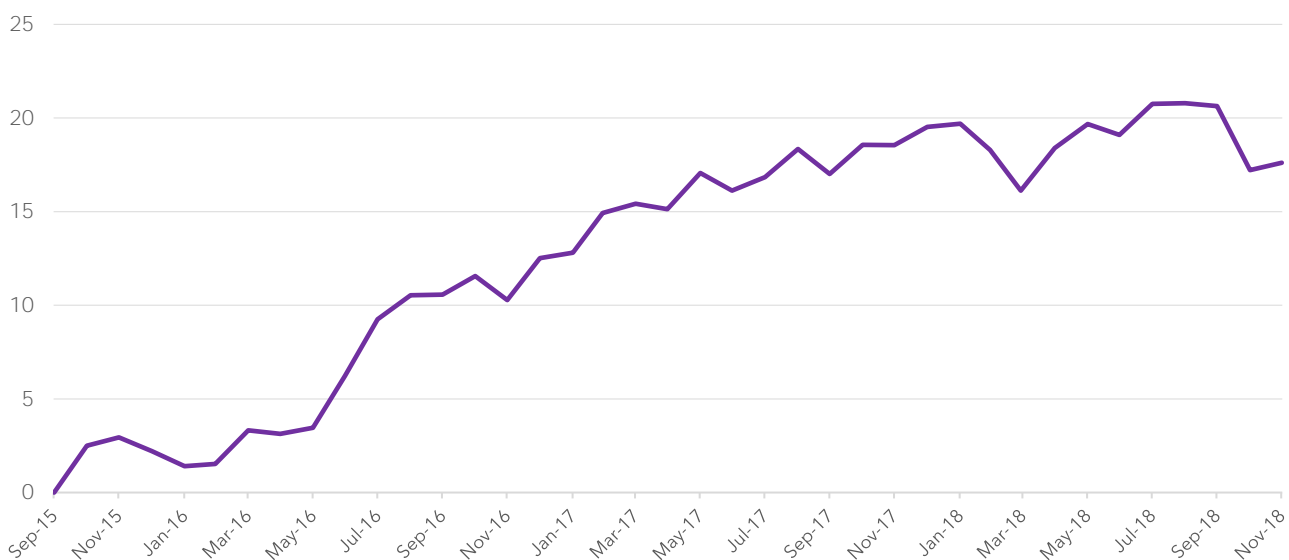
Over the month the True Potential Allianz Balanced and True Potential Goldman Sachs Balanced funds have been reduced in favour of the True Potential Close Brothers Balanced fund. Allianz use a momentum strategy that has worked well but could come under pressure as investors look towards more traditional market movers such as valuation. Goldman Sachs Balanced has been reduced due to their exposure to alternative strategies, some of which look too correlated to equity markets. Close Brothers have been increased due to their ability to spot opportunities during market volatility and their 50% currency hedge, reducing overall currency risk of the Portfolio.

The True Potential Cautious + Portfolio remains optimised across all factors being risk, cost, expected return and risk-adjusted return.

Performance (As of 30 November 2018)						
	1 Month	3 Month	6 Month	1 Year	3 Year	Since Launch
True Potential Cautious + Portfolio	0.3%	-2.6%	-1.7%	-0.8%	14.3%	17.6%

Annual Percentage Growth			
	Nov 2015 - Nov 2016	Nov 2016 - Nov 2017	Nov 2017 - Nov 2018
True Potential Cautious + Portfolio	7.1%	7.5%	-0.8%

## Cumulative Performance (%)



Source: True Potential Investments, based on net asset value (as of 30 November 2018).

Performance is calculated on a Total Return basis and is net of Portfolio OCF.



With investing, your capital is at risk. Investments can fluctuate in value and you may get back less than you invest. Past performance is not a guide to future performance. This factsheet is not personal financial advice.

A Fund Prospectus and Key Investor Information Document (KIID) for each of the underlying investments listed above are available from [www.tpilp.com/wealth-strategy-fund-range](http://www.tpilp.com/wealth-strategy-fund-range) or by email to [investmentmanagement@tpilp.com](mailto:investmentmanagement@tpilp.com).

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