



MFS Model Portfolios

LGT WM in partnership with MFS Independent Financial Advisers

April 2024



Discretionary Balanced Income Portfolio

Asset allocation



Fixed interest	37%
Alternatives	5%
Infrastructure	0%
UK equities	11%
International equities	45%
Cash	2%
Multi-Asset	0%

Top holdings

Vontobel Sustainable Short Term Bond	8.00%
AXA US Short Duration High Yield Bond	8.00%
Lazard Global Listed Infrastructure	7.00%
Evenlode Global Income	6.00%
Jupiter Strategic Bond	5.00%
Schroder US Income Maximiser	5.00%
Muzinich Global Tactical Credit	5.00%
CT UK Equity Income	4.50%
Fidelity Global Dividend Hedged	4.00%
Schroder Asian Maximiser	4.00%

Portfolio information

Launch date	2 January 2019
Min cash holding	2%
Annual management charge	0.20%

Underlying Portfolio costs

Ongoing charge figure	0.64%
Transactional and incidental costs	0.13%
Total cost of underlying portfolio	0.76%

There will be an additional 0.25%pa charge (no VAT) if LGT Wealth Management are asked to act as custodian and a third party platform is not used.

Portfolio objectives

To provide an attractive level of income.

Quarterly investors report

In March, equity markets continued to post strong performance in the month, with the S&P 500, the EuroStoxx 600 and the Nikkei 225 all registering gains. But the top performer in March was the FTSE 100, as increases in oil prices and other commodities helped push the resource-heavy index higher.

Investors found reassurance from the Federal Reserve Chair Jerome Powell's remarks on inflation, which eased concerns, signalling a potential for three rate cuts this year. Across the Atlantic, the ECB hinted at upcoming rate cuts in June, contrasting with the Bank of England's decision to maintain rates at 5.25%, albeit with hints of future easing.

The most important central bank activity last month came from the East, with the Bank of Japan (BoJ) abandoning its negative interest rate policy and altering its asset purchasing programme. This was the first time the BoJ raised rates in 17 years.

Overall, global stock markets rallied, reflecting growing confidence in a soft landing. Nonetheless, the persistence of high interest rates underscored the importance of resilient businesses.

Portfolio description

As well as providing an attractive level of income, the portfolio also aims to provide the potential for some capital growth over the medium to longer term, (5 years plus), whilst aiming to limit fluctuations in value by investing in a diverse portfolio of assets including but not limited to cash, fixed income assets, bonds and gilts, equities and alternative investments.

Performance

	Performance
1 month	1.85%
3 months	2.75%
6 months	7.49%
1 year	7.73%
Since inception	32.12%
	Income
Income	2.55%

Where targets are given, these are for indication purposes only; the actual figures achieved could be more or less than the ranges given. Source: Morningstar. Net of underlying fund costs, gross of all other charges. *Source: Figaro. Fixed income considered saving income, all other asset classes (bar cash) considered dividend income.

Important information

LGT Wealth Management's fees for the management of model portfolios should be VAT exempt and it treats such fees accordingly. However, the firm is aware that the VAT liability of model portfolio management services is due to be reviewed by HM Revenue & Customs. If it is determined that such services should be subject to VAT, it will be necessary for LGT Wealth Management to add VAT to its fees.

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