



# GLOBAL HORIZON PORTFOLIO

## BECKETT ASSET MANAGEMENT LIMITED

RISK PROFILE 9-10

### GLOBAL HORIZON PORTFOLIO COMMENTARY

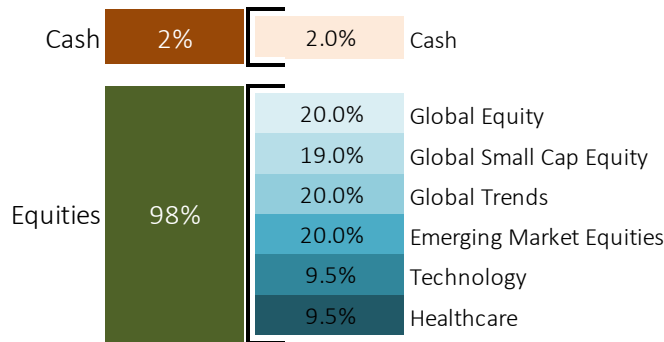
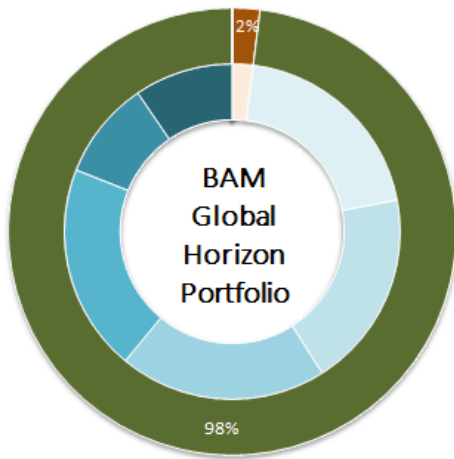
The Global Horizon Portfolio has been launched to cater for clients at the very upper end of the risk tolerance spectrum with a very long investment horizon (15 years plus).

The portfolio will typically be invested in global equity funds with only a small amount of cash to cover fees and small liquidity needs. We will focus on identifying not only the regions and parts of the market capitalisation spectrum we find most attractive in the long-term, but also key themes that benefit from the changes to the world around us and how we live our lives, shifting demographics and advances in areas such as technology and healthcare.

This portfolio is for investors who are comfortable with higher levels of volatility and risk in order to seek attractive potential long-term returns. There may be short periods of time where the themes in the model are out of favour. The model will be benchmarked for both risk and returns against the IA Global sector (Global Equity funds).

Currently we have positioned the portfolio to benefit from a number of key themes, including Technology and Healthcare, which we believe have long-term secular tailwinds given the changing nature of the world around us and the way we live our lives. We have also utilised the expertise of Pictet to invest across a broader range of thematic opportunities via their Global Megatrend Selection fund. Alongside this we also have material weights to Global Small Cap equities and Emerging Market equities as attractive engines of long-term returns for the portfolio.

### PORTFOLIO COMPOSITION



PORTFOLIO COMPOSITION SHOWN IS AS APRIL 2018. PLEASE NOTE THAT ASSET ALLOCATIONS MAY CHANGE OVER TIME.



## STRATEGY DESCRIPTION

This strategy seeks to achieve long-term capital growth, using a fund of funds approach to investment. The strategy is primarily stock market based. The portfolio is comprised of funds that invest across a range of geographical areas. However, the allocations are focused primarily on those sectors, themes, regions and parts of the market that the investment team feel present the best opportunities to generate attractive long-term returns. The funds are selected on a discretionary basis from a number of top fund management houses. The model will be rebalanced at the beginning of each calendar year, which is when changes to fund selection or allocation to themes would be altered. This differs from the other models run by Beckett Asset Management, which are rebalanced quarterly, with any changes to fund selection or asset allocation made at this point.

This strategy is potentially suitable for investors seeking capital growth over the long-term (15 years plus), and prepared to accept a high level of investment risk, i.e. accept the normal risks of investing in the various markets.

## INCOME YIELD

Income yield of this strategy is not a consideration, and is likely to be low.

## STRATEGY BENCHMARK

The performance of the strategy will be measured against the IA Global Sector over the long-term.

## CHARGES ON WRAP

In the region of 0.94%, but subject to change depending on the underlying funds.

## GLOBAL HORIZON PORTFOLIO CONSTITUENTS

FUND NAME	THEME	ALLOCATION	DIFF
Cash	N/A	2.0%	-
Fundsmith Equity	Global Equity	10.0%	-
R&M World Recovery	Global Equity	10.0%	-
Baillie Gifford Global Discovery	Global Small Cap	19.0%	-
Pictet Global Megatrend Selection	Global Trends	20.0%	-
Janus Henderson Emerging Markets Opportunities	Emerging Market Equities	20.0%	-
AXA Framlington Global Technology	Technology	9.5%	-
AXA Framlington Health	Healthcare	9.5%	-

THE INVESTMENTS MENTIONED IN THIS REPORT ARE INTENDED AS LONG-TERM INVESTMENTS. SOME OF THEM MAY GO DOWN AS WELL AS UP AND YOU THEREFORE MAY NOT GET BACK THE FULL AMOUNT INVESTED. WHERE INVESTMENTS ARE DENOMINATED IN FOREIGN CURRENCIES, CHANGES IN THE RATE OF EXCHANGE MAY HAVE AN ADVERSE EFFECT ON THE VALUE OR PRICE OF THE INVESTMENT IN STERLING TERMS. PAST PERFORMANCE IS NOT NECESSARILY A GUIDE TO FUTURE PERFORMANCE. THIS DOCUMENT SHOULD NOT BE CONSTRUED AS AN OFFER DOCUMENT OR SOLICITATION AND IS CIRCULATED BECAUSE THE CONTENTS MAY BE OF INCIDENTAL INTEREST. THE OPINIONS STATED ARE THOSE OF BECKETT ASSET MANAGEMENT LTD, WHICH IS AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.

## RISK CONTROLS AND INVESTMENT STRATEGY CHARACTERISTICS

- The strategy will have a minimum or maximum exposure to any particular asset class or geographical area as defined. The Manager is able to invest up to 100% in equities at their discretion and the current weighting is 98%.
- There is no minimum or maximum that can be invested in one particular theme or sector
- This strategy can invest a significant amount in overseas assets which can be positively or negatively impacted by changes in the relative valuation of currencies if the currency is not hedged.
- The model will be rebalanced at the beginning of each calendar year, which is when changes to fund selection or allocation to themes would be altered. This differs from the other models run by Beckett Asset Management, which are rebalanced quarterly, with any changes to fund selection or asset allocation made at this point.
- The strategy will hold a minimum of 5 different fund holdings and a maximum of 10.
- No individual holding will account for more than 20% of the strategy.
- No investment house will have more than 3 funds represented within the strategy.
- The policy of the strategy is to be managed on a “fully invested” basis.
- In addition to mainstream Unit Trust / OEIC funds, the strategies may also invest, where appropriate, in: Boutique investment house funds, Alternative investment funds (FAIFS), Investment Trusts, Structured Products, Tracker-type investments and ETFs.