



## Investment Managers

|   |      |
|---|------|
| Corporate Bond  | 5%   |
| Invesco<br>Paul Casuser and Paul Read                       |      |
| Equity Income   | 15%  |
| RWC Partners<br>Nick Purves                                 |      |
| Global Equity Income  | 15%  |
| Manulife<br>Paul Boyne                                      |      |
| Strategic Income  | 20%  |
| Multimanager<br>MidOcean, Schroders, BlueBay,<br>TwentyFour |      |
| UK & International Income                                   | 15%  |
| Artemis<br>Adrian Frost                                     |      |
| UK High Income  | 15%  |
| Woodford Investment Management<br>Neil Woodford             |      |
| Worldwide Income  | 15%  |
| Investec<br>Clyde Rossouw                                   |      |
| <hr/>   |      |
| Yield   |      |
| Unit Trust/ISA  | 3.8% |

Portfolio Launch Date - 31 January 2011

## Investment Objective & Risk

The portfolio seeks greater potential for growth in income and some potential for capital growth over the medium to long term. It invests a high proportion in UK equities which offers the prospect of an increasing income (from dividends) over the medium term. The portfolio may also include fixed interest assets. There may be significant fluctuations in value and income, particularly over the shorter term.



Your St. James's Place Partner can provide you with a copy of 'Understanding the balance between risk and reward', which explains investment risk and our risk ratings in more detail.

## Quarterly Commentary as at 31 March 2019

The first quarter of 2019 was positive for global equity and fixed income markets. After dominating headlines in late 2018, fears over rising US interest rates and escalating tensions between the US and China moderated. The US Federal Reserve (the Fed) dramatically changed course by moving away from last year's quarterly interest rate hikes, signalling a willingness to be more patient. Equally, financial market stability may have been revealed as a greater priority for the Fed than previously indicated. In the UK, despite ongoing Brexit negotiations, the FTSE Allshare rose 9.4% as investors focused more on positive employment and wage data than ongoing political uncertainty.

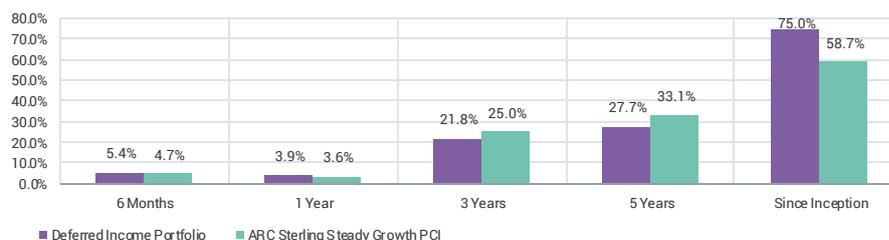
The portfolio rose 8.7% in Q1 2019, benefiting from the recovery in equity and high yield fixed income markets. This was further enhanced by strong manager performance, as six of the seven constituent funds beat their benchmarks. The top-performing fund was UK High Income, which benefited from overweight positions in UK housebuilders and consumer goods.

## Portfolio Performance

### Discrete Annual Performance



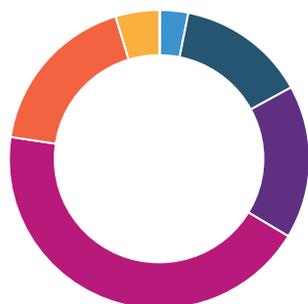
### Cumulative Performance



Performance data source: Financial Express/St. James's Place. Data as at 30 Apr 2019. All figures are percentage growth on a bid to bid basis for accumulation units, income reinvested and in fund currency. Please be aware that past performance is not indicative of future performance. Portfolio fund allocations are not rebalanced automatically. Client Portfolios are likely to have different fund allocations and, therefore, individual investment experience may vary.



Asset allocation



|                    |       |
|--------------------|-------|
| Other              | 0.1%  |
| Asia & Pacific     | 3.0%  |
| European           | 13.9% |
| North American     | 16.6% |
| UK                 | 43.8% |
| Bonds              | 17.9% |
| Cash and Near Cash | 4.7%  |

Performance 12 months ending (%)

| Current Funds                | Launch Date | 30 Apr 2019 | 30 Apr 2018 | 30 Apr 2017 | 30 Apr 2016 | 30 Apr 2015 |
|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Strategic Income             | 02 Nov 2015 | 0.7%        | 2.8%        | 13.8%       |             |             |
| Equity Income                | 03 Feb 1997 | 1.0%        | 9.9%        | 12.5%       | -5.6%       | 2.7%        |
| Global Equity Income         | 10 Apr 2012 | 13.4%       | -0.4%       | 25.8%       | 0.7%        | 13.0%       |
| UK & International Income    | 18 Oct 2010 | -1.5%       | 8.8%        | 15.5%       | -3.5%       | 8.2%        |
| UK High Income               | 02 Jan 1992 | -3.7%       | -4.5%       | 10.4%       | -3.1%       | 11.3%       |
| Corporate Bond               | 01 Sep 1995 | 2.6%        | 2.7%        | 8.9%        | -1.4%       | 3.8%        |
| Worldwide Income             | 10 Oct 2016 | 16.0%       | -2.9%       |             |             |             |
| Previous Funds               | Launch Date | 30 Apr 2019 | 30 Apr 2018 | 30 Apr 2017 | 30 Apr 2016 | 30 Apr 2015 |
| Allshare Income              | 23 Feb 2009 | 1.9%        | 2.5%        | 13.9%       | 2.7%        | 2.6%        |
| International Corporate Bond | 06 Apr 2010 | 3.2%        | 1.1%        | 6.4%        | 0.7%        | 1.0%        |
| Alternative Assets           | 18 Aug 2008 | -5.5%       | 0.0%        | 9.8%        | -6.1%       | 1.1%        |
| UK Income                    | 10 Nov 2014 | 3.5%        | -1.6%       | 8.6%        | -6.2%       |             |

History of fund allocation (%)

|                              | 22 May 2017 | 02 Nov 2015 | 10 Nov 2014 | 10 Apr 2012 | 31 Jan 2011 |
|------------------------------|-------------|-------------|-------------|-------------|-------------|
| Strategic Income             | 20          | 20          | -           | -           | -           |
| Equity Income                | 15          | 15          | 15          | 15          | 20          |
| Global Equity Income         | 15          | 15          | 15          | 15          | -           |
| UK & International Income    | 15          | 15          | 15          | 15          | 20          |
| UK High Income               | 15          | 15          | 15          | 15          | 20          |
| UK Income                    | -           | 15          | 15          | -           | -           |
| Corporate Bond               | 5           | 5           | 10          | 10          | 10          |
| Allshare Income              | -           | -           | -           | 15          | 20          |
| Alternative Assets           | -           | -           | 5           | 5           | -           |
| International Corporate Bond | -           | -           | 10          | 10          | 10          |
| Worldwide Income             | 15          | -           | -           | -           | -           |



## General Risks

- The value of these investments, and the income generated by them, will be affected by changes in interest rates, general market conditions and other political, social and economic developments, in addition to the specific attributes relating to the assets in which they invest.
- The fund price of units and the income may go down as well as up and you may not get back the amount invested.
- The fund may not be appropriate for investors who may wish to withdraw their money in the short to medium term.
- For specific risks applying to the individual funds within the Deferred Income portfolio refer to the relevant fund fact sheet

## Further Caveats

- The portfolio fund split shown overleaf is that which applies to investments made from the most recent fund allocation changes, as shown in the table above. Some funds within your portfolio will perform better than others so, over time, those funds will make up a larger proportion of your investments. Consequently, the weighted average yield and average fund charges on your investments will also fluctuate over time. The portfolio fund allocation will not be rebalanced automatically. You should review your investments regularly to ensure that the balance of risks remains appropriate to your circumstances. Your St. James's Place Partner will help you to do this.
- Equities do not provide the security of capital characteristic of a deposit with a bank or building society.
- The prices of funds and the income from them may go down as well as up. You may not get back the amount invested.
- All data is quoted as of 30 April 2019.
- This portfolio has been rated as Medium. The St. James's Place 'A Guide to understanding the balance between risk and reward including the St. James's Place portfolios and funds', explains investment risk in detail and is available from your St. James's Place Partner.
- The yield for the unit trust portfolio is calculated from the yields of the underlying unit trusts, which are based on mid-market unit prices. The method of calculation varies between different types of unit trust:
- Distribution yields are used for unit trusts which invest mainly in bonds. These are gross of tax and reflect the amounts that might be expected to be distributed over the next twelve months, based on a snapshot of the holdings as at 30 Apr 2019. The distribution yields for some unit trusts are higher than the underlying yields due to the impact of the expenses which are charged to capital.
- For all other unit trusts historic yields are used where available and relevant, these reflect actual distributions over the past twelve months. For newly launched Unit Trusts, or Unit Trusts which have recently changed Fund manager, an estimated yield is shown based on the current portfolio.
- For some unit trusts within the portfolio, a portion of the expenses are charged to capital. This has the effect of increasing the distributions for the year by and constraining the portfolio's capital performance to an equivalent extent.
- Performance since launch assumes investment into the portfolio was made on 31 Jan 2011 and reflects the performance of the individual funds based on the sequence of the underlying fund allocations shown in the table headed 'History of fund allocation'. Past performance of the individual funds is also shown in the table headed "Performance 12 months ending %".