



Sustainable Model Portfolio Service

November 2023

Asset allocation



- Fixed interest
- UK equity
- Overseas equity
- Alternatives
- Liquidity strategies
- Cash

Top 10 holdings

ICS Sterling Liquidity	13.31%
Vontobel Sustainable Short Term Bond	9.48%
Trojan Ethical	7.81%
Brown Advisory Global Sustainable Total	6.84%
Vanguard US Govt Bond Index	5.72%
Rathbone Ethical Bond	5.52%
L&G Global Inflation Linked Bond Index	5.42%
Threadneedle UK Social Bond	4.86%
CG Dollar	4.60%
Threadneedle European Social Bond	3.64%

Portfolio information

Launch date	1 November 2018
Minimum cash holding	2%
Annual management charge	0.25%
Ongoing charge figure	0.40%
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 description

This portfolio looks to achieve capital growth in excess of inflation, whilst supporting inclusive economic development by investing in more environmentally and socially sustainable business practices. The portfolio will look to do this by investing in a diversified range of funds, which allocate capital to sustainable themes, such as healthcare and social housing, financial inclusion and education, the circular economy and renewable energy. The portfolio is diversified across a range of asset classes with a medium allocation to funds investing in equities (expected to be no greater than 40%) and other risk assets. Target volatility: 2%-4.75%

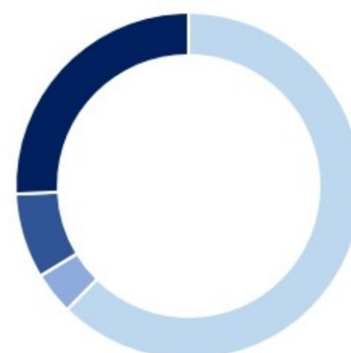
United Nations Sustainable Development Goals



Portfolio pillar mapping

As part of the LGT Wealth Management Sustainable Model Portfolio Service, we have developed four sustainable investment pillars. These pillars encompass investment themes and the related the United Nation's Sustainable Development Goals (UN SDG), which they aim to support. Two of the pillars target social themes and two target environmental themes. This allows the translation of a framework based on a global, wide-reaching social and environmental change into an investable universe of ideas.

Our sustainable investment pillars



Key

Healthcare and societal wellbeing	73%
Financial inclusion and education	3%
Circular economy and resources	10%
Climate and Environmental action	14%

Monthly investment update

The recent attacks by Hamas have shifted the focus to geopolitical tensions, particularly in the Middle East. These events compound existing global concerns, such as the ongoing Ukraine conflict and US-China tensions. Concurrently, central banks worldwide appear to be slowing down their interest rate hikes, with the ECB signalling a possible peak in rates.

Throughout October, there was a persistent rise in longer-dated bond yields, primarily attributed to growing fiscal deficits and the prospect of interest rates being higher for longer. Notably though, the US economy remains robust, as evidenced by surprising GDP growth on the upside. In the corporate realm, earnings reports from tech giants like Alphabet, Microsoft, and Amazon have presented a mixed picture of their performance. Meanwhile, China has adopted fiscal measures, including issuing sovereign debt, to stimulate its economy.

Amidst these developments, central banks are taking a pause to evaluate the rapidly evolving geopolitical landscape, which is further complicated by the rising bond yields, contributing to tighter financial conditions. Therefore, the preference for investment leans towards quality companies with solid balance sheets that can weather economic shocks and deliver long-term returns.

Investment growth



Source: Morningstar

As at last month end	
1 month	-0.88%
3 month	-1.96%
6 month	-1.43%
1 year	1.35%
3 year	-2.55%
Target	
Volatility	2 to 4.75%
Return	3 to 4.5%
Potential drawdown	-5.0%
Yield	
Assumed yield	2.17%
Dividend	27%
Savings	73%

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.

The performance of actual portfolios linked to this Model Portfolio may differ from the performance of the Model Portfolio shown herein due to certain funds contained in the Model Portfolios not being made available for investment into actual portfolios by some investment platforms, the variation in timing of the initial investment or rebalancing differences resulting from minimum transaction size limits on the investment platform.

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