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A Marlborough group company



tavistock  
WEALTH

# ACUMEN

## CONSERVATIVE

OUR VALUES AND YOU. ALTOGETHER GREATER.

### ABOUT TAVISTOCK WEALTH

Tavistock Wealth manages the investment solutions provided to clients of the Tavistock Partnership. The investment company specialises in the management of a series of risk progressive “model portfolios” designed to meet the long term needs of investors. Tavistock Wealth is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

### ACUMEN PORTFOLIOS

The ACUMEN Portfolios are low cost sub-funds of the ACUMEN OEIC and are comprised solely of passive index tracking ETFs. The funds provide multi-asset, global coverage with wide diversification across equity, bond, commodity and property markets. The funds are regulated to the “gold” standard of European regulation – UCITS IV. **The ACUMEN Portfolios have been constructed and optimised in association with BlackRock®.**

### INVESTMENT PHILOSOPHY

Asset allocation, rather than stock selection, is the key driver of risk and returns and the ACUMEN Portfolios are structured accordingly, in line with IA (“Investment Association”) and ABI (“Association of British Insurers”) guidelines. Equities will tend to outperform bonds and cash over the long term but they are subject to higher volatility so to spread risk and smooth returns, a basket of investments is required. This diversification across and within asset classes is sensible and valuable. The ACUMEN Portfolios passively track global markets and also cost significantly less than typical funds and for this reason are likely to outperform their sector.

### ACUMEN FEATURES

- IA Sector – Mixed Investment 20%-60% Shares
- eValue Risk Level 3,5 – Cautious to Moderate Risk
- Target volatility – 5.1% to 7.0%
- Daily liquidity    Daily pricing    Settlement T+4
- Minimum investment of £1,000    NISA Compliant
- No initial fees    No exit fees    No performance fees
- No bid/offer spread    No CGT tax event on trades
- No Stamp Duty on holdings within portfolio

### INVESTMENT OBJECTIVE

The investment objective of the ACUMEN Conservative Portfolio is to seek to deliver long term capital growth by investing in a range of global financial markets. The Fund is conservatively managed and comprised of multi-asset investments.

### INVESTMENT POLICY

The investment policy of the ACUMEN Conservative Portfolio is to gain exposure through investment in a diversified portfolio comprised of passive index tracking regulated collective investment schemes (ETFs) and cash. The minimum bond and/or cash exposure is 30% and equity exposure ranges between 20-60%.

### RISK PROFILE

The ACUMEN Conservative Portfolio is conservative and targets a risk profile of 3.5 on a scale from 1-10, and can be characterised as “cautious to moderate risk”. The portfolio is typically comprised of lower and medium risk investments such as cash, bonds and property as well as a few higher risk investments such as equities and commodities. The portfolio aims to produce annualised volatility in the range of 5.1% to 7.0%.

### BENCHMARKS

The benchmarks for the Acumen Conservative Portfolio are 1.25 times three month British Pound Sterling Libor and the Investment Association’s “Mixed Investment 20-60% Shares” fund sector over a rolling 12 month investment cycle.

### TOP 5 HOLDINGS

iShares Core £ Corporate Bond ETF
iShares Global Corporate Bond ETF
iShares Global Government Bond ETF
iShares Global High Yield ETF
iShares £ Index-Linked Gilts ETF

Top 5 holdings comprise 48% of Portfolio

MONTHLY RETURN: February 2015

**-1.15%**

YTD : **2.60%**    ITD : **6.84%\***

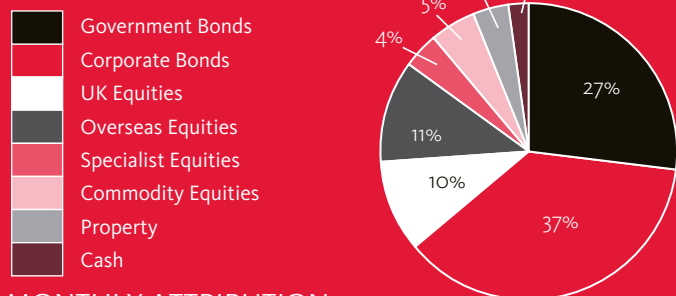
The value of an investment in the Acumen Portfolios may fall as well as rise. Past performance should not be seen as an indication of future performance.

## MANAGER COMMENTARY

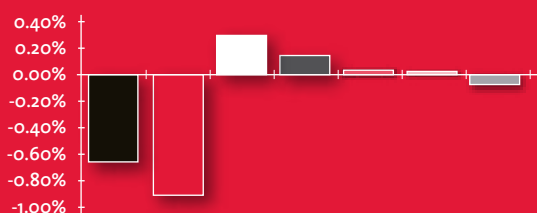
The Acumen Conservative Portfolio returned -1.15% in February and the IA Mixed Investment 20-60% Shares sector gained an estimated\*\* 0.92%. The Portfolio has returned 6.84% since inception on 1st October 2014.

The UK gilt market came under heavy selling pressure during the month of February as investors booked profits in advance of the general election in May and further signs of a strengthening economy. The FTSE 100 gained 2.92% and sterling traded at an eight year high versus the euro. The troubles in Greece remain but the newly elected left-wing government was successful in negotiating a four month extension to its financial aid package, which contributed to a more positive tone in European markets. The MCSI World rose 5.68% and the S&P 500 climbed 5.49% to post another record high. China surprised investors at the end of the month by reducing interest rates by 0.25% and the Shanghai Composite rose 3.11%. Emerging market equities continue to recover and the Mexican and Brazilian markets gained 7.91% and 9.97% respectively. Commodity prices traded higher as the GCSI advanced 6.56%. Light crude oil rose 3.15% and copper climbed 6.78%. The US dollar reached an eleven year high versus a basket of major currencies as the US Dollar Currency index increased by 0.47% to 95.25. Germany auctioned five year government bonds at a negative yield for the first time in its history and more than 2 trillion euros of European government securities are now priced at a yield of less than zero. This is not the case in the UK and US where rates have started to rise in anticipation of the end of "QE" Ten year government rates in the UK rose by a staggering 46 bps and by 32 bps in the US. This is further evidence of a much larger sector rotation out of bonds into equities, and given the low level of real yields the trend is likely to continue for the foreseeable future.

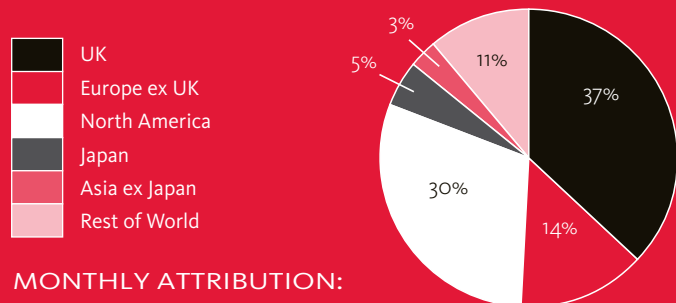
## ASSET ALLOCATION



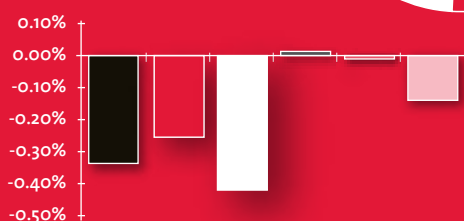
### MONTHLY ATTRIBUTION:



## REGION ALLOCATION



### MONTHLY ATTRIBUTION:



## PORTFOLIO FACTSHEET

# ACUMEN CONSERVATIVE

## SHARE CLASS

Class X Shares  
Annual Management Charge - 0.75%  
Ongoing Charges Figure - 1.16% (estimate)  
Sedol Code - B84LZT8  
ISIN Code - GBooB84LZT8g  
Bloomberg Code - ACCSPA:LN

## PORTFOLIO MANAGERS

Christopher Peel is the Chief Investment Officer of Tavistock Wealth. He carries direct responsibility for all investment at the firm and is the co-manager of the ACUMEN Portfolios and the Tavistock PROFILES, which are risk progressive "model portfolios". Christopher has more than 27 years' experience in financial markets, working with both traditional and alternative asset managers, having held senior positions at both Citibank and Salomon Brothers. Christopher holds a B.A. degree in Economics from Colorado College.

Sefi Roth is the Chief Economist at Tavistock Wealth and is the co-manager of the Tavistock PROFILES and ACUMEN Portfolios. He joined the firm in 2011 and also holds academic teaching positions at University College London and Royal Holloway, University of London. He holds an MSc in Economics from Royal Holloway and is a PhDc in Economics.

## KEY RESPONSIBILITIES

Competent Authority - Financial Conduct Authority  
Investment Manager - Tavistock Wealth Limited  
Authorised Corporate Director - Investment Fund Services Limited  
Depository - National Westminster Bank plc  
Administrator & Custodian - BNP Paribas Securities Services  
Registrar - Investment Fund Services Limited  
Auditor - Ernst & Young LLP

## CONTACT INFORMATION

Tavistock Wealth Limited, 5 Victoria Street, Windsor, Berkshire SL4 1HB  
United Kingdom T: +44 (0)1753 867000 [www.tavistockwealth.com](http://www.tavistockwealth.com)  
E-mail: [investments@tavistockwealth.com](mailto:investments@tavistockwealth.com)

Investment Fund Services Limited, Marlborough House,  
59 Chorley New Road, Bolton, BL1 4QP  
United Kingdom T: +44 (0) 845 123 1084 [www.ifslfunds.com](http://www.ifslfunds.com)

ACUMEN PORTFOLIOS are constructed and optimised in association with

**iShares**  
by BLACKROCK®

The Portfolio is available on the following platforms:



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