

# Multi-Asset Investing

Client Brochure



Signatory of:



# Where we live, where we invest, is where we **THRIVE**



Working with leaders of positive change to enable individuals, businesses and communities to thrive.



Our heritage dates back over 25 years, and our philosophy is one of adaptation to market change and customer needs.



Our expert teams bring expertise in tax-efficient solutions, property and renewables finance, alongside multi-asset investing.



Our offerings are known for flexible design, focused on capital preservation and growth, with relatable return targets.

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# Welcome to Blackfinch

## Blackfinch Group

We're a whole-of-market investment manager, providing a wide range of solutions, suitable for investors in almost any situation. Blackfinch was founded on evolutionary principles, inspired by the work of Charles Darwin. Our ability to adapt and evolve, and our focus on helping others thrive, are core to how we work.

We have a duty of care to all our stakeholders, whether its tech startup founders, financial advisers, retail investors, borrowers, brokers, developers, operators, industry bodies, our own employees or institutional investors. Our actions need to ensure that we all thrive, both now and in the long-term.

## Blackfinch Asset Management

At Blackfinch Asset Management, we provide straightforward investment portfolios with clear, understandable objectives. This is alongside support for your financial adviser. Blackfinch Asset Management Ltd is the promoter and distributor for the model portfolios and Blackfinch Investments Ltd actively manages clients' portfolios.

We work in partnership with your adviser. Our aim is to deliver returns in line with the expectations you agreed with them. The portfolios have objectives targeted at beating inflation. This means you and your adviser can always understand what to expect and see if we're meeting our targets.



**Richard Cook**  
*Founder and CEO*

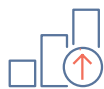


# Investing to build long-term, future prospects.



## Supporting Leaders and Improvers

We prioritise investments where there's enhanced engagement with risk management issues and responsible values. We aim to invest in funds focused on improvement in these areas.



## Strong Performance

We believe acting responsibly is core to businesses' future success. Investing in firms who can demonstrate this can lead to superior returns. There's a positive correlation between firms which improve on factors such as enhanced risk management and share-price performance.



## Positive Screening

We positively screen investments, selecting firms with environmentally conscious and socially responsible business practices as well as good governance in place to protect investments.



## Working for the Future

We continue to seek out fund managers who invest in firms that can deliver improved long-term future prospects. It's not just about recognising what's being done by businesses today. We're focused on encouraging firms to keep the future impact at the forefront of their work.

# Approach to Investing

Blackfinch Investments Ltd manages the investments in your portfolio, investing globally.



## **Your Multi-Asset Portfolio**

We work to ensure that your portfolio holds a wide range of investments. This covers different types of assets including shares (equities) and bonds (fixed income). In taking this approach, we aim to both capture upside returns and manage downside risk.



## **Independent Firm with Global Remit**



















There's scope for us to select from a vast number of investments, covering different strategies. As part of an independently owned company, not tied to a bank or insurance firm, we can look across these to find the most suitable ones for your portfolio.



## **Dedicated Active Managers**

Our investment team includes dedicated specialists whose sole focus is building and managing your portfolio. We're active investment managers, meaning we can buy into and sell out of investments, as and when market conditions dictate.

# Portfolio Features

Portfolio Name	Target Return (rolling 5 year)	Dynamic Planner Rating	Defaqto Rating
Defensive	CPI + 1%	 DYNAMIC PLANNER PROFILED 3	 defaqto RISK RATING 3 VERY LOW RISK
Cautious	CPI + 2%	 DYNAMIC PLANNER PROFILED 4	 defaqto RISK RATING 4 LOW RISK
Balanced	CPI + 3%	 DYNAMIC PLANNER PROFILED 5	 defaqto RISK RATING 5 LOW TO MEDIUM RISK
Growth	CPI + 4%	 DYNAMIC PLANNER PROFILED 6	 defaqto RISK RATING 6 MEDIUM RISK
Enhanced Growth	CPI + 5%	 DYNAMIC PLANNER PROFILED 7	 defaqto RISK RATING 7 MEDIUM TO HIGH RISK
VT Blackfinch Defensive Portfolio Fund	CPI + 1%	 DYNAMIC PLANNER PROFILED 3	 defaqto RISK RATING 3 VERY LOW RISK
VT Blackfinch Cautious Portfolio Fund	CPI + 2%	 DYNAMIC PLANNER PROFILED 4	 defaqto RISK RATING 4 LOW RISK
VT Blackfinch Balanced Portfolio Fund	CPI + 3%	 DYNAMIC PLANNER PROFILED 5	 defaqto RISK RATING 5 LOW TO MEDIUM RISK
VT Blackfinch Income Portfolio Fund	3.5% Annual Yield (net)	 DYNAMIC PLANNER PROFILED 5	 defaqto RISK RATING 4 LOW RISK

# Your Return Targets

The portfolios are centred on delivering returns targeted at beating inflation.

## **Your Options and Goals**

For each portfolio, the target is set by defined amounts over any rolling 5-year period. We also offer a solution targeting a specific level of income. You and your adviser can select the portfolio most appropriate for your financial goals. Whatever you choose, you can understand exactly what sort of return to expect and see if we're meeting our objectives.

## **Return Targets and Risk Management**

We manage your portfolio, aiming to deliver returns in line with the expectations agreed between you and your adviser. We're also responsible for ensuring that your portfolio stays within the level of risk that you have agreed with your adviser.

## **Portfolio Rebalancing**

Portfolio rebalancing helps us ensure that your portfolio continues to perform as intended. With a wide range of investments, the diverse range of assets will perform in different ways, shifting in value over time. The portfolio will be exposed to higher levels of risk in areas that have grown in value the most. Rebalancing enables us to reduce risk on an ongoing basis.

# Client Benefits



## Communication

All communication from us will come via your adviser. We produce monthly factsheets containing a market commentary and details of portfolio activity. We have designed these to provide a regular update on the changes to your portfolio.

We also produce an investment report each quarter, giving more detail on wider financial markets and factors that have driven returns. In addition, we produce ad-hoc commentary and overviews on topics affecting your portfolio's performance. Our aim is always to keep you as up to date and informed as possible.

## Active Management

Daily monitoring to capture upside potential and protect capital

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## Clear Objectives

Targeting inflation-linked returns, relevant and understandable

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## Risk Management

Through regulated, globally diversified, multi-asset investments

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## Wide-Ranging Availability

Can be held within a range of tax-efficient wrappers and General Investment Accounts (GIAs) with no minimum investment amounts

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## Liquidity

Fully liquid portfolios

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## Responsibly Managed

Reassurance that your investment is contributing to long-term prospects

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# Glossary

## **Active Management**

The use of a human resource, such as an individual, co-managers or team, to actively manage a portfolio. Active managers rely on analytical research, forecasts, judgement and experience to decide what securities to buy, hold and sell.

## **Asset Classes**

Different categories of investments are described as asset classes. Equities, bonds, and cash are the major asset classes. When we allocate the assets in your portfolio, we decide what proportion of its total value will be invested in each asset class.

## **Downside Risk**

An estimation of an asset's potential to decline in value if market conditions change, or the amount of loss that could be sustained as a result of the decline.

## **Multi-Asset Investing**

Holding different types of assets in a portfolio. A multi-asset investing strategy may include equities, bonds, cash and many other types of assets.

## **Portfolio Rebalancing**

The process of realigning the weightings of a portfolio. It involves periodically buying or selling assets to ensure a diverse range and manage risk.

## **Volatility**

A measure of how much the price of an asset fluctuates over a given time. The faster the price of an investment moves, the more volatile it's deemed to be.

# Risks

This investment may not be suitable for all investors. It is available through financial advisers, with whom investors should consult before making a decision. You should carefully consider the following risk factors together with all other information contained in this brochure.

Each portfolio offered by Blackfinch Asset Management represents a medium to long-term investment and can be viewed as such. The range of assets, to which Blackfinch Asset Management portfolios provide exposure, all bring levels of investment risk. It is important that you work with your adviser to understand levels of return in relation to levels of risk and what is most suited to your risk profile.

Please bear in mind that fees and charges can affect investment performance. You and your adviser can refer to the relevant portfolio factsheet detailing the annual management charge, along with the costs involved in investing in the underlying funds that form the portfolio. This can help you and your adviser to plan effectively.

## Capital is at Risk

Past performance is not a guide to future returns. The value of investments, and income from them, may go down as well as up. Investors may get back less than invested. Changes in rates of exchange may adversely affect the value of an investment. Changes in interest rates may impact the value of fixed interest investments. The value of investment may be affected if issuers of underlying fixed interest holdings default, or perception of their credit risk changes in the market. There are additional risks related to investments in emerging or developing markets.

## Volatility Risk

The value of investments can go up and down. Volatility measures the rate at which they do. Equities are usually higher volatility than bonds, while cash is low volatility. There is a relationship between the level of volatility you take on in investing and the expected return. Greater volatility brings the potential for greater returns but also greater losses.

## Inflation Risk

Inflation is a general increase in prices and a fall in the purchasing value of money. It can affect the value of assets in which you have invested. Cash is the asset most susceptible to inflation risk. There is also a relationship between interest rates and rates of inflation. If the interest rate payable on cash is below the rate of inflation, this reduces the real value of cash.

## Currency Risk

UK investors will view investments in sterling. Assets such as overseas company shares may be priced in foreign currencies. Their values will be dependent on the prices of the assets and the relationships of the currencies with the pound. In this way foreign currency investments can be more volatile.

*The information set out above is not an exhaustive summary of the risks of investing in the portfolios offered by Blackfinch Asset Management.*

# Important Information

Blackfinch Asset Management Limited is an Appointed Representative of Blackfinch Investments Limited which is authorised and regulated by the Financial Conduct Authority. Registered address: 1350–1360 Montpellier Court, Gloucester Business Park, Gloucester, GL3 4AH. Registered in England and Wales company number 11639647.

Prospective investors must seek advice on the legal, taxation, financial and other consequences of investing and the risks involved. Prospective investors should not treat the contents of this brochure as advice relating to legal, taxation or other matters and, if in any doubt about the proposal discussed in this brochure, its suitability, or what action should be taken, should consult their own professional advisers.

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This brochure and the information contained in it are not for publication or distribution to persons outside the United Kingdom.

The portfolios offered by Blackfinch Asset Management may not be suitable for all investors and we would recommend that prospective investors seek independent advice before making a decision.

This brochure is intended as a summary only. Investors and advisers considering an investment should read the brochure in line with the relevant fact sheets.

For information on how we use personal data, including with third parties outside of the European Economic Area (EEA) please refer to our Privacy Policy on our website.

# Find Out More

Thank you for taking the time to look at what Blackfinch Asset Management can offer you. To learn more, please speak to your financial adviser, who can provide you with further details.

**01452 717070**

**[bfamsales@blackfinch.com](mailto:bfamsales@blackfinch.com)**

**[www.blackfinch.am](http://www.blackfinch.am)**

