



# BLACKFINCH

ASSET MANAGEMENT

## Adaptations

*Client Information Sheet*



Signatory of:



## At Blackfinch Asset Management, we provide straightforward investment portfolios with clear, understandable objectives.

We're part of Blackfinch Group, an independent investment specialist with a heritage dating back over 25 years. The Group's businesses cover multi-asset investing, tax-efficient solutions, early stage investing and property financing.

Blackfinch are a whole-of-market investment manager, providing a wide range of solutions, suitable for investors in almost any situation. We assess opportunities for a wide range of factors as part of our investment process, to help build improved future prospects. Across the Group we're working for a positive impact and working for a better future.

The Blackfinch Asset Management Portfolios are actively managed by Blackfinch Investments Limited. Blackfinch Asset Management Limited act as the promoter and distributor of the model portfolio service.

## How do you work with my financial adviser?

We work in partnership with your financial adviser and they remain your key point of contact. At Blackfinch, our main role is to manage your investment portfolio, aiming to deliver returns in line with the expectations agreed between you and your adviser.

Blackfinch Investments Limited look after the day to day management of your investment and are also responsible for ensuring that your portfolio stays within the level of risk that you have agreed with your adviser. We report and correspond regularly with your adviser. They also have unrestricted access to our investment teams, ensuring a free flow of information.

## What level of investment return can I expect?

Our portfolios are centred on delivering returns targeted at beating inflation. This is by defined amounts over any rolling 5-year period. We also offer a solution targeting a specific level of income.

Whatever portfolio you choose, you can understand exactly what sort of return to expect and easily see if we're meeting our objectives. You and your adviser can select the portfolio that's most appropriate for helping to achieve your financial goals.

## How do you manage my investment?

Blackfinch Investments Limited (we) manage the investments within your portfolio, investing globally ensuring your investment 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. 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 company, we can look across these to find the most suitable ones for your portfolio.

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

## How do you support responsible values when investing?

We assess multiple factors in investments, including risks to society, the environment, financial sustainability and more. We look for firms with well thought-out responsible business practices and policies in place. 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.

## What is portfolio rebalancing and why do you do it?

The process of rebalancing is mainly an administrative task. It helps to ensure that your portfolio continues to perform as intended. We aim for diversification – spreading risk across a wide range of investments.

As time goes by, the assets within your portfolio aren't all going to perform in the same way. As the underlying assets shift in value over time, the portfolio is exposed to higher levels of risk in the areas that have grown in value the most. Rebalancing ensures that we maintain the intended levels of diversification on an ongoing basis.

## How do you keep me updated on the progress of my investments?

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.

## 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

### **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 Company in England & Wales under No. 11639647.

