

# NorthStar Defensive Growth Portfolio

August 2021

## Key Information

A summary of key information about the NorthStar Defensive Growth Portfolio:

### Inception Date

01.01.15

### Current Holdings

28

### FE Risk Score

36

### Historic Yield

1.82%

### Targeted Average Annual Return<sup>1</sup>

3-4%

### Passive/Active Split

56/44

### Indicative Risk Level

2/10

### Rebalance Frequency

Biannual

### Benchmark<sup>2</sup>

IA Mixed Investment 0-35% Shares

## Portfolio Charges

At NorthStar, we're committed to providing clear and simple charges for our investment portfolios. We believe in total transparency so you'll always know what you will pay.

The charges for the NorthStar Defensive Growth Portfolio are:

### Annual Portfolio Charge (OCF)<sup>3</sup>

0.38%

## Investment Objective

The NorthStar Defensive Growth Portfolio is suitable for investors who are seeking capital growth but require a high level of capital security, protecting their investment from the majority of short-term market fluctuation. The portfolio is constructed using a broad range of assets which may include equities, fixed income, property, infrastructure, alternative investments and cash. The diversification and low-risk construction of this portfolio will insulate investors from a significant amount of short-term market volatility and provide a high degree of capital protection. Equity exposure will typically be around 30%, meaning long-term returns may be lower than some portfolios in the NorthStar range to achieve the required level of capital security.

Due to the nature of underlying holdings, investment in this portfolio should be seen as a long-term strategy. Risk aspects include inflation risk, capital risk, shortfall risk, and exchange rate risk. The portfolio targets capital growth in excess of 3-4% per annum over a rolling 5-year period and is benchmarked against the IA Mixed Investment 0-35% Shares sector average. Values may fall as well as rise and investors may not get back the amount originally invested.

## Portfolio Performance

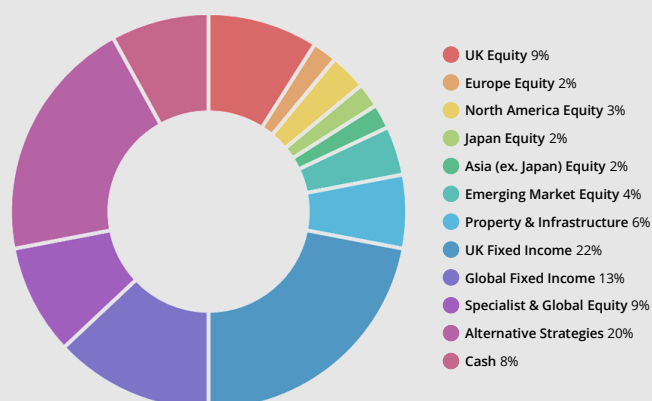
Performance of the NorthStar Defensive Growth Portfolio to August 2021:



	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
NorthStar Defensive Growth Portfolio	1.3%	2.8%	9.9%	13.4%	20.9%	30.6%
Benchmark: IA Mixed Investment 0-35% Shares	1.6%	3.9%	6.9%	11.1%	18.4%	26.2%
Relative Performance	-0.3%	1.1%	3.0%	2.3%	2.5%	4.4%

## Asset Allocation

Current asset allocation of the NorthStar Defensive Growth Portfolio:



## Portfolio Commentary

Global investment markets continued to push higher in recent months as many countries began to lift COVID restrictions. Vaccination rollouts have allowed most governments in Europe and North America to start to re-open their economies with consumer demand rebounding strongly. The picture is more mixed in many Asian regions and there are some significant challenges for the majority of developing nations to establish an effective COVID suppression strategy.

The re-opening of the global economy has also seen a surge in commodity prices, with the cost of fuels and other raw materials rising in many regions leading to a spike in inflation. Many central banks have indicated they are likely to accept higher inflation over the coming years but there remain concerns that interest rates may have to rise to keep price rises under control if this level of inflation persists. This factor, along with concerns over new COVID variants took the edge off returns over the summer months, but the general direction of most markets remains upward.

The NorthStar Defensive Growth Portfolio recorded a return of 3.4% during the six months since the last investment review. This performance saw it finish the period ahead of the benchmark which was up by 2.8%. Over the past year as a whole, the portfolio is up by 9.9%, well ahead of the benchmark. The best performing fund was Marlborough UK Micro Cap Growth, with a return of over 23% during the past six months. At the other end of the spectrum was JPM Asia Growth, recording a fall of nearly 10% over this period.

Investment returns are likely to be driven largely by the recovery from the pandemic during the remainder of 2021. Significant challenges remain in terms of vaccine delivery in developing countries, the co-ordination of government strategies, barriers to travel, economic recovery policies and the risks of new variants. How these factors are handled is likely to determine the outlook for investors over the next few years.

## Constituent Funds

<b>UK Equity</b>	<b>9%</b>
Vanguard UK All-Share Index	4%
Franklin UK Equity Income	3%
HSBC FTSE 250 Index	1%
Marlborough UK Micro Cap Growth	1%
<b>Europe Equity</b>	<b>2%</b>
Vanguard FTSE Developed Europe ex-UK Equity Index	2%
<b>North America Equity</b>	<b>3%</b>
Fidelity US Index	3%
<b>Japan Equity</b>	<b>2%</b>
Vanguard Japan Stock Index	2%
<b>Asia (ex. Japan) Equity</b>	<b>2%</b>
JPM Asia Growth	1%
Vanguard Pacific ex-Japan Stock Index	1%
<b>Emerging Market Equity</b>	<b>4%</b>
Vanguard Emerging Markets Stock Index	4%
<b>Property &amp; Infrastructure</b>	<b>6%</b>
FP Foresight Global Real Infrastructure	5%
iShares Global Property Securities Equity Index	1%
<b>UK Fixed Income</b>	<b>22%</b>
iShares Corporate Bond Index	9%
Artemis High Income	7%
Vanguard UK Government Bond Index	3%
Vanguard UK Short-Term Investment Grade Bond Index	3%
<b>Global Fixed Income</b>	<b>13%</b>
Vanguard Global Bond Index	6%
Vanguard Global Short-Term Bond Index	5%
Schroder High Yield Opportunities	2%
<b>Specialist &amp; Global Equity</b>	<b>9%</b>
AXA Framlington Global Technology	2%
Legal & General Global Health & Pharmaceutical Index	2%
Sarasin Food & Agriculture Opportunities	2%
Vanguard Global Small-Cap Index	2%
Guinness Sustainable Energy	1%
<b>Alternative Strategies</b>	<b>20%</b>
Threadneedle Dynamic Real Return	13%
BNY Mellon Real Return	5%
Invesco Global Targeted Returns	3%
<b>Cash</b>	<b>8%</b>
Royal London Short Term Money Market	8%

## About NorthStar Wealth Management

At NorthStar, we bring a fresh perspective and innovative approach to wealth management. Our team of chartered financial planners combine their expertise with the latest technology to provide the highest quality independent financial planning and advice. We help our clients take control of their money, grow their wealth, protect their lifestyle and plan for a more certain future.

## Contact NorthStar Wealth Management

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1. Targeted average annual return is based on the average long-term returns of applicable asset classes and is in no way guaranteed. 2. Over a rolling 5-year period. 3. Portfolio charges are calculated using the average fund charges across all applicable platforms. Performance data are on a bid-to-bid basis, with income reinvested. Performance data do not take into account platform or advisory charges and exclude any holdings in platform 'cash accounts'. Performance data show returns for discounted 'super clear' funds where these are available. Such funds may not be available on all platforms. Performance data are rounded to the nearest 0.1% so small rounding errors may occur. Data correct as at 01.08.21. Source: FE. The value of investments and the income from them can fluctuate and investors may not get back the full amount invested. Past performance is not necessarily a guide to future performance. The tax treatment of investments depends on individual circumstances and is subject to changes in tax legislation. Figures are provided for illustrative purposes only and their accuracy cannot be guaranteed. Information provided should not be relied upon in isolation when making investment decisions and does not constitute advice or an offer to purchase any investment or product. Please contact us for more information on our range of portfolios. © NorthStar Wealth Management Group Ltd. Registered in England and Wales: 09069129. Authorised and regulated by the Financial Conduct Authority. Registered office: Ocean Village Innovation Centre, Ocean Way, Southampton, Hampshire, SO14 3JZ.