

# NorthStar Safety Portfolio

August 2021

## Key Information

A summary of key information about the NorthStar Safety Portfolio:

**Inception Date**

01.01.15

**Current Holdings**

15

**FE Risk Score**

23

**Historic Yield**

1.70%

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

2-3%

**Passive/Active Split**

49/51

**Indicative Risk Level**

1/10

**Rebalance Frequency**

Biannual

**Benchmark<sup>2</sup>**

IA Targeted Absolute Return

## Investment Objective

The NorthStar Safety Portfolio is suitable for investors who require extremely high capital security and wish to protect their investment from short-term market fluctuation. The portfolio is constructed using a broad range of low-risk 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 the majority of short-term market volatility and provide significant capital protection. Long-term returns may be lower than other portfolios in the NorthStar range to achieve the required level of capital security.

This portfolio is not risk-free and investment in this portfolio should be seen as a long-term strategy. Risk aspects include inflation risk, shortfall risk and some exchange rate risk. The portfolio aims to provide significant downside protection, targets capital growth in excess of 2-3% per annum over a rolling 5-year period and is benchmarked against the IA Targeted Absolute Return 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 Safety Portfolio to August 2021:



	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
NorthStar Safety Portfolio	1.0%	1.7%	4.8%	9.1%	13.1%	18.8%
Benchmark: IA Targeted Absolute Return	0.3%	2.7%	6.9%	6.5%	10.1%	12.2%
Relative Performance	0.7%	-1.0%	-2.1%	-2.6%	3.0%	6.6%

## 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.

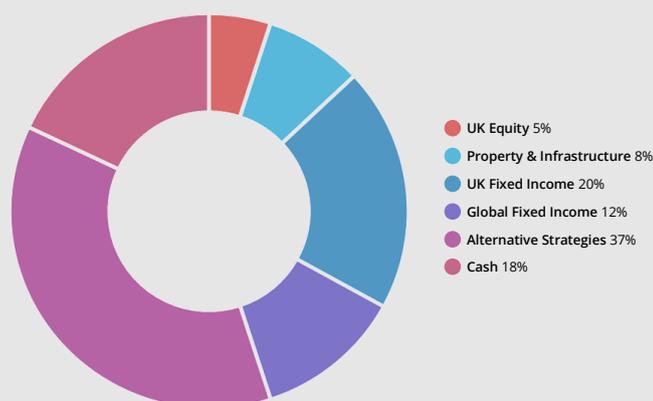
The charges for the NorthStar Safety Portfolio are:

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

0.41%

## Asset Allocation

Current asset allocation of the NorthStar Safety 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 Safety Portfolio recorded a return of 1.7% during the six months since the last investment review. This performance saw it finish behind the benchmark which ended the period 2.7% higher. Over the past year as a whole, the portfolio is up by 4.8%. The best performing fund was Vanguard FTSE U.K. All Share Index, with a return of over 12% during the past six months. At the other end of the spectrum was FP Foresight Global Real Infrastructure, recording a fall of over 6% during 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>5%</b>
Vanguard UK All-Share Index	5%
<b>Property &amp; Infrastructure</b>	<b>8%</b>
First Sentier Global Listed Infrastructure	4%
FP Foresight Global Real Infrastructure	4%
<b>UK Fixed Income</b>	<b>20%</b>
iShares Corporate Bond Index	10%
Vanguard UK Short-Term Investment Grade Bond Index	5%
Artemis High Income	3%
Vanguard UK Government Bond Index	1%
Vanguard UK Inflation Linked Gilt Index	1%
<b>Global Fixed Income</b>	<b>12%</b>
Vanguard Global Bond Index	7%
Schroder High Yield Opportunities	3%
Vanguard Global Short-Term Bond Index	2%
<b>Alternative Strategies</b>	<b>37%</b>
Threadneedle Dynamic Real Return	18%
BNY Mellon Real Return	13%
Invesco Global Targeted Returns	6%
<b>Cash</b>	<b>18%</b>
Royal London Short Term Money Market	18%

## 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.