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# Close Managed Portfolio Service (MPS)

Multi asset class portfolios invested across different geographies and available in four risk profiles.

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The Managed Portfolio Service (MPS) is a discretionary, actively managed service for private clients. There are four different risk profiles to suit a range of needs. Through MPS, you have access to professionally managed portfolios invested in third party funds with a global outlook.

The portfolios are designed as a long-term investment and may not be suitable if you plan to withdraw your money within five years.

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## Risks

The value of investments and the income from them can go down as well as up. Investors may get back less than the full amount originally invested. If you are unsure about any information contained within this document, or the suitability of this investment to meet your needs, you should speak to your financial adviser.

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## Investment philosophy

Our investment philosophy is guided by four core principles:

- A focus on prudent management of capital.
- A diversified approach.
- Active investment management.
- Institutional discipline within a collegiate culture.

## Prudent management of capital

We invest according to today's market conditions but also within the context of a long-term strategic framework. Our asset allocation and fund selection decisions focus on delivering an optimal combination of income and growth, as well as achieving a return greater than inflation, within an agreed tolerance for risk.

## A diversified approach

We believe that the best way to deliver optimal risk adjusted returns is through diversification: investing across asset classes and global regions. We invest in liquid funds because it allows us to respond to changing market conditions quickly and enables us to meet the growth, income and drawdown needs of clients.

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## Active investment management

The foundation of our investment approach is strategic asset allocation – the practice of identifying and assembling the optimal mix of asset classes to maximise returns at a given level of risk over the long-term.

We complement this longer-term framework by anticipating and acting on short-term market swings or disconnects between and within asset classes. This is called tactical asset allocation.

The purpose of tactical asset allocation is not to alter, fundamentally, a portfolio's long-term risk profile but to enhance returns and reduce losses by making adjustments to the portfolio's framework to reflect the market environment as we see it today.

## Institutional discipline

We have a team of over 50 investment professionals. More than two-thirds have 15 years' or more investment experience. We encourage open debate within a structured framework of daily, weekly, monthly and quarterly meetings. This ensures all our investment holdings are rigorously reviewed and new investment opportunities are shared and discussed.

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## Research process

A rigorous and robust research programme greatly increases the likelihood of identifying investment managers that can outperform over the medium to long-term.

We look for managers with an investment process that is repeatable and easy to understand, and where past performance is aligned with their process and style. Importantly, we like managers who share our own philosophy for delivering strong, risk-adjusted returns.

## Typical investor

Our MPS is designed for investors seeking exposure to global investment markets through third party funds in order to optimise returns. Clients have the flexibility to switch between portfolio strategies if their circumstances or objectives change.

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## Performance and reporting

We believe in clarity and transparency of reporting, delivered in a timely way and tailored to reflect our investment services. We produce monthly factsheets showing key performance information and full disclosure of all the portfolio holdings, along with a review of economic and market trends.

## Investment strategies

There are four strategies in the range to suit different risk-return appetites. Investors can choose whether to focus on capital growth or income, or a combination of the two depending on their requirements.

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## Portfolio descriptions

Each of our strategies uses third party funds to gain exposure to the different asset classes, helping to spread manager risk.

### Income Plus Portfolio

To provide a steady income stream with some capital growth through investment in bonds, UK and International shares with a dividend focus, and income-orientated alternative type assets, which help spread risk.

### Conservative Portfolio

To deliver moderate capital growth with some income through investment in bonds, UK and International shares, and alternative type assets, which help spread risk.

### Balanced Portfolio

To grow the capital value with some income through investment in bonds and UK and International shares, with some exposure to alternative type assets to spread risk.

### Growth Portfolio

To grow the capital value primarily through investment in UK and International shares, with some exposure to bonds and alternative type assets to spread risk.

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