



# PRAGMATIC INVESTING

How the portfolios have done so far which is Dec 14 as the newest fund (Aviva Investors Multi Strategy Target Income) was launched at this point given the portfolio returns in its entirety.

I have used the following indexes in the growth chart and have provided below details of what each represents, it should be stated these are both broad indexes to reflect equity markets in UK and government bond (debt) markets in UK.

## **FTSE All Share – What is it?**

The FTSE All-Share Index comprising around 600 traded on the London Stock Exchange. It aims to represent at least 98% of the full capital value of all UK companies that qualify as eligible for inclusion.

FTSE All-Share is the aggregation of the [FTSE 100 Index](#), [FTSE 250 Index](#) and [FTSE SmallCap Index](#). The index is maintained by FTSE Russell, a subsidiary of the London Stock Exchange Group.

## **FTSE 100**

The FTSE 100 broadly consists of the largest 100 qualifying UK companies by full market value. Many of these are internationally focused companies, however, so the index's movements are a fairly weak indicator of how the UK economy is faring - as seen with many of the recent swings corresponding to the value of sterling.

## **FTSE Actuaries Government Securities UK All Gilts Index**

This index's full title is actually the FTSE Actuaries Government Securities UK Gilts All Stock Index, and it gives exposure to a diversified basket of UK government bonds, across all different maturities. That is, there are no index-linked holdings within this exclusively sterling denominated fund. That makes this index a brilliant tool for buying into a diversified basket of what are called conventional government securities, otherwise known as gilts.

## Pragmatic Investing Moderate

### Portfolio Objective

The portfolio is designed to provide a return in the range of 6-8% per annum over a 7-10 years with a maximum equity exposure of 70%.

I include both cumulative and discrete performance to get a greater understanding of the manner in which the returns are being achieved. Often cumulative figures mean a total return since launch and I think what is important is to see a consistency in the returns and important how the portfolios do when markets dip as they will of course do from time to time. Cumulative figures can be distorted by a great year which may mask by 2 out of 3 bad years for example.

Discrete performance shows a performance on an annual basis in this instance and shows the portfolio's ability to protect to a great extent when markets fell in 2015.

### Risk

The Risk O-Meter provided by Trustnet shows FTSE 100 and as the software is unable to include the FTSE All Share and the FTSE Actuaries UK Conventional Gilt All Stocks index but is a rough indicator on the risk being taken whilst achieving the returns.



Cumulative Performance

Discrete Performance

Annualised Performance

Key	Chart	Instrument	1m	3m	6m	1y	3y	5y	10y	Since Launch	
B	<input checked="" type="checkbox"/>	FTSE All Share	6.6%	1.6%	-0.0%	4.0%	10.1%	22.0%	31.2%	4050.8%	<input checked="" type="checkbox"/>
C	<input checked="" type="checkbox"/>	FTSE 100	6.9%	1.3%	-0.2%	4.0%	8.0%	16.8%	21.4%	654.3%	<input checked="" type="checkbox"/>
D	<input checked="" type="checkbox"/>	FTSE Actuaries UK Conventional Gilts All Stocks	-1.5%	0.6%	-1.6%	-3.8%	1.9%	1.6%	20.3%	62.7%	<input checked="" type="checkbox"/>
A	<input checked="" type="checkbox"/>	My Portfolio	2.7%	0.0%	-0.9%	3.0%	24.0%	-	-	29.1%	<input checked="" type="checkbox"/>

Performance values rebased to Pound Sterling.

Cumulative Performance

Discrete Performance

Annualised Performance

Key	Chart	Instrument	0-12m	12m-24m	24m-36m	36m-48m	48m-60m	
B	<input checked="" type="checkbox"/>	FTSE All Share	4.0%	16.6%	-9.3%	3.5%	7.0%	<input checked="" type="checkbox"/>
C	<input checked="" type="checkbox"/>	FTSE 100	4.0%	16.2%	-10.7%	2.4%	5.6%	<input checked="" type="checkbox"/>
A	<input checked="" type="checkbox"/>	My Portfolio	3.0%	16.0%	3.8%	-	-	<input checked="" type="checkbox"/>
D	<input checked="" type="checkbox"/>	FTSE Actuaries UK Conventional Gilts All Stocks	-3.8%	4.9%	1.0%	6.8%	-6.7%	<input checked="" type="checkbox"/>

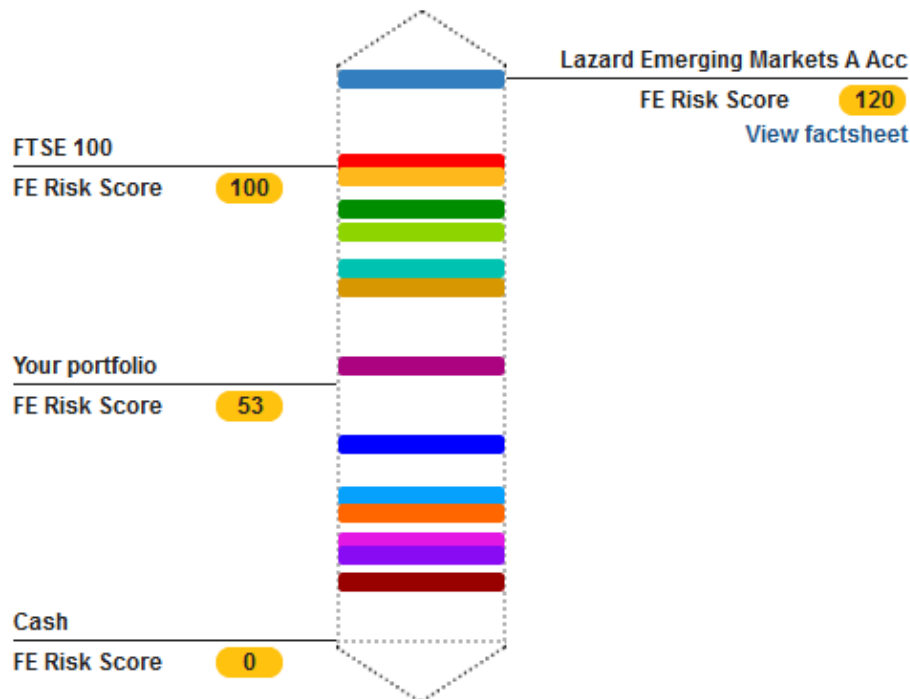
Performance values rebased to Pound Sterling.

## FE Risk-o-meter

Coloured lines represent holdings in your portfolio.

The higher up the bar, the higher the risk of the funds that the lines represent. Use the colour code below, or

[Learn more about FE Risk Scores](#)



## Pragmatic Investing Cautious Portfolio

### Portfolio Objective

The portfolio is designed to provide a return in the range of 3-4% per annum over a 5-7 year period.

The portfolio is designed to provide returns above cash and provide protection when markets fall. This is put together by blended various different strategies that will operate differently at different times with a diversified spread of risk and investments that provide valuable protection in market falls and take part in some of the upside.

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[www.pragmaticinvesting.co.uk](http://www.pragmaticinvesting.co.uk)



Cumulative Performance

Discrete Performance

Annualised Performance

Key	Chart	Instrument	1m	3m	6m	1y	3y	5y	10y	Since Launch
C	<input checked="" type="checkbox"/>	FTSE All Share	-0.7%	1.3%	7.4%	25.2%	13.3%	43.7%	17.4%	3985.0%
B	<input checked="" type="checkbox"/>	FTSE 100	-0.8%	0.6%	6.4%	25.4%	10.5%	36.2%	10.9%	646.4%
D	<input checked="" type="checkbox"/>	FTSE Actuaries UK Conventional Gilts All Stocks	0.1%	1.2%	3.1%	0.3%	14.1%	5.8%	30.3%	68.9%
A	<input checked="" type="checkbox"/>	My Portfolio	-0.0%	0.3%	1.4%	5.0%	-	-	-	9.3%

Performance values rebased to Pound Sterling.

Cumulative Performance

Discrete Performance

Annualised Performance

Key	Chart	Instrument	0-12m	12m-24m	24m-36m	36m-48m	48m-60m
B	<input checked="" type="checkbox"/>	FTSE 100	4.0%	16.2%	-10.7%	2.4%	5.6%
C	<input checked="" type="checkbox"/>	FTSE All Share	4.0%	16.6%	-9.3%	3.5%	7.0%
A	<input checked="" type="checkbox"/>	My Portfolio	-0.9%	4.5%	0.6%	-	-
D	<input checked="" type="checkbox"/>	FTSE Actuaries UK Conventional Gilts All Stocks	-3.8%	4.9%	1.0%	6.8%	-6.7%

Performance values rebased to Pound Sterling.

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## Risk

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