



Our Fixed Interest Portfolio Service at a glance

Our Canaccord Genuity Wealth Management (CGWM) Fixed Interest Portfolio Service is a discretionary service investing in a broadly balanced range of fixed interest funds. By blending these funds, it aims to achieve a net return of 5% per annum that will help to protect you against inflation over the medium term.

We believe the asset mix we have selected should outperform savings rates and inflation over five years or more. To achieve this, you should be prepared to hold these investments for at least five years.

Investment involves risk. The value of investments and the income from them can go down as well as up and you may not get back the amount originally invested. The investments described in this document may not be suitable for all investors. Investors should make their own investment decisions based upon their own financial objectives and financial resources and, if in any doubt, should seek advice from an investment adviser.

Are these investments suitable for my attitude to risk?

We have worked hard to reduce the level of risk that is usually associated with investments like this. However, you will need to be happy with a certain degree of risk to achieve the target net return of 5% and should be prepared to accept some possibility of capital loss in the short to medium term.

The risk and returns will be averaged out over the years you hold these investments. For example, there are likely to be years when returns are above our target and others when they are below, with movements in bond markets being the key drivers of risk and return.

We believe that our CGWM Fixed Interest Portfolio Service is an appropriate way to target such returns via investment opportunities in global bond and credit markets, the collective name for the market through which primarily companies and governments issue debt.

What does the service invest in?

The chart below lists the investments used in our portfolio. It shows the potential risk and return characteristics of the types of fixed interest investments we choose from the global bond and credit markets. These investments are historically less volatile than equities, which can deliver a higher return but with more risk.

Fixed interest investment range



Which external fund managers do you use?

We use six specialist fixed interest fund managers and build our portfolio from funds across the fixed interest spectrum, including government bonds, corporate bonds and international bonds.

We have invested with a number of these specialist fund managers for many years; they have outstanding capabilities, are well resourced and demonstrate a good history of preserving capital. They provide specialist knowledge in corporate and international bonds, including US short duration high-yield bonds (bonds with a short time to maturity) and emerging market debt (fixed income debt issued by countries with developing economies as well as by corporations within those nations); while others are more boutique in nature, specialising in niche asset classes (such as Asset Backed Securites) with the ability to create bespoke mandates.

Is this service right for my needs?

Our Fixed Interest Portfolio Service could be suitable for you as long as you:

- Believe capital preservation is more important than capital growth
- Can stay invested for more than five years
- Believe that the target return of 5% (net of fees and other costs) will outstrip inflation over the next five years. Current market implied inflation expectation over investment time horizon is circa 3.59%*
- Are comfortable with the level of risk required to achieve these returns: benchmark historic volatility 4.21%†.

Why should I choose the CGWM Fixed Interest Portfolio?

- Our global approach enables you to take advantage of investments from around the world
- Our focus is totally flexible, offering you access to many different asset classes and markets
- We work hard to create predictable returns and mitigate risks for you
- You benefit from our research department's superb insight into markets and opportunities
- Our investment team has over 40 years' collective experience investing in fixed interest markets.

Will I have access to an investment manager whenever I need them?

Yes; you will have direct access to your CGWM Investment Manager, who will keep in regular contact with you, and you will receive all our usual reports and updates.

How much can I invest?

There is a minimum investment of £50,000.

What fees will I need to pay?

CGWM will charge an annual management fee and underlying fund fees will apply. There are no entry fees, exit fees or trading fees.

Are these investments suitable for an ISA?

Yes; they are available as an ISA-eligible investment.

* Source: Bloomberg as at 31 December 2023.

† Benchmark volatility has been 4.21% from 31 December 1998 to 31 December 2023. The maximum historic loss was -18.8% to 31 December 2023 with the benchmark yet to recover. Our equity benchmark volatility over the same period (comprising 32% FTSE All Share, 65.5% FTSE All World Ex UK and 2.5% cash) has been 13.79%. Source: FactSet

Discover our can-do approach

To find out more about how we go above and beyond to understand your individual investment needs and aspirations – and help you to achieve them – get in touch with your CGWM Investment Manager, or simply call or email one of our offices. We'll be delighted to answer your questions and provide details of our Fixed Interest Portfolio Service.

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Important information

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Investors should note that actual portfolio returns may be different to the returns of the model portfolio. Our portfolios are designed to work over a typical investment cycle of five years or more, so we recommend you stay invested for at least five years. Past performance is not a reliable indicator of future performance.

The tax treatment of all investments depends upon individual circumstances and may be subject to change. Investors should discuss their financial

arrangements with their own tax adviser as the value of any tax reliefs available is subject to individual circumstances. Levels and bases of taxation may change.

Where investment is made in currencies other than the investor's base currency, the value of those investments, and any income from them, will be affected by movements in exchange rates. This effect may be unfavourable as well as favourable.

This document is for information only and is not to be construed as a solicitation or an offer to purchase or sell investments or related financial instruments. This has no regard for the specific investment objectives, financial situation or needs of any specific investor.

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