

# DISCRETIONARY PORTFOLIO SERVICE

A bespoke portfolio with a dedicated  
investment manager



FOR PROFESSIONAL ADVISERS AND THEIR CLIENTS

**evelyn**  
PARTNERS



# Welcome

**Our Discretionary Portfolio Service enables you to delegate responsibility for managing your investments to Evelyn Partners.**

This flagship service is intended for clients with £250,000 and above, where a tailored portfolio is most appropriate to meet an individual's specific goals.

Our Discretionary Portfolio Service enables advisers and their clients to maintain close contact while delegating responsibility for managing the investments to Evelyn Partners.

Your dedicated investment manager will work with you and your adviser to build a bespoke investment portfolio that is designed to meet your investment objectives.

An Evelyn Partners investment manager will then take responsibility for the day-to-day decision making on your portfolio, deciding which investments to buy or sell, and when to do so.

Our clients include private individuals, families, companies, pensions, and charitable funds.

# Why choose Evelyn Partners to manage your investments?

**At Evelyn Partners we believe it is the personal responsibility we take for your personal wealth that sets us apart. Our overriding aim is to preserve and grow the real value of your capital over time, in line with your investment objectives.**

In an investment world that is sometimes unpredictable, irrational and all too often holds a short-term outlook, we focus on a small number of guiding principles:

## **We aim to preserve wealth**

While our clients are not usually averse to taking risks, they are sensitive to losing their capital, so our focus at all times is on wealth preservation. To achieve this, we are selective in the stocks and sectors we invest in, preferring those that are more resilient to economic cycles. We seek out good-quality, well-run businesses with valuations that we believe should incorporate a margin of safety for investors.

## **We aim to grow capital**

We believe that long-term success should be judged relative to the returns from cash and against inflation. We see equities as the main driver of growth through time, although non-equity investments may help to dampen volatility through diversification, and smooth out returns for investors.

To grow capital, we seek the best risk-adjusted returns, identifying a limited number of fund managers who generally own a concentrated portfolio of companies that are capable of growing through the economic cycle.

Rather than market timing, we see long-term increases in profits and dividends as the engine of returns.

## **We focus on the real value of capital**

Management fees, dealing costs, tax and inflation all eat into the value of your capital and can have a significant impact on your wealth over time. We focus on growing the real value of your capital, to help you achieve your investment objectives.

## **We invest over a long-time horizon**

We are patient investors, ignoring 'market noise' and short-term movements that are largely caused by changes in valuation, driven by market sentiment. Instead, we focus on long-term returns that are driven by a change in the fundamental value of the underlying assets.

# How we help you achieve your investment objectives

## Understanding your needs

Every client has a unique set of aims, objectives and circumstances. Your investment manager will work with you and your adviser, to identify a set of realistic investment goals that take into account your investment time horizon, your attitude to investment risk and the investment returns you require. Together we will review your options and decide on the best way to achieve your objectives.

## Building your portfolio

We believe asset allocation is a primary determinant of long-term investment performance. As a framework for constructing your portfolio, we use a range of asset allocation strategies that have been determined by our Asset Allocation Committee. Your investment manager will then fine-tune your allocation to meet your exact requirements, before selecting the investments held within each asset class.

Evelyn Partners offers portfolios in both funds and direct stocks. Some clients also place limitations on the type or magnitude of investments in their portfolio. If you do this, your investment manager will make sure these restrictions are never breached, and they will also take personal accountability for ensuring your risk appetite is never exceeded.

## Managing your portfolio

Your investment manager will ensure your portfolio always reflects our core views and remains on target to meet your personal objectives. Our managers are supported by our independent team of research analysts, who conduct formal monitoring and due diligence of assets, to ensure that your portfolio is invested across what we believe is the best range of investment options.



# Our service

- A dedicated investment manager with whom you and your adviser can build a long-term, trusted relationship. You will also have an alternative portfolio manager to provide cover in your investment manager's absence and to ensure that two investment professionals are familiar with your account
- A highly qualified and experienced team. Many of our investment managers have decades of experience, and they are all Members or Fellows of the Chartered Institute for Securities and Investment
- Portfolios can be administered for the benefit of the whole family, including the children
- Regular meetings with you and your adviser to review: progress towards your goals, our activity on your behalf and the performance of your investments
- The ability to check your portfolio online at any time
- A full reporting suite including detailed statements with relevant commentary, contract notes following transactions and tax reporting showing all gains, dividends and income received
- Ad hoc cash payment services, standing orders and regular income payments

We can help with the following types of accounts:

- Personal (taxable) portfolios
- Pensions including SIPPs, SSAS and corporate
- Family investment companies
- IHT portfolios
- ISA portfolio management
- Offshore bonds and portfolios
- Trust portfolios
- Private OEICs
- Companies/institutional portfolios

## Investment services for US-connected clients

The investment needs of US-connected clients are complex and multifaceted. Our US team has the experience and supporting infrastructure to meet these needs.

## Offshore investment management

Our comprehensive investment management capability means we can also provide investment services for those seeking custody offshore. We have a truly global client base and considerable experience working with non-UK situs assets and non-UK sourced income.

## Our investment management charges

Underlying fund charges will apply. Please contact your financial adviser for full details of charges.

## Key risks of service

- The value of investments and the income from them can go down as well as up, and investors may not receive back the original amount invested.
- There can be no assurance that any portfolio will achieve its investment objective, the target return or any volatility target. Any target return or volatility target shown is neither guaranteed nor binding on the manager.

# Risk management

Investing means taking a degree of investment risk to generate a return, so the management and control of this risk is a key part of our investment service.

## What is a Strategic Asset Allocation framework?

In order to assist us, we have developed our own proprietary systems to monitor the risk we are taking when managing client portfolios.

The Strategic Asset Allocation (SAA) framework: forms the basis of all Evelyn Partners portfolios and models. The SAA determines how much of a portfolio is invested in different asset classes and is tailored to different risk levels. The SAA gives the optimal asset allocation for a level of risk over the long-term, 10 years or more, which is then viewed by our tactical asset allocation committees for a shorter-term perspective.

The SAA is the first point of intellectual added value by Evelyn Partners. It is developed using well-established and proven Nobel Prize winning principles.

The team analyse the multitude of data and run complex scenario analysis. Over the long-term, we can expect some risk (chance of losing money). We take steps to minimise risks, which means returns aren't always consistently high. However, as Evelyn Partners takes a longer-term view, even small gains can add up and boost returns.

The SAA framework is dynamic, and will adjust as new data comes in. It will reflect long-term changes in economic factors such as inflation and interest rates as well as market valuations.

## Key characteristics of Evelyn Partners SA approach

- Uses institutional techniques, specifically tailored for different asset classes, to identify their expected long-term returns
- Detailed analysis of past performance and expected returns provides greater understanding and insight
- Using a robust mathematical approach minimises the impact of any behavioural bias, which contributes to maximising long-term returns
- It is dynamic, and makes the necessary adjustments as the investment environment changes
- Allows us to construct portfolios, which aim to reduce losses in the longer-term, while potentially boosting returns

The Evelyn Partners SAA approach is the first, crucial step in portfolio construction. The detailed analysis of the performance and expected returns of different asset allocations is set to contribute to better long-term returns with shorter-term, tactical views and fund selection also playing their part.

## Further information

To find out more about our Discretionary Portfolio Service, please contact your adviser.

# About Evelyn Partners

## Important information

- There can be no assurance that any portfolio will achieve its investment objective, the target return or any volatility target. Any target return or volatility target shown is neither guaranteed nor binding on the manager.
- By necessity, this guide can only provide a short overview and it is essential to seek professional advice before applying the contents. It does not constitute advice nor a recommendation relating to the acquisition or disposal of investments.
- Evelyn Partners Investment Management or its affiliates will not be responsible to any other person for providing the protections afforded to retail investors or for advising on any investment, as a result of using this information.
- This information is for UK residents only.

At Evelyn Partners our mission is 'to place the power of good investment advice into more hands'. We believe that more people and businesses should have access to good advice, regardless of their size or wealth and we are committed to raising the standards of good advice and to extending its reach.

As experts in wealth management since 1836, we look after our global clients from offices across the UK, Republic of Ireland and Channel Islands.

We're proud that many financial advisers choose us to manage their clients' wealth. That's because our advice is delivered by people who care, who go further to understand the adviser's needs and those of the client, ensuring that we provide investment solutions that are right for you.

*That's the power of good advice.*



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Evelyn Partners Investment Services Limited is registered with the Financial Conduct Authority under the Payment Services Regulations 2009 for the provision of payment services.

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