GBIM

GORE BROWNE
INVESTMENT MANAGEMENT

CAPITAL PRESERVATION PORTFOLIOS

Maintaining capital value with stable returns

Born out of the turmoil of the Global Financial Crisis of 2007-09, Gore Browne's Capital Preservation Portfolios (CPP) have provided a haven for lower-risk investors seeking over the medium-term to maintain the capital value while producing a modest but stable return whatever the weather.

HOW THE SERVICE WORKS

Capital Preservation Portfolios are managed as individual portfolios by a specialist team at GBIM, both of whom have extensive experience in fixed income and alternatives markets.

Asset allocation has been built around a core of short and medium-duration fixed income, and other asset classes are added to create a well-diversified portfolio.

Volatility of returns has typically been lower than 'traditional' growth or balanced portfolios. Execution of the strategy is via direct, collective and multi-asset investments.

HOW RISK IS MANAGED

Risk is viewed primarily as volatility, as well as the likelihood and impact of loss caused by political, economic or commercial factors in the future. To achieve a low tolerance of capital loss over a relatively short time horizon, portfolio construction seeks to manage risk mainly through diversification. Correlation analysis is used to prove the benefits of diversity within the portfolio.

The team's risk management process has been independently evaluated since 2014 by a third-party risk consultant with consistently good results.

You should note that the value of investments and the income derived therefrom may fall as well as rise and you may not get back the amount that you invest. The portfolio seeks to deliver a total return made up of income plus capital gain.

If you are in any doubt of the suitability of an investment for your particular circumstances, you should contact an investment manager for tailored advice.

> "Avoiding loss is the most important prerequisite to investment success"
>
> **Seth Klarman**

Weather the storm with a **Capital Preservation Portfolio**

HOW THE CPP MAY BE RIGHT FOR YOUR NEEDS

- Have you had enough of equity market volatility and want to switch to a portfolio where returns fluctuate less?
- Do you hold 'earmarked' cash sitting in a zero-interest bank account, and are willing to take a limited amount of risk to get a better return until it's needed.
- Perhaps you are an entrepreneur whose personal risk-taking budget is mostly consumed by your main business?
- Or an active risk-taking investor seeking a barbell approach as we move into more uncertain times?
- Trustees may also find the lower risk CPP a safe harbour for investments under their control.

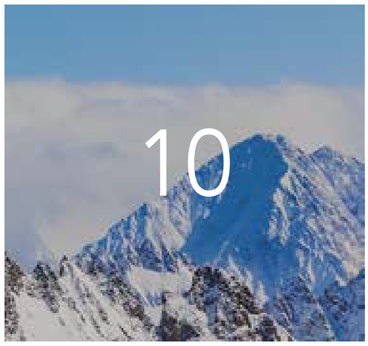
However, CPP is not an alternative to cash in your current account as even in lower-risk portfolios, time is needed. Liquidity is lower than a bank account, but CPP can normally be liquidated within two weeks. It may not be a reliable source of income as the goal is total return (capital gain/loss plus income). Equity-like returns cannot be expected from the CPP.

Last three years*

Annualised Total Return 2.81%
Annualised Monthly Volatility 2.98%

Last five years*

Annualised Total Return 3.12%
Annualised Monthly Volatility 2.83%



Last ten years*

Annualised Total Return 3.42%
Annualised Monthly Volatility 2.68%

*Note that each client's portfolio is treated seperately. Whilst stocks held are likely to be similar across client portfolios, weightings or levels of cash held within each account may vary. The above date is based on a composite sample of several portfolios net of all fees and charges. As such we believe it provides the most accurate representation of GBIM's Capital Preservation Portfolio as at 31st December 2019.