

Enhanced Diversification

Managed Portfolio Service - Portfolio 5

Monthly Investment Strategy - October 2021

This document is issued by the discretionary investment management area of abrdn, which has a separate legal entity, abrdn Capital Limited.

The Enhanced Diversification Managed Portfolio Service (MPS) Portfolio 5 seeks to provide a total return from income and capital. The Portfolio is designed to be appropriate for investors with a medium high attitude to risk.

Key Facts

Expected Risk (volatility): 9.5 - 14.5%

Our MPS risk scale:



Risk profile

The investment strategy for Portfolio 5 seeks to provide a total return from income and capital. It's likely to be suitable for clients who are prepared to accept a medium high level of risk during the term of their investment.

This portfolio could apply to clients who would like their investments to grow by more than they would in a deposit account over the long term, but also want to minimise the possibility of their investments falling in value. Under normal circumstances, they would prefer to avoid swings in the value of their portfolio.

This remains an investment management service, and there is risk involved in this portfolio. A secure cash product may be more appropriate for the most conservative clients.

Remember, investors could get back less than they invested.

- Suitable for investors with basic investment knowledge.
- Suitable for investors wanting to preserve capital.
- Suitable for investors seeking to grow their assets and generate income, over a period of at least 5 years, with easy access to their cash.
- Suitable for investors who are looking to invest in a standalone portfolio.
- Only suitable for clients who have received a recommendation from a financial adviser.

Investment strategy

The Enhanced Diversification Managed Portfolio Service gives clients access to the portfolio construction and risk management skills of abrdn's Discretionary Investment Management team.

In the initial stages of the investment process the Discretionary Investment Management team uses independent strategic asset allocation optimisation by Moody's Analytics. They combine this with tactical insights from abrdn's Multi-Asset Investing team.

This analysis forms a framework for the Discretionary Investment Management team to select funds. They implement an agile, blended approach to fund selection. This approach utilises a blend of active and passive exposures, depending on the Investment Team's views of which asset classes are likely to offer scope for managers to outperform versus those where a lower cost solution is preferred. The fund selection process involves both quantitative research and qualitative research, including face-to-face meetings with fund managers. It also leverages the considerable expertise of the abrdn Multi-Manager Strategies Team.

The Enhanced Diversification portfolios combine traditional investments with the Standard Life Investments Active Overlay Fund, providing access to non-traditional return-seeking strategies. The approach seeks to enhance returns and reduce portfolio volatility through diversification.

Investment Team

Darren Ripton Head of Investments Discretionary, abrdn

Darren Ripton assumed responsibility for the day-to-day investment process in 2009, after joining the company in 2007 as a Client Portfolio Manager. He has been integral to developing the fund selection and portfolio construction process that is used by the business. Darren has twenty years' investment experience, seven of which were spent managing discretionary mandates with ABN Amro Private Bank. His role there included the oversight of all investment funds used within mandates in London, Jersey and Gibraltar offices. He is a Chartered member of the Chartered Institute for Securities and Investment and holds a BSc from the University of Hertfordshire.

Eric Louw Senior Investment Manager Discretionary, abrdn

Eric Louw is a Senior Investment Manager for the company and has been with the company since September 2007. He holds the Investment Management Certificate, post graduate degrees in Financial Accounting and Financial Analysis & Portfolio Management and is a CFA charterholder. Prior to joining the company, Eric worked at UBS Wealth Management, where he was involved in a major asset transfer project, and at ABN Amro Private Bank, where he was a member of the team responsible for the discretionary management of onshore accounts.



Enhanced Diversification Portfolio 5 breakdown

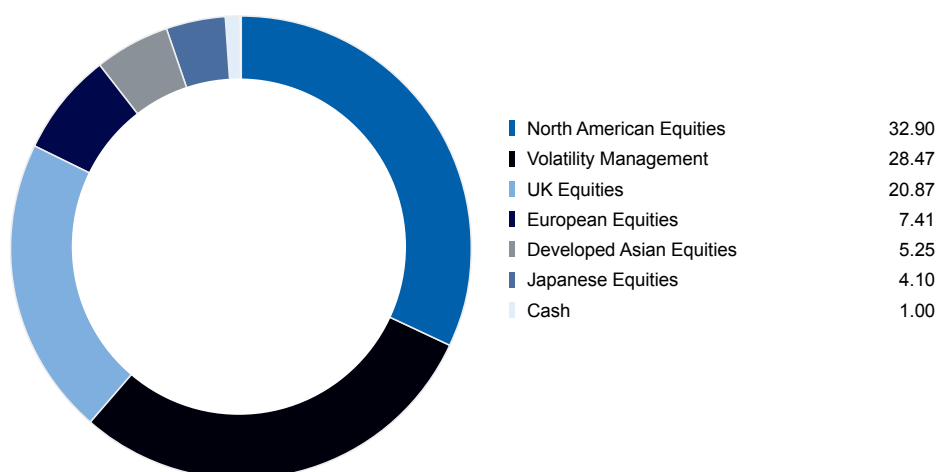
Holding	Weights (%)*	Holding	Weights (%)*
Fidelity Asia Fund	5.25	Investec UK Alpha Fund	4.19
Barings Europe Select Trust	2.23	J O Hambro Capital Management UK Dynamic Fund	5.22
Fidelity European Equity Fund	2.23	JPM UK Equity Core Fund	5.24
Invesco European Equity Income Fund	2.21	LF Tellworth UK Smaller Companies Fund	2.07
Invesco European Smaller Companies Fund	0.74	Standard Life Investments II ICAV Active Overlay Fund	28.47
Invesco Japanese Equity Advantage Fund	4.10	GBP Cash	1.00
Vanguard US Equity Index Fund	32.90	Total	100.00
Artemis Income Fund	4.16		

Holdings referred to relate to the abrdn MPS, Discretionary managed via the abrdn WRAP platform. Differences in holdings may occur on other platforms due to fund and shareclass availability.

* The data is rounded to 2 dp and small variances to totals may occur.

Source : abrdn

Enhanced Diversification Portfolio 5 asset class breakdown (%)



As at 31 October 2021



The portfolio constituents and performance may vary on other platforms.

The portfolio has not been available on all platforms since inception.

This factsheet does not provide individually tailored advice. It has been prepared without regard to individual financial circumstances and objectives of persons who receive it. We recommend that investors seek the advice of a financial adviser. The appropriateness of a particular portfolio will depend on an investor's individual circumstances and objectives.

Investors should remember that the value of investments and the income from them can go down as well as up and that past performance is not a guarantee of future returns.

Please note that the Portfolio and Asset class breakdowns shown on this page are based on abrdn MPS, Discretionary hosted on the abrdn MPS, Discretionary WRAP platform. The data is correct as at 31/10/2021.

The Active Overlay Fund is designed to be used part of a strategic approach to individual client wealth objectives and should not be considered as a stand-alone investment.

The Fund is designed to act as a complementary diversifying influence on a abrdn MPS Discretionary global equity allocation.

The use of derivatives in the funds may result in increased volatility in their fund prices.

Due to the leveraged nature of derivatives, gains and losses can be greater than associated with traditional investment instruments. The funds will have the ability to hold short derivative positions. This means that the funds will not necessarily follow market trends i.e. if stock markets rise the funds may not do so at the same rate, or at all.

Important information

FOR USE BY OUR RETAIL CLIENT AND ADVISER BASE.

abrdn is a global business providing a range of services to help clients and customers plan, save and invest. abrdn group uses different legal entities to meet different client and customer needs. Some elements of the abrdn client experience may contain previous brand names until all brand name changes have completed.

This document is strictly for information purposes and should not be considered as an offer, investment recommendation or solicitation to deal in any of the investments mentioned herein. abrdn Capital Limited (**abrdn CL**) does not warrant the accuracy, adequacy or completeness of the information and materials contained in this document and expressly disclaim liability for errors or omissions in such information and materials.

Any research or analysis used in the preparation of this document has been procured by **abrdn CL** for its own use and may have been acted on for its own purpose. Readers must make their own assessment of the relevance, accuracy and adequacy of the information contained in this document and carry out such independent investigations as they consider necessary or appropriate for the purpose of such assessment. Any opinion or estimate contained in this document is made on a general basis and is not to be relied on by the reader as advice.

abrdn CL reserves the right to make changes and corrections to any information in this document at any time, without notice.

No part of this document may be copied or duplicated in any form or by any means or redistributed without the written consent of abrdn Capital Limited.

abrdn Capital Limited, registered in Scotland (SC317950) at 1 George Street, Edinburgh EH2 2LL.

abrdn Capital Limited is authorised and regulated by the Financial Conduct Authority.

abrdnCL_MPS_IS05ED_TCM 1021

Distribution Hub ID: GB-121121-160965-32

