



**THROGMORTON**  
PRIVATE CAPITAL

# Throgmorton Select Portfolios



## Monthly Commentary May 2024

Independent Advice. Bespoke Solutions.

### Market Update & Portfolio Positioning

“The likelihood of US interest rate cuts in 2024 has diminished, which in turn had a negative impact on most developed markets, causing falls”

#### April 2024 Review

April was generally a disappointing month for markets as investors started to reassess the likelihood of US interest rate cuts this year. The US continues to have a robust labour market and inflation numbers remain higher than expected. This meant that most developed market equities fell in April, with the exception of the UK market, which rose. However, emerging market equities, including China, produced positive returns in April. Bond prices came under renewed pressure in the month as yields rose.

#### Blackrock Portfolio Positioning

There were no changes to the portfolio during April. This is based on the expectation that global growth will decelerate and will not pick up until central banks start to pivot to lowering interest rates. This may be delayed slightly in the US as the economy has been resilient, but potentially earlier in both Europe and the UK. However, we do see inflation falling back towards central bank targets over the course of this year as demand slows.

Returns in the portfolio were negative during April. With the exception of UK equities, our developed market and small-cap equities detracted from performance. Our emerging markets holdings outperformed the developed markets and produced positive performance, as did our commodities holdings. Bond portfolios were largely negative over April too, albeit the shorter dated UK and US holdings produced positive returns.



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# Throgmorton Select Portfolios Powered by:

**Vanguard**

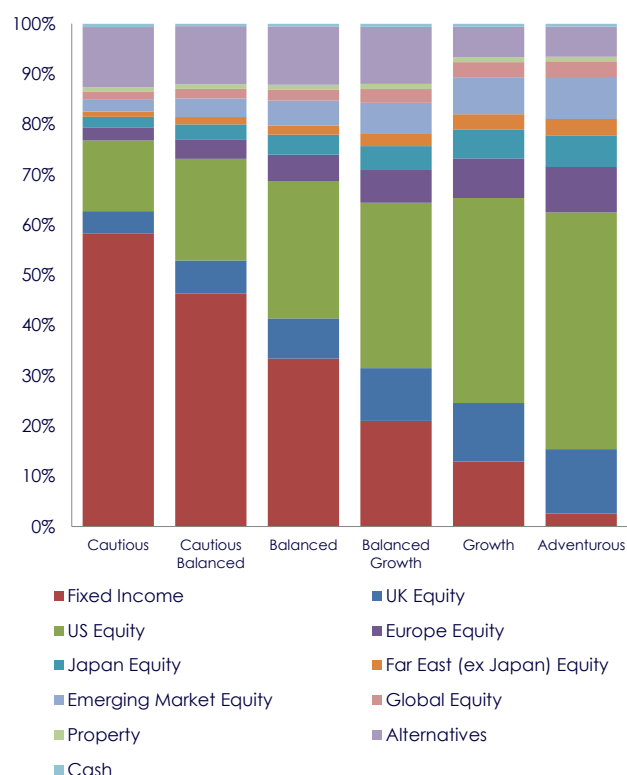
**Dimensional**

**BlackRock**

**ATLANTIC HOUSE  
GROUP**

**Cornelian**

## Asset Allocation as at 30/04/2024



## Cornelian Portfolio Positioning

Our bond portfolio performed relatively well and produced positive returns. The best performers were the iShares Ultrashort bond ETF and the Royal London Short Term Fixed Income Enhanced fund. Our bond funds, such as the TwentyFour Income Fund and Sequoia Economic Infrastructure Income, also did well.

The international equity fund holdings, in aggregate, outperformed their benchmark. The relative performance was helped by an underweight position in the US, as the region underperformed. Chinese equities performed strongly as the authorities tackled the property market crisis, which in turn buoyed emerging market equities. The holdings in the Blackrock Emerging Markets and JP Morgan Emerging Markets Income funds produced positive returns.

The portfolio of UK equities produced a positive return, albeit behind the benchmark. AstraZeneca produced a good Q1 earnings report. Rio Tinto also performed strongly on renewed optimism concerning the economic outlook for China.

Our alternatives portfolio, in aggregate, also produced a positive return. BH Macro was the standout performer in this part of the portfolio.

**All investment involves risk. It is important you understand that past performance is not a guarantee of future performance. The value of investments and any income derived from them may go down as well as up and you might not get back the full amount you invested.**

## Investment Performance and Volatility as at 30/04/2024

	1 Year Return % <sup>1</sup>	3 Year Return % <sup>1</sup>	5 Year Return % <sup>1</sup>	Volatility % <sup>2</sup>
SP3 Cautious	5.01	-0.48	7.96	6.62
SP4 Cautious Balanced	6.70	2.24	14.98	7.58
SP5 Balanced	8.24	4.90	21.05	9.16
SP6 Balanced Growth	9.41	6.35	25.21	10.15
SP7 Growth	11.12	9.23	30.86	11.27
SP8 Adventurous	13.03	13.92	39.48	12.19

Data source FE Analytics 30/04/2024. Figures are net of underlying fund costs, but gross of all other charges, such as discretionary management fees, platform custody charges, adviser charges & where applicable transaction costs. 1. Performance figures are representative of the historical portfolio asset allocations. 2. Volatility figures calculated on a five year annualised basis.

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