LCP Wealth Model Portfolios

Factsheet: Balanced Accumulation

30 September 2022

Expected return and risk rating

1 2 **3** 4 5

Low Medium High

The LCP model wealth portfolios are a blueprint design of a range of portfolios which we believe meet the needs of institutional wealth investors. This document displays key facts and information about the Balanced Accumulation portfolio based on data as at 30 September 2022.

Objective

This portfolio targets the best possible net real expected return to grow assets over time for investors with a medium risk tolerance.

Typical clients

A typical investor in this portfolio will have a medium risk tolerance and will have a medium investment time horizon - typically investing in this portfolio for around 9 to 10 years.

The accumulation portfolios are designed for investors who are growing their assets and who are not yet living off their nest egg.

Key facts

Expected return (median, net of underlying manager fee)	*6.8% pa*
Standard deviation	*10.2% pa*
% actively managed	*54%*
Total underlying manager fees	*0.38% pa*
Number of asset classes	*11*

Background

The LCP Private Wealth team has designed a range of model wealth portfolios using our years of experience in portfolio design and based on our knowledge of the range of investments available in this space.

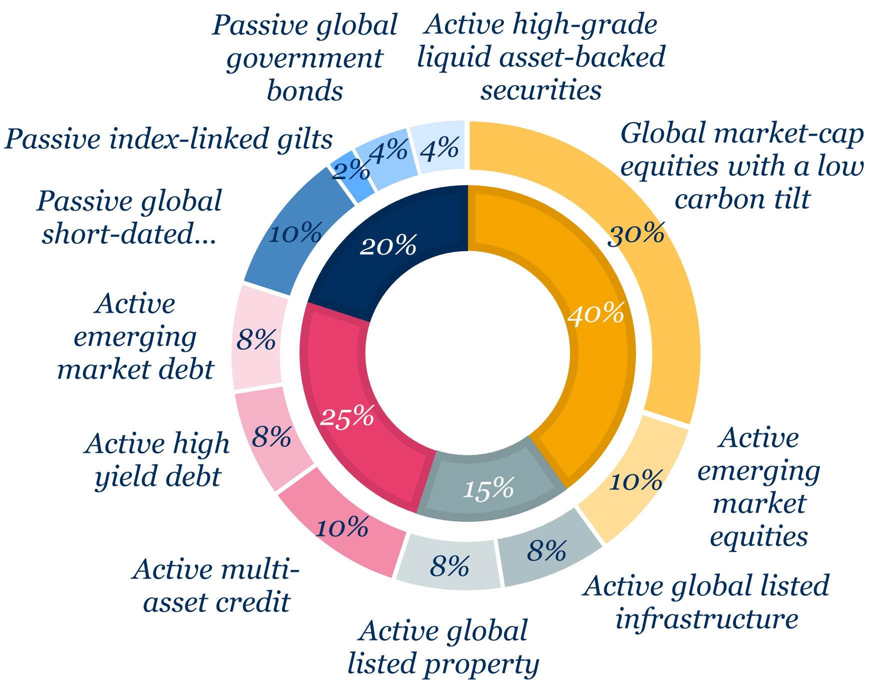
Each model wealth portfolio is built using four distinct building blocks:

- Equities
- Real assets
- Growth credit (including high yield debt)
- Low risk bonds and gilts

These building blocks are combined in varying proportions to produce a range of model wealth portfolios.

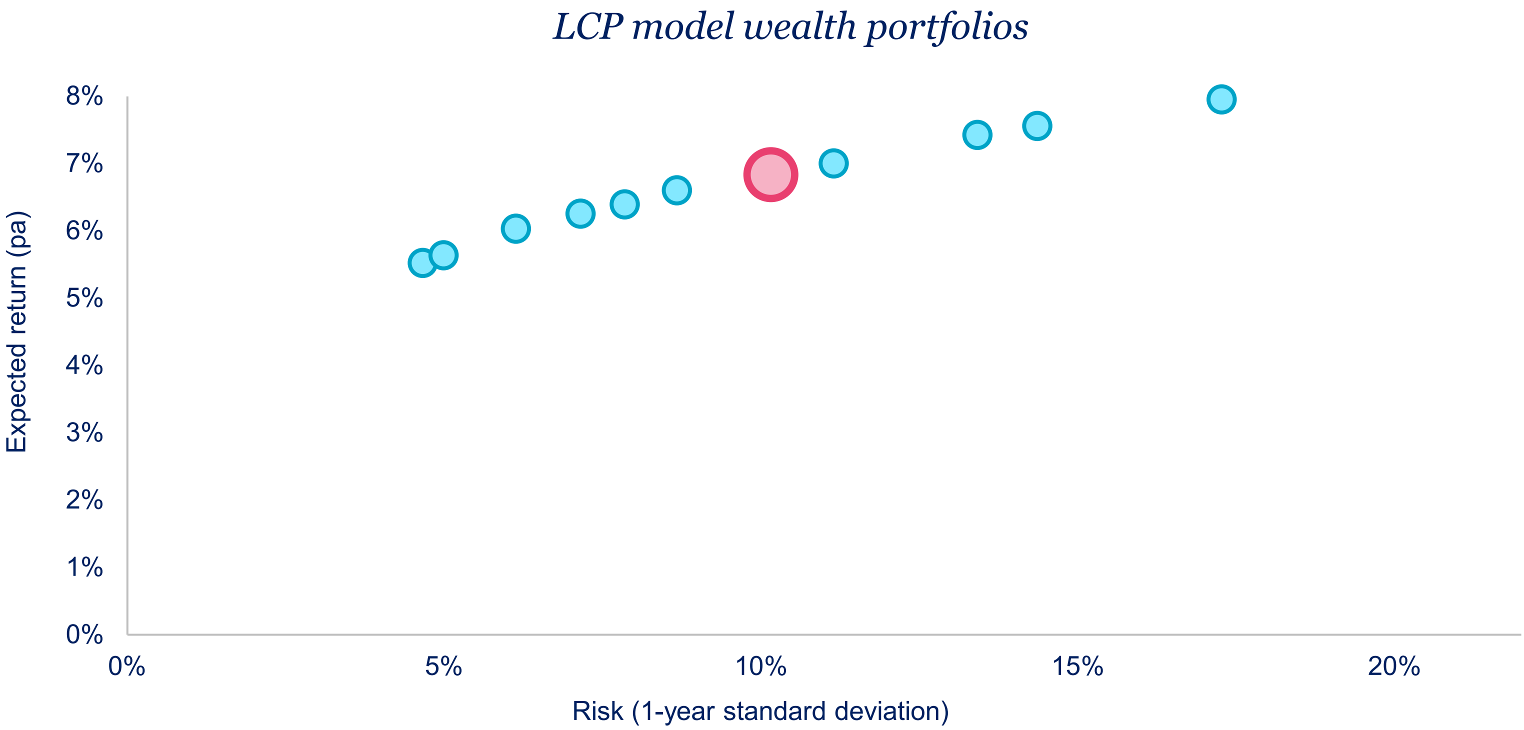
Asset class weightings

The long-term strategic allocation for the Balanced Accumulation model wealth portfolio is shown below (note that the actual allocations will vary over time due to market movements and changes made by LCP).



Risk/return characteristics

The chart below shows the expected risk and expected return values of our range of model wealth portfolios with the Balanced Accumulation portfolio highlighted in pink. The chart assumes expected risk and return values for the underlying asset classes.



Research and review

Please click here to view more information on our research and review process.

Responsible investment

ESG risk factors are integrated at all stages of our portfolio construction process.

Notice

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