

# True Potential Cautious Income Portfolio

## Portfolio Objective

The objective of the True Potential Cautious Income Portfolio is to provide investors with a way to draw a secure, regular and growing income. The Portfolio offers exposure to a select group of investment partners and a range of risk profiles (Cautious to Growth), whilst remaining within the Cautious risk profile. We review the Portfolio monthly and, if necessary, rebalance to the allocation of styles we believe offers the best potential for yield within the Cautious risk profile. The Portfolio aims to produce a higher than average yield, compared to an equally-weighted model of True Potential Wealth Strategy income funds.

## Risk Profile: Cautious

The Cautious Investor may be sensitive to short-term losses. A Cautious Investor's potential aversion to losses could compel them to shift into a more stable investment if significant short-term losses occur. Analysing the risk-return choices available, a Cautious Investor is usually willing to accept somewhat lower returns in order to assure greater safety of his or her investment.

**Ongoing Charge Figure (OCF)\*:** 0.88%

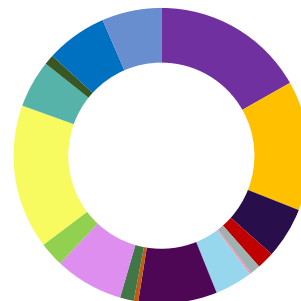
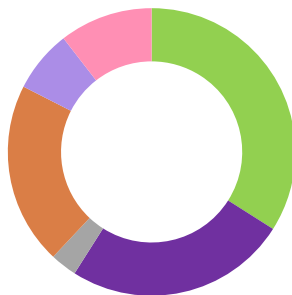
**There are no entry or exit charges.**

**Launch Date:** 1st October 2015

**Yield as of: 30 April 2024\*\*** 3.77%

**Portfolio Size:** £440m

## Portfolio Diversification



## Strategy Allocation

Directly Invested - True Potential Close Brothers Cautious Income	34.00%
Income Building - True Potential Goldman Sachs Income Builder	25.00%
Direct Income - True Potential Threadneedle Monthly Income	3.00%
Fund of Funds - True Potential Schroder Cautious Income	20.50%
Enhanced Income - True Potential UBS Income	7.00%
Income Strategies - True Potential Waverton Income	10.50%

## Asset Allocation

UK Stocks	16.8%
US Stocks	14.2%
European Stocks ex UK	5.6%
Japanese Stocks	1.9%
Asia Pacific Stocks ex Japan	1.1%
Emerging Market Stocks	0.2%
Global Treasury Bonds	4.1%
Global Corporate Bonds	8.6%
Global Inflation Linked Bonds	0.5%
Emerging Market Bonds	1.5%
Global High Yield Bonds	7.5%
UK Government Bonds	2.7%
UK Corporate Bonds	15.8%
Global REITS / Property	5.2%
Gold	1.1%
Alternatives	6.7%
Cash and Cash Equivalents	6.5%

Strategy and Asset Allocation are subject to change at any time without notice, are for information purposes only and should not be construed as investment recommendations.

Please refer to the Fund Prospectus and Key Investor Information Document (KIID) for more information.

\*OCF payable can fluctuate over time as the underlying investments are variable and can change.

\*\*Income subject to revision in the current market environment.

Yield figure indicated on this page is the forward looking 12-month yield, net of charges and UK withholding tax.

Personal dividend tax charges may still apply and is subject to individual circumstances.

Tax rules may change in the future.

\*Under the current Packaged Retail Insurance and Investment Products (PRIIPS) guidance we consider all ongoing charges including those from closed ended vehicles such as investment trusts in the OCF (Ongoing Charges Figure) calculation. We use investment trusts to gain access to certain asset classes, such as infrastructure, their closed ended structure being an important feature in such asset classes. The return an investor earns from investing in an investment trust is determined by the performance of its share price. This is a disclosure change and the cost of investing in the fund does not change.

## Investment Commentary

The True Potential Cautious Income Portfolio returned -0.27% in April 2024, net of Portfolio OCF.

Global equities struggled as a stronger US inflation impulse continued to be evident, forcing investors to recalibrate expectations for possible US interest rate cuts over the next 12 months. One of the only equity regions to buck this trend was the UK, reaching new highs during the month. GBP weakened against the US dollar, while commodity prices increased alongside strong performance from Healthcare and Financial stocks, supporting the region. Higher and stickier inflation data in the US paired with robust economic growth data led global sovereign bonds yields to move higher. UK Gilts outperformed US Treasuries and index-linked bonds outperformed nominal bonds.

Within the Portfolio, True Potential Schroder Cautious Income and True Potential Threadneedle Monthly Income were the two best performing funds, both benefited from their higher allocations to UK equities. The Schroder fund also benefited from the price of gold rising by 2.5%, with exposure to both the physical metal and to equities of gold mining companies.

Over the period, the True Potential Schroder Cautious Income fund was increased at the expense of True Potential Waverton Income. This change reduces the portfolios exposure to more interest-rate sensitive assets such as real estate, as well as rotates from higher valuation areas of the equity market into lower valuation areas such as the UK.

Over the month, managers have made changes to their individual fund allocations. Examples include additions to areas of the equity market which should benefit from higher commodity prices, such as the Energy sector and the UK index, as well as to higher yielding corporate bonds in favour of government debt more sensitive to interest rate expectations.

For further information, please subscribe to our Morning Markets and Weekly Round Up. This can be found on the following link <http://www.youtube.com/user/TruePotentialLLP>.

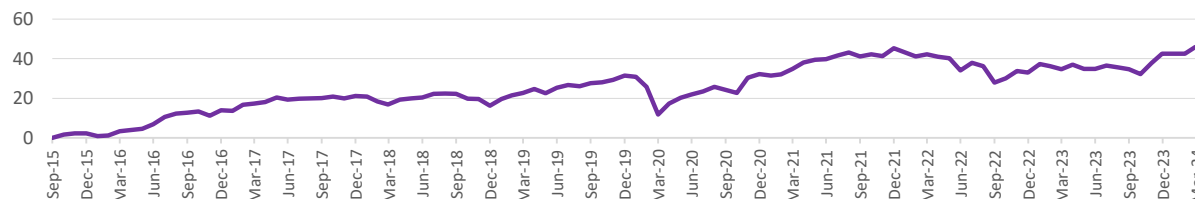
### Performance (As of 30/04/2024)

	1 Month	3 Month	6 Month	1 Year	3 Year	5 Year	Since Launch
True Potential Cautious Income Portfolio	-0.3%	2.1%	10.0%	6.3%	5.4%	16.7%	45.5%

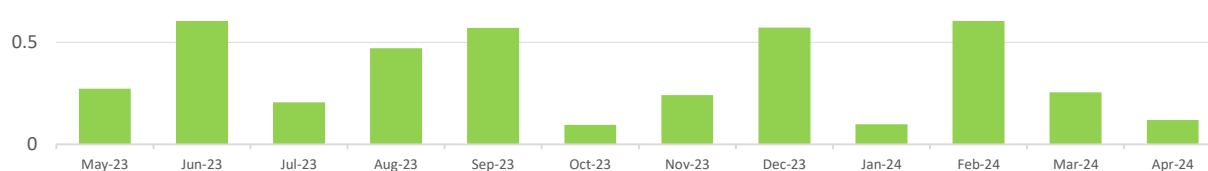
### Annual Percentage Growth

	Apr 18 - Apr 19	Apr 19 - Apr 20	Apr 20 - Apr 21	Apr 21 - Apr 22	Apr 22 - Apr 23	Apr 23 - Apr 24
True Potential Cautious Income Portfolio	4.5%	-5.9%	17.7%	2.1%	-2.9%	6.3%

### Cumulative Performance (%)



### Income Distribution (%)



Source: True Potential Investments, based on net asset value (as of 30/04/2024).

Performance is calculated on a Total Return basis and is net of Portfolio OCF.

### Important Information

A Fund Prospectus and Key Investor Information Document (KIID) for each of the underlying investments listed above are available from [www.truepotential.co.uk/fund-administration/#fund-documents](http://www.truepotential.co.uk/fund-administration/#fund-documents) or by email to [investmentmanagement@tpllp.com](mailto:investmentmanagement@tpllp.com).

**With investing, your capital is at risk. Investments can fluctuate in value and you may get back less than you invest. Past performance is not a guide to future performance. This factsheet is not personal financial advice.**

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