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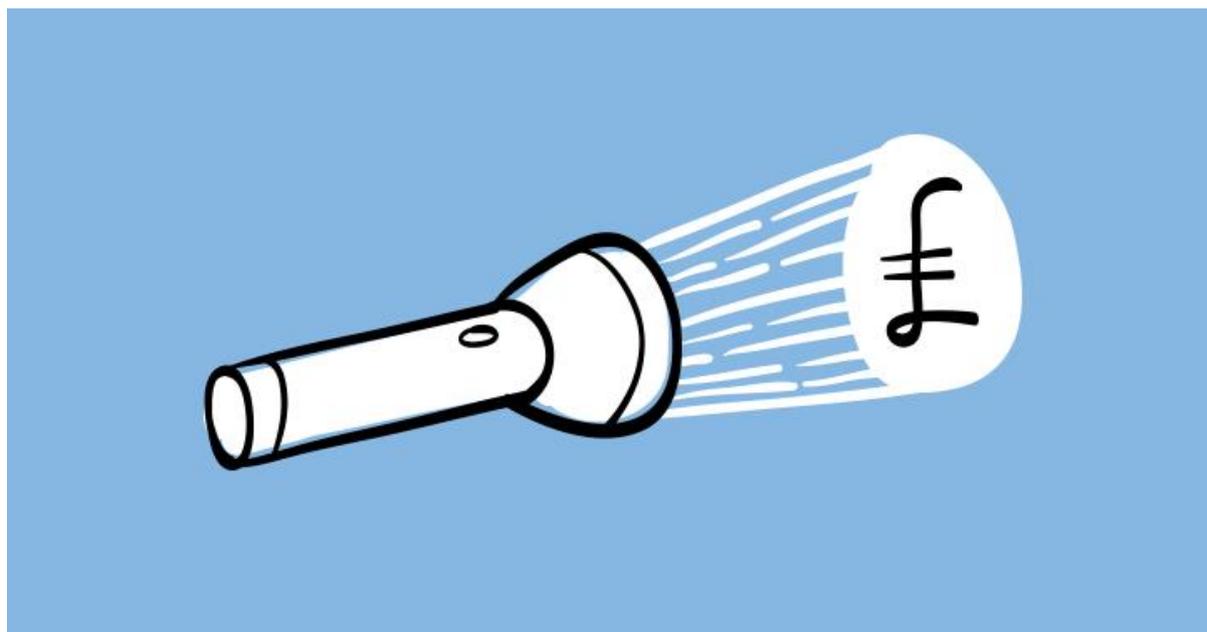
Quarterly Portfolio Update
– July 2022



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"The four most dangerous words in investing are, it's different this time."

— Sir John Templeton

When writing the quarterly market update, we aim to be positive. The challenge is when there is a great deal of noise it is sometimes difficult to see anything positive!! In the last update we indicated that at some point things will turn, and were hoping for flat or even perhaps positive returns.

Things have changed a great deal in the last three months and the reality is that we really don't know how things will play out from this point. But it is worth reflecting on the quote from Sir John Templeton. Investing and markets will always give us something to talk about.

In this update we will share some work we have done on the portfolios and why we are optimistic that we are positioned in the right places for long-term investing.

For this introduction we want to share what has happened with the portfolios over 5 market events:

2011 – Black Monday (8 August)
2015 – Swiss Franc, Oil, Greece, China, ECB
2016 - BREXIT, Trump
2018 – Fed Monetary Policy
2020 – COVID

The tables show the lowest points for each of these years and where the returns for the portfolios finished.

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2011	Biggest % fall	Return for year
Cautious	-8.81%	-4.52%
Balanced	-13.05%	-8.29%
Moderately Adventurous	-15.01%	-10.51%
Adventurous	-16.75%	-11.59%

2015	Biggest % fall	Return for year
Cautious	-2.42%	3.36%
Balanced	-1.87%	6.17%
Moderately Adventurous	-3.75%	4.59%
Adventurous	-4.40%	4.65%
Balanced Positive Impact	-1.00%	6.48%

2016	Biggest % fall	Return for year
Cautious	-7.95%	12.36%
Balanced	-10.40%	13.72%
Moderately Adventurous	-11.54%	18.05%
Adventurous	-12.10%	19.64%
Balanced Positive Impact	-9.51%	15.45%

2018	Biggest % fall	Return for year
Cautious	-6.53%	-5.88%
Balanced	-7.91%	-6.99%
Moderately Adventurous	-9.00%	-7.75%
Adventurous	-9.31%	-7.99%
Balanced Positive Impact	-6.46%	-5.24%

2020	Biggest % fall	Return for year
Cautious	-26.12%	7.25%
Balanced	-27.55%	10.77%
Moderately Adventurous	-29.16%	14.16%
Adventurous	-29.29%	16.62%
Balanced Positive Impact	-21.86%	12.87%

In three periods the portfolios ended positive. In 2018 many of the “losses” were at the end of the year and therefore there was no means of recovery. 2011 was probably the one period to consider, where markets did recover but remained negative.

What does this tell us?

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It tells us that even at the lowest point markets do at some point recover. The events in 2022 are different but the stock market reaction is not. Whether it is inflation, monetary policy, China, Ukraine / Russia, energy, and food prices etc, the key to all of this is that the market is finding it hard to digest what is happening and what this all means.

In the short term we have seen a rotation to “value” stocks, especially commodities. The market has been indiscriminate in pricing down good companies where the fundamentals are strong. We will share some thoughts on this. Our feeling is that if we look out in two years’ time, we will look at inflation and interest rates in a different way. We cannot predict the outcome of Russia / Ukraine but the world will adapt and so we go on.

Talking to investment managers we feel that there could be a rotation in the market towards good quality companies in the second half of this year. As rates rise and banks tighten lending, then companies with high levels of debt and needing funding to develop will struggle more. However, those companies which have strong balance sheets, little or no debt and are profitable are likely to be more attractive to investors.

For this reason we think our portfolios, although they have struggled this year, could benefit from this rotation.

In summary, it would be wrong for me to try and guess what the end of the year will look like, but what we do know is that in most cases the year ends up higher than the low point, and in three out of five years the year has ended positive. The sell-off has been indiscriminate and good quality companies are now cheap. Investors tend to turn to quality in times of extreme volatility. And although the events are different, history provides many clues as to what might happen.

We just want to end with this table as food for thought. This shows the power of staying invested.

Lowest and highest value between 1 January 2009 and 31 December 2021

	Value at start	Lowest value	Highest value	Value at end	Total return before fees and platform charges
Cautious	£10,000.00	£9,252.32	£34,118.28	£33,656.56	9.79% p.a.
Balanced	£10,000.00	£9,119.79	£40,504.86	£39,676.94	11.19% p.a.
Moderately Adventurous	£10,000.00	£8,949.31	£43,450.80	£42,265.99	11.73% p.a.
Adventurous	£10,000.00	£8,949.31	£45,404.07	£43,885.63	12.05% p.a.

George Ladds

July 2022

PORTFOLIO OVERVIEW

Bitesize introduction

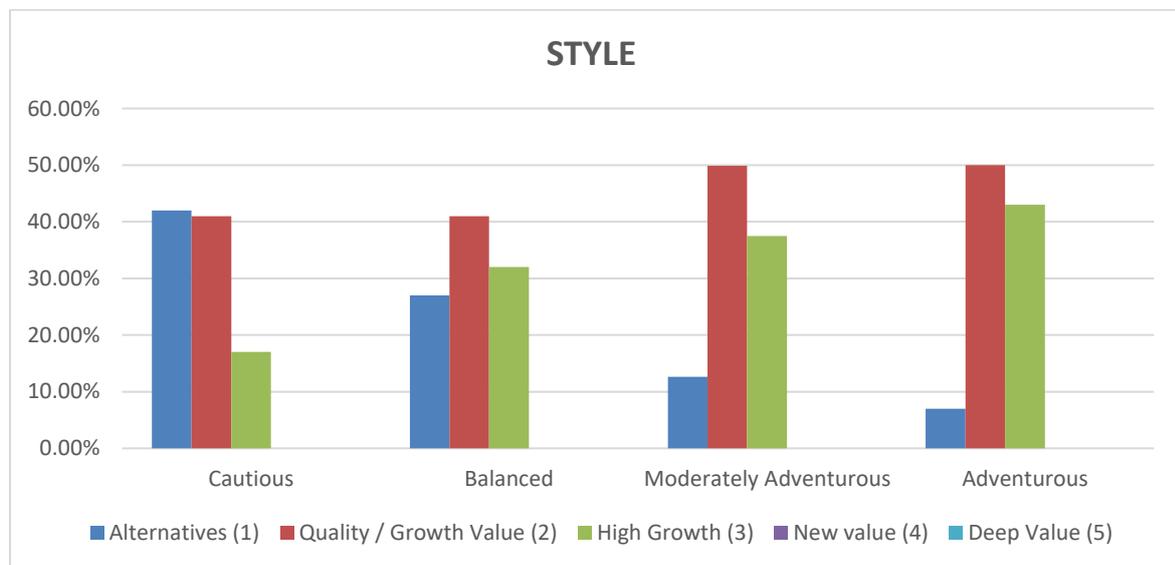
We have always said it is a privilege that people have selected us to invest their money and trust us to do that. That means we must take great care. We talk about how much work we do behind the scenes, and the amount of care we put into investment choices. We don't like to see portfolios down 20% in one year.

With all the noise at the moment, we did some further research on the funds. We considered the make-up of the portfolios between alternatives, quality growth and high growth. Within alternatives we have a broad opportunity set which covers, for example, bonds (debt), structured products, and infrastructure.

Within quality we are looking for those funds which have over 80% of the holdings in profitable companies and low levels of debt. Then high growth is those with less profitable companies, perhaps higher levels of debt and might be paying more for the shares of those companies.

There are two other options which we do not hold, and both are value. We may consider new value which is akin to quality growth but not deep value which we see as more of a bet for the future turnaround of a company.

The table below is very powerful and shows why we feel the portfolios are well positioned:

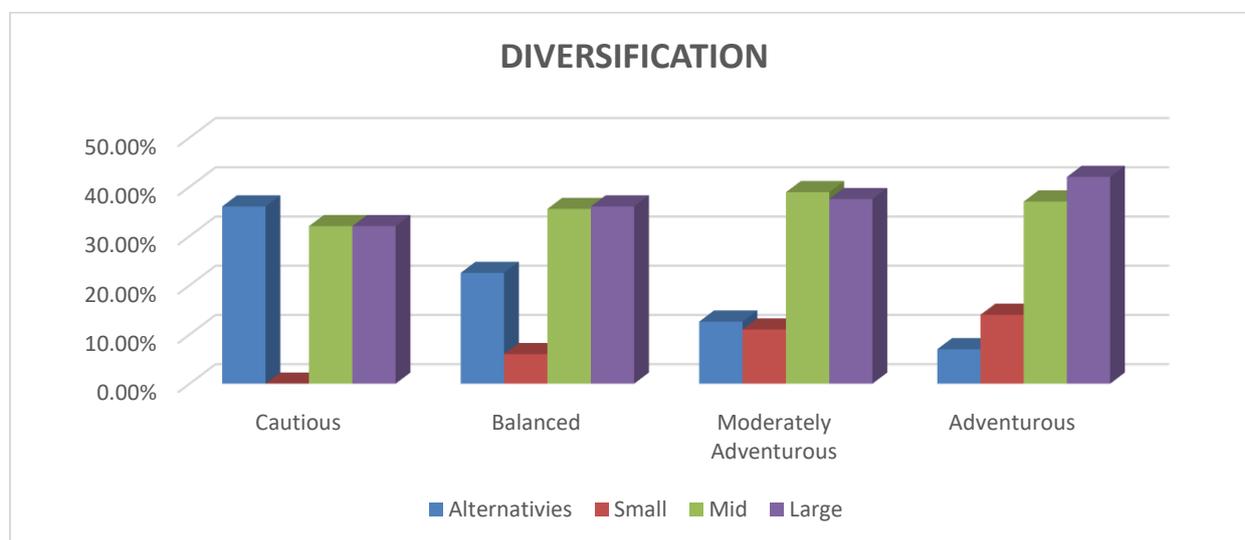


We would expect the Cautious Portfolio to have more of a weighting towards alternatives and quality, and less towards high growth. However, it will have some exposure to have the ability to provide meaningful returns. The Adventurous Portfolio on the flipside has more exposure to high growth and less to alternatives to deliver those high returns over the long term. Balanced aims to “balance” between Cautious and Adventurous.

This year we have seen Cautious performing better than Adventurous and that is what we would expect. When the recovery comes we would expect the Adventurous Portfolio to outperform. It is worth adding that even within high growth most of the funds have around 70% of the holdings as

profitable, and there is only one strategy where this is around 30% but this is a small weighting to each portfolio.

Of course, this isn't a perfect science and the portfolios do have exposure to small and mid-cap companies and these have struggled in this environment. However, we go back to analysis which shows, even within this space, you can have quality companies.



In summary, this has been a difficult period, but our analysis gives us comfort that the portfolios are well positioned when fundamentals come back into the market. There is talk that this could be the second half of this year and if this is the case then we could see a turn in returns, but we do still expect to be negative at the end of the year.

Responsible Investing

We haven't included the Positive Impact Portfolio in the research above. This was launched in 2014. The table below shows the lowest value and highest value over that period based on £10,000 invested.

	Value at start	Lowest value	Highest value	Value at end	Total return before fees and platform charges
Balanced Positive Impact	£10,000.00	£9,751.57	£22,291.10	£22,006.50	11.22% p.a.

We do focus on quality companies within the portfolio, but we also look to alternatives, and therefore the strategy tends to perform differently to the mainstream portfolios. It has had a difficult year but we have kept true to its focus to deliver something positive to the world and society.

So, within the portfolios there are equity funds covering UK, Europe, US, Asia, and Emerging Markets but there are more focused strategies focusing on renewables, social housing, clean energy and impact strategies. Impact strategies are those that have a meaningful impact with the products and services they offer.

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In summary, this has been a difficult period, but we know that we have good quality fund managers and funds. This is therefore well placed when the market starts to focus once again on fundamentals.

Last quarter (Q2)

It has been a challenging first half of the year as the table below shows:

	% Return
Cautious Portfolio	-13.19%
Balanced Portfolio	-18.74%
Moderately Adventurous Portfolio	-20.17%
Adventurous Portfolio	-21.14%
Balanced Positive Impact Portfolio	-14.74%

As indicated our focus on quality and high growth in the short term has been negative for the portfolios. We however focus on the long term, and although there are parts of the market doing better, we don't believe this is sustainable. We also believe that if we chased returns this would deviate from our core values.

Our job is to grow wealth over time. If we look at the long-term figures, we have done this. Even though the last six months have been challenging.

In addition to looking at each fund, we have spoken to many of the fund managers we invest with, and this has given us comfort. We will not always get things right, but we aim to be right more than we are wrong! Having a strong process and willingness to listen we think has benefited clients since the portfolios were launched in 2009.

In summary, we would really recommend you have a look at our fund manager meeting notes on the website. It is part of our process and we are happy to share these with you. We know this year has been difficult and we won't shy away from that. However, we hope that there is confidence that we have been working hard behind the scenes for a positive long term result.

2022 (Q3)

We won't dwell too much on this. Just really to say that we believe we are well positioned, and if we are right and the market turns to fundamentals then the portfolios should benefit from this.

Summary

There is a mountain to climb, and we have seen this done in 2015, 2016 and 2020. But equally we have seen negative years in 2011 and 2018. History tells us that markets do recover but we can't pinpoint when the bottom is. However, we hope we can provide reassurance that we know that we have strong fund managers, and the portfolios are well positioned to participate in the recovery when it comes.

Note: You should note that past performance is not a reliable indicator of future returns, and the value of your investments can fall as well as rise.

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A summary of the performance is shown below. The performance shown does not reflect our fees and any charges for where the investments are held. The impact of these charges varies but is around 1.36% p.a.

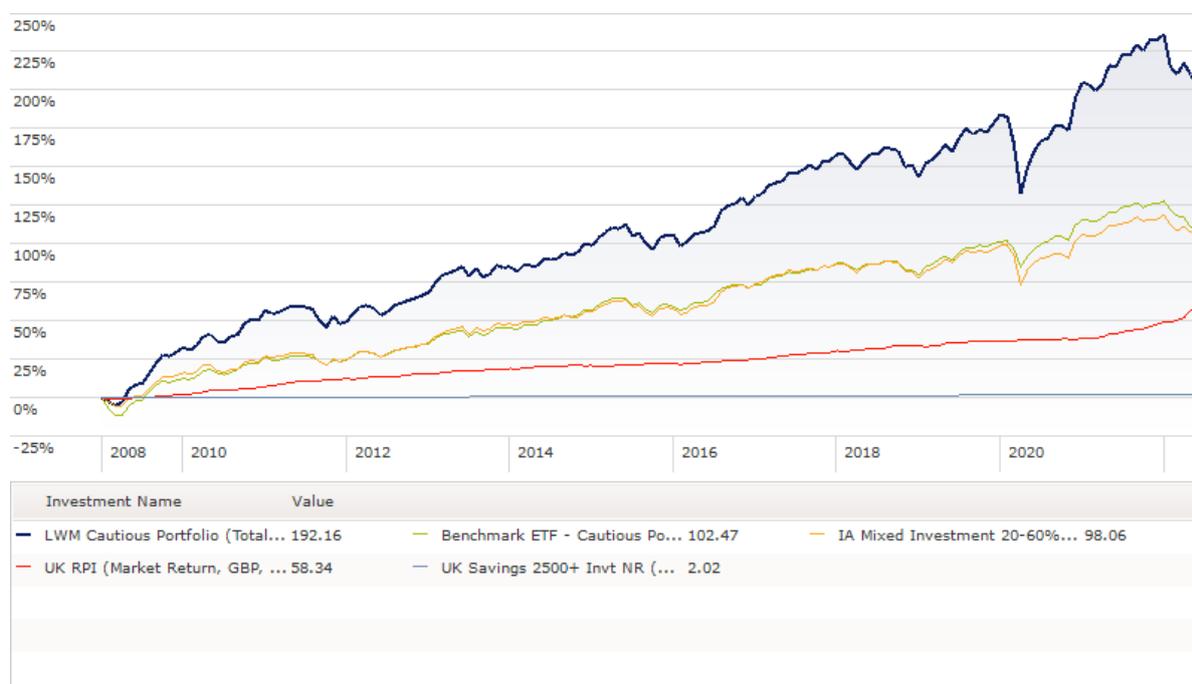
Summary of performance – 1 January 2009 – 30 June 2022

	12 months		2 years		3 years		4 years		5 years		Since launch	
	Portfolio	Benchmark	Portfolio	Benchmark								
Cautious	-9.85%	-9.65%	9.25%	4.53%	8.53%	3.93%	13.10%	8.26%	18.80%	12.05%	192.16%	102.47%
Balanced	-15.44%	-10.26%	5.41%	5.96%	6.74%	6.99%	8.42%	11.67%	19.21%	17.40%	224.40%	121.20%
Mod Adventurous	-18.03%	-9.51%	5.59%	10.13%	6.96%	11.31%	9.36%	17.38%	20.94%	24.42%	237.40%	148.20%
Adventurous	-20.35%	-9.85%	3.51%	12.32%	5.67%	12.97%	8.12%	19.47%	20.76%	27.39%	246.10%	155.60%
Balanced Positive Impact Portfolio	-10.86%	2.15%	8.00%	21.33%	15.26%	5.13%	22.05%	8.15%	32.08%	16.02%	87.64%	37.86%

Note: Please read special note at the end of the tables. The launch date of the portfolios is 1 January 2009 except for the Positive Impact Portfolio which is 1 August 2014. You should note that past performance is not a reliable indicator of future returns, and the value of your investments can fall as well as rise.

Detailed breakdown of performance

Cautious Portfolio

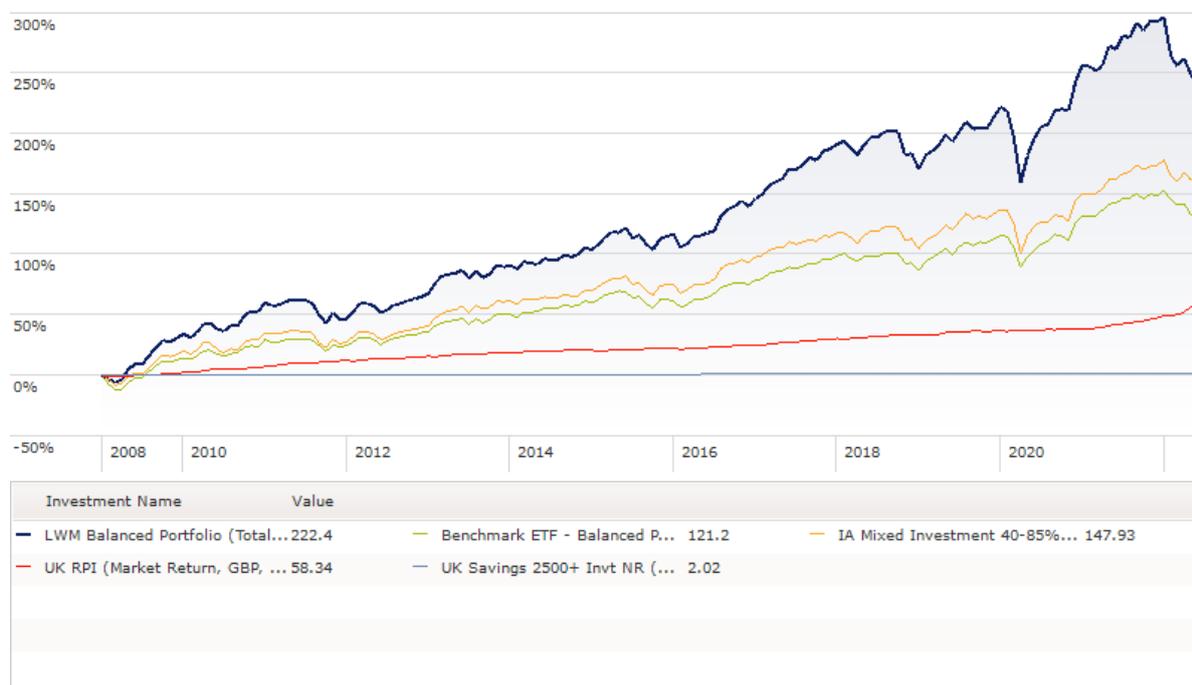


	2018	2019	2020	2021	2022	Since Launch
Cautious Portfolio	-5.88%	16.93%	7.25%	10.28%	-13.19%	8.27% p.a.
LWM Benchmark	-4.16%	12.24%	6.98%	5.76%	-11.27%	5.37% p.a.
IA Mixed Investment 20-60% Benchmark	-5.11%	12.08%	3.49%	6.28%	-9.57%	5.19% p.a.

	1 Year to 30/06/18	1 Year to 30/06/19	1 Year to 30/06/20	1 Year to 30/06/21	1 Year to 30/06/22
Cautious Portfolio	5.04%	4.21%	-0.66%	21.18%	-9.85%
LWM Benchmark	3.50%	4.17%	2.81%	11.88%	-9.65%
IA Mixed Investment 20-60% Benchmark	2.49%	3.02%	-0.71%	11.82%	-7.14%

Note: Please read special note at the end of the tables. The launch date of the Portfolio is 1 January 2009, and performance is up to 30 June 2022. The Benchmark performance tracks the performance period of the portfolio. You should note that past performance is not a reliable indicator of future returns, and the value of your investments can fall as well as rise.

Balanced Portfolio

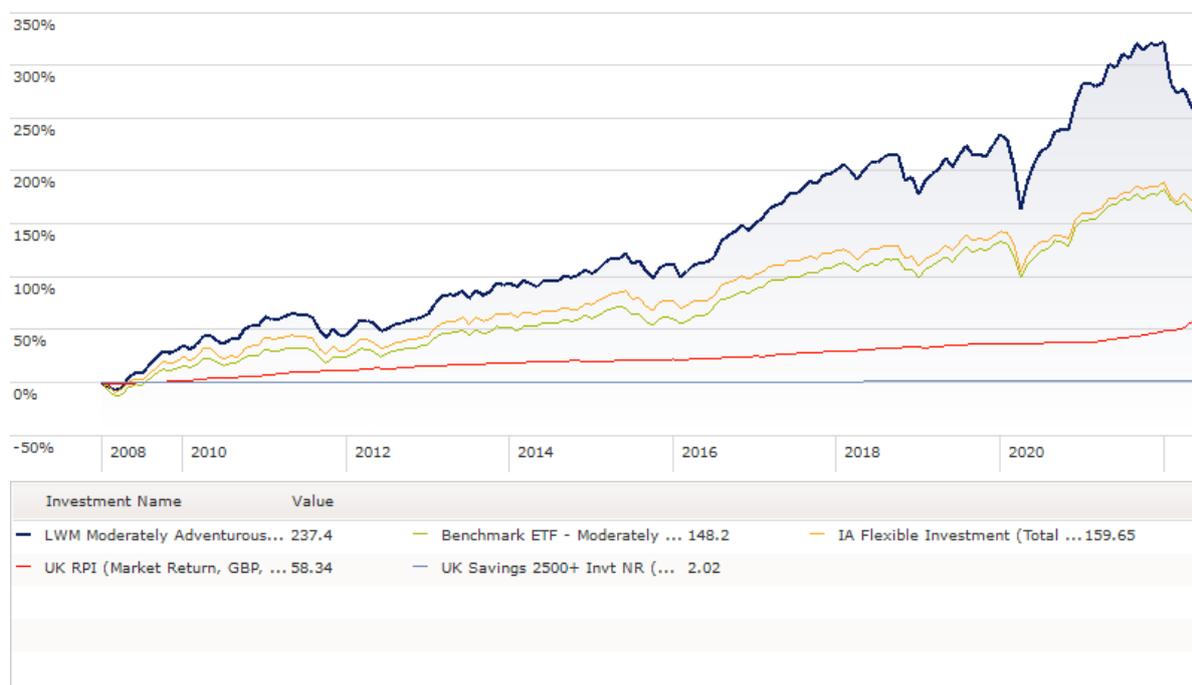


	2018	2019	2020	2021	2022	Since Launch
Balanced Portfolio	-6.99%	18.96%	10.77%	11.13%	-18.74%	9.06% p.a.
LWM Benchmark	-6.17%	15.65%	7.25%	9.29%	-12.63%	6.06% p.a.
IA Mixed Investment 40-85% Shares Benchmark	-6.07%	15.94%	5.50%	11.10%	-10.86%	6.96% p.a.

	1 Year to 30/06/18	1 Year to 30/06/19	1 Year to 30/06/20	1 Year to 30/06/21	1 Year to 30/06/22
Balanced Portfolio	9.96%	1.57%	1.26%	24.67%	-15.44%
LWM Benchmark	5.14%	4.37%	0.97%	18.08%	-10.26%
IA Mixed Investment 40-85% Shares Benchmark	4.99%	3.71%	0.10%	17.39%	-7.17%

Note: Please read special note at the end of tables. The launch date of the is 1 January 2009, and performance is up to 30 June 2022. The Benchmark performance tracks the performance period of the portfolio. You should note that past performance is not a reliable indicator of future returns, and the value of your investments can fall as well as rise.

Moderately Adventurous Portfolio

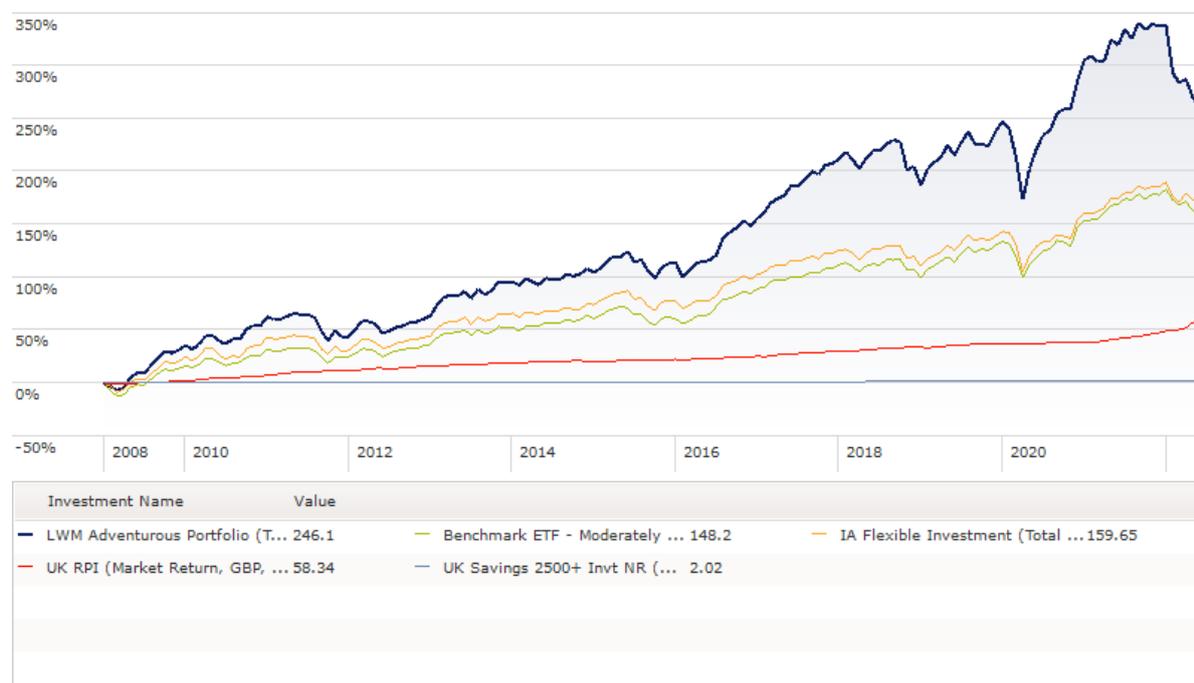


	2018	2019	2020	2021	2022	Since Launch
Moderately Adventurous Portfolio	-7.75%	20.37%	14.16%	10.46%	-20.17%	9.43% p.a.
LWM Benchmark	-5.83%	19.19%	8.58%	11.68%	-12.36%	6.97% p.a.
IA Flexible Investment Benchmark	-6.64%	15.64%	7.01%	11.38%	-10.46%	7.33% p.a.

	1 Year to 30/06/18	1 Year to 30/06/19	1 Year to 30/06/20	1 Year to 30/06/21	1 Year to 30/06/22
Moderately Adventurous Portfolio	10.59%	2.24%	1.30%	28.81%	-18.03%
LWM Benchmark	6.00%	5.44%	1.08%	21.70%	-9.51%
IA Flexible Investment Benchmark	5.16%	2.93%	0.38%	19.75%	-7.22%

Note: Please read special note at the end of the tables. The launch date of the Portfolio is 1 January 2009, and performance is up to 30 June 2022. The Benchmark performance tracks the performance period of the portfolio. You should note that past performance is not a reliable indicator of future returns, and the value of your investments can fall as well as rise.

Adventurous Portfolio



	2018	2019	2020	2021	2022	Since Launch
Adventurous Portfolio	-7.99%	21.15%	16.62%	8.24%	-21.14%	9.64% p.a.
LWM Benchmark	-5.99%	18.02%	9.40%	12.39%	-12.36%	6.97% p.a.
IA Flexible Investment Benchmark	-6.64%	15.64%	7.01%	11.38%	-10.46%	7.33% p.a.

	1 Year to 30/06/18	1 Year to 30/06/19	1 Year to 30/06/20	1 Year to 30/06/21	1 Year to 30/06/22
Adventurous Portfolio	11.62%	2.45%	6.02%	35.30%	-17.53%
LWM Benchmark	5.36%	4.76%	5.02%	25.43%	-7.54%
IA Flexible Investment Benchmark	4.61%	2.65%	3.46%	22.11%	-5.41%

Note: Please read special note at the end of the tables. The launch date of the Portfolio is 1 January 2009, and performance is up to 30 June 2022. The Benchmark performance tracks the performance period of the portfolio. You should note that past performance is not a reliable indicator of future returns, and the value of your investments can fall as well as rise.

Positive Impact Portfolio



	2018	2019	2020	2021	2022	Since Launch
Balanced Positive Impact Portfolio	-5.24%	22.35%	12.87%	11.12%	-14.74%	8.28% p.a.
LWM Benchmark (Royal London FTSE4 Good Tracker)	-7.46%	18.97%	-10.68%	16.24%	-3.26%	4.14% p.a.
IA Mixed Investment 40-85% Shares	-6.07%	15.94%	5.50%	11.10%	-10.86%	5.32% p.a.

	1 Year to 30/06/18	1 Year to 30/06/19	1 Year to 30/06/20	1 Year to 30/06/21	1 Year to 30/06/22
Balanced Positive Impact Portfolio	8.21%	5.89%	6.73%	21.15%	-10.86%
LWM Benchmark (Royal London FTSE4 Good Tracker)	7.27%	2.88%	-13.35%	18.78%	2.15%
IA Mixed Investment 40-85% Shares	4.99%	3.71%	0.10%	17.39%	-7.17%

The launch date of the Portfolio is 1 August 2014, and performance is up to 30 June 2022. The Benchmark performance tracks the performance period of the portfolio.

Special note to tables: You should note that past performance is not a reliable indicator of future returns, and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

Additional notes

The key measure for us is to outperform a fund that tracks an index over a medium to long term period. Within each sector, we will have funds that perform differently. We have set a benchmark which accurately and fairly reflects what we are aiming to do. The benchmark is tradable and therefore can be invested in. The benchmarks we have used are:

Diversifying Assets
UK
Europe
US
Global
Asia
Emerging Markets
Japan

Vanguard Global Bond Index Fund
Vanguard FTSE All Share Fund
iShares MSCI Europe Ex UK
iShares MSCI North America
iShares MSCI World Dist
iShares MSCI AC Far East Ex Japan
iShares MSCI Emerging Markets (Acc)
DB X-Trackers MSCI Japan ETF

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