



Model Portfolio Adventurous

November 2023

Objective

This portfolio is NOT a risk-free portfolio, rather, it is suitable for a client who is prepared to invest the majority of their overall portfolio into equities, accepting a high level of risk for a potentially higher reward. The primary objective of this portfolio is to generate a long-term total return and income above the Bank of England's base rate and real terms growth (above inflation) which is substantially higher than the long-term return on cash after fees and costs. This portfolio has no capital preservation mandate and can take an unconstrained amount of risk, investing in all assets that are available from the investment universe to achieve the objectives. Due to the higher risk nature of this portfolio, the recommended time-horizon is a minimum of 10 years.

Management

The benchmark we use for comparison purposes for volatility is **AFI Aggressive** noting that this benchmark currently holds **82.08% in Equity** (Analytics, 1st November 2023) and is therefore more aggressive than this portfolio. It would therefore be expected that the benchmark would outperform the portfolio and that the volatility of the benchmark would be higher. The model performance therefore cannot be directly compared to the benchmark.

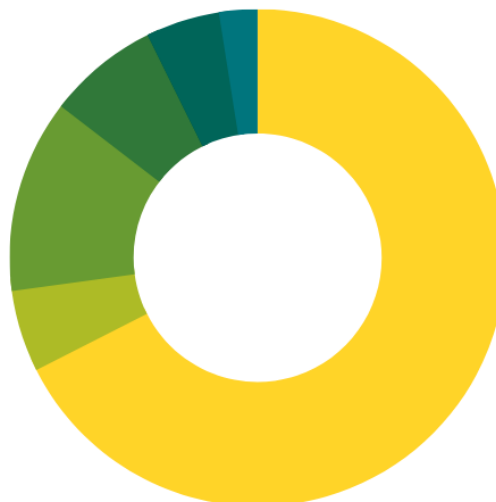
Performance

Asset	1 Month	3 Months	6 Months	12 Months	YTD	3 Years	5 Years	Since Launch 28/04/2017
OCM Adventurous	-1.27%	-2.74%	-0.26%	3.14%	2.96%	20.73%	23.54%	21.99%
Benchmark	-3.54%	-5.55%	-3.54%	1.84%	-2.05%	6.84%	17.59%	16.65%
UK Gilts	-0.38%	-1.75%	-4.89%	-6.34%	-4.81%	-29.05%	-18.27%	-18.98%
UK Equities	-4.28%	-4.92%	-5.84%	5.75%	-0.36%	37.44%	18.72%	18.24%

Source: FE Analytics, 1st November

Asset Allocation

- MONEY MARKET (67.54%)
- GLOBAL FIXED INTEREST (5.32%)
- UK GILTS (12.57%)
- UK FIXED INTEREST (7.25%)
- COMMODITY & ENERGY (4.81%)
- UK EQUITY (2.51%)



Equity 92.68% - Non-Equity 7.32%

Long Hold Investing

The assets in this portfolio have been selected based on a long hold approach, with a recommended minimum investment horizon of 10 years. Unlike OCM's OBI proposition, this portfolio has no capital preservation mandate, and will likely have a lower portfolio turnover.

The general asset allocation within the portfolio will be maintained over the long term, however underlying funds may be switched at the discretion of the Investment Committee in cases of consistent underperformance or positioning shifts.

Key Facts

Benchmark

AFI Aggressive

Inception Date

28 April 2017

Historic Yield

4.47% per annum

Ongoing Strategy Charge

0.17% per annum

Volatility

10.03%

Max Loss

-12.87%

Rebalancing Frequency

Quarterly



Jason Stather-Lodge

Founder/CEO/CIO



Georgina Stone

Deputy CIO

Contact Us

OCM Wealth Management Limited
St Clair House, 5 Old Bedford Road,
Northampton, NN4 7AA

T: 01604 621467

E: info@ocmwealthmanagementco.uk

W: ocmwealthmanagement.co.uk





Market Outlook

Volatility remained a key theme throughout the month, with an escalation of the conflict in the Middle East weighing on risk appetite as investors assessed the potential impact to global economies. As such, global equity markets experienced sharp declines in the latter half of October, as this heightened level of geopolitical risk dampened sentiment. In addition, a rise in oil prices drove investors to reconsider the outlook for inflation, with central banks potentially having to do more in order to bring inflation back to target, leading bond yields higher over the month.

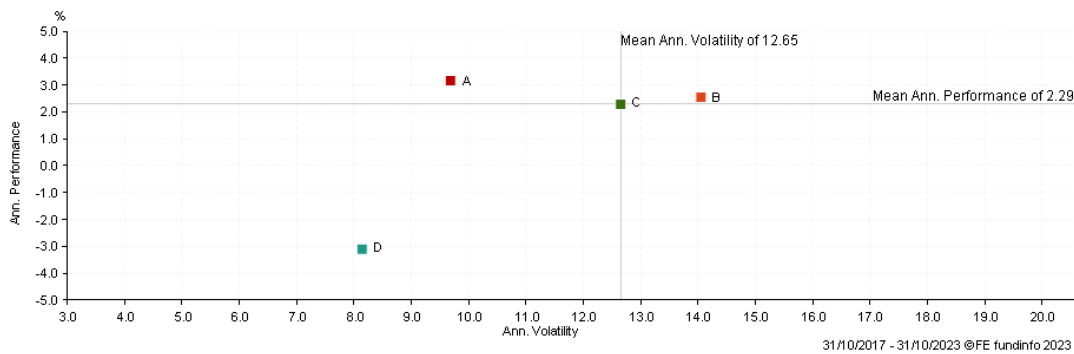
The conflict in the Middle East has resulted in significant economic and humanitarian devastation, and whilst we hope for a swift diplomatic resolution, no one can be certain as to how events unfold from here. As evidenced by the initial stages of the war in Ukraine last year, the outlook for financial markets and global economies remains somewhat clouded in the near-term by these geopolitical events and given that a significant escalation could have severe effects on global equity markets, we have taken the decision to reduce the level of risk within the portfolios.

Portfolio Positioning

Despite our already cautious outlook on equities moving into Q4, the increased level of uncertainty stemming from the conflict in the Middle East has led us to reevaluate our outlook as we move towards the end of the year, noting that we now see little upside potential in risk-assets in the current environment. Therefore, we have removed our equity and corporate debt exposure given our belief that the risks have heavily shifted to the downside. The proceeds from these positions have been deployed into money market funds which are considered 'risk-free' whilst providing an attractive yield. We have maintained our overweight to government debt, which we would expect to benefit from a flight to safety as well as a fall in interest rate expectations, whilst also retaining our exposure to key commodities given our expectations for the risk associated with the ongoing conflict will support the prices of these assets.

The situation in the Middle East is evolving quickly, and therefore it is our view that an agile approach to portfolio management is key. However, as it stands, we can review developments in the region from a position of safety knowing that our current positioning will preserve capital in the event of a significant deterioration of risk appetite, whilst generating returns from risk-free, yield generating assets.

Portfolio Volatility



This scatter chart reflects annualised volatility and return in GBP over the past 6 years. Over the long term, we would expect the OBI portfolio to exhibit a lower level of volatility than the benchmark.

Key	Name	Annualised Performance	Annualised Volatility
A	Adventurous TR in GB	3.16	9.88
B	UK Psv UK Equities TR in GB	2.55	14.05
C	AFI Aggressive TR in GB	2.29	12.65
D	UK Psv UK Gilts TR in GB	-3.10	8.14

Important Information

All data in this document has been extracted from Analytics as at 1st November 2023. Past performance cannot be used as a guide to future performance and the value of your investment will fall as well as rise in value. You may not get back all of your investment and the final value of your investment will depend on the performance of your portfolio. Performance figures quoted include fund manager charges but exclude adviser, discretionary, custodian and switch charges. Unless stated, income is reinvested into the portfolio. The information contained in in this document is for information purposes only. It does not constitute advice or a recommendation or an offer or solicitation for investment. Portfolio Expense is based on the Fusion platform and may vary for other platforms. Annualised Volatility and Max Loss Figures as detailed by FE Analytics over 5 years to period, where max loss represents the worst running return.