



OCM Wealth
Management



Independent Financial Planners | Discretionary Asset Managers | Tax Advisers

OCM Asset Management

**MODEL PORTFOLIO SOLUTIONS
FOR EVERY CLIENT JOURNEY**

WELCOME



Following a career at a 'Big Four' financial services company, our founder and CEO, Jason Stather-Lodge, founded OCM Wealth Management in 2004 with a mission to shake up the investment offering available to clients and IFAs across the industry. Six years later, after gaining discretionary permissions from the Financial Services Authority (FSA), Jason went on to form OCM Asset Management in 2010 with a vision of offering OCM's MPS suite of solutions, including the Volatility Managed Outcome Based Investment Strategies as an alternative to the traditional, more static investment solutions which dominate the market.

OCM IS A FAMILY BUSINESS WHICH IS FOCUSED ON DELIVERING MODERN SOLUTIONS TO SATISFY CLIENTS' REQUIREMENTS IN THE GLOBAL MARKETPLACE.

Through our suite of model portfolios, we have created a range of solutions to suit every client, while also offering tailored solutions which are created in-house for any clients who require a more bespoke service. We are an Independent Financial Advisory firm, and we can partner with any investment house to provide suitable investment options for our clients.

With our team of experienced Investment Managers, supported by a dynamic Asset Management team, we started the journey to offer a more comprehensive, active model portfolio service to a wide variety of market participants across the industry. Over the years, we have chosen to remain independent, and continue to offer our investment solutions on a whole of market basis.

At OCM, we want to gain a reputation for being the best in the UK at what we do, and by putting the client first at all times, we believe we will achieve this aim. The journey is still our "collective work in progress", and as a team, we will achieve all the firm's ambitions.

A handwritten signature in black ink that reads "Jason". The signature is stylized with a large, sweeping loop at the end.

Jason Stather-Lodge
CEO and CIO & Founder - OCM

After we plan **WE AIM TO DELIVER**

By choosing **OCM ASSET MANAGEMENT** as your investment partner, you entrust us with the important task of ensuring that all clients achieve their outcomes and financial goals. We aim to achieve these goals using clear and simple investment strategies, which are designed to provide all clients with a solution or a blend of different solutions, all working to deliver the client's outcomes.

Within our suite of Model Portfolio Solutions (MPS) we have the following: -

- 1 An Ultra Cautious Portfolio with a 100% exposure to cash and money market assets
- 2 Two Volatility Managed portfolios
- 3 Five Long Hold Income and Growth portfolios
- 4 ESG Volatility Managed and Long hold portfolios
- 5 Low-Cost Volatility Managed and Long hold portfolios
- 6 An AIM portfolio with a 100% exposure to UK AIM Equities

Clients and customers of OCM Asset / Wealth Management can expect a personalised service that is backed up by strong processes and robust investment solutions, designed to deliver strong risk adjusted returns and take action when something unexpected happens.

*We strive every day to improve because
"Our Clients Matter".*

Ultra CAUTIOUS

*This portfolio is most suited to a client who is in the decumulation phase of their life cycle or is concerned about market volatility. It consists of a **100% ALLOCATION** to cash and money market assets, with capital preservation at its core.*

This portfolio aims to deliver a return that is in line with the Bank of England’s base rate whilst providing a greater level of liquidity than fixed term deposits.

The portfolio will achieve this objective by investing solely in cash and money market securities, using a dynamic and diversified approach to fund selection to manage risk over the long term.

The portfolio is managed in line with an ultra-cautious risk profile, and the manager will not take any risk other than investing in money market assets.

The aim of this portfolio is to deliver returns in line with the Bank of England base rate, before fees and charges.

MPS Solution	Time Horizon	Risk Profile	Money Market, Volatility Managed or Long Hold	Income or Growth Focussed	Return Objective	Risk Parameters
Ultra Cautious	Can be short term	1	Money Market	Income	To attain 100% capital preservation (ignoring inflation) and deliver a return that is in line with BOE base rate and if required generate income.	Cannot take any risk in investing in anything but cash and money market funds. Key risk here is inflation.

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Our experience on both sides of the industry means that we have a thorough understanding not only of what the Financial Conduct Authority (FCA) wants to see, but also what the client is focused on.

Volatility Managed (VM) OUTCOME BASED INVESTING (OBI) DUAL MANDATE

As a Discretionary Fund Manager, we are **MULTI-ASSET STRATEGISTS** using fund managers (active and passive) and other investment instruments from the whole of the market to build a model portfolio for clients that we believe will deliver the expected outcomes of the portfolios over a full economic cycle.

Our Volatility Managed portfolios have been carefully designed to deliver a dual mandate of Outcome Delivery and Capital Preservation, with an aim to provide clients with a smoother investment journey over the long term. While there are no guarantees, this strategy looks to manage risk over the long term through the combined use of Quantamental Analysis and Value at Risk Analysis.

Managing Volatility is a continuous process whereby we will take on risk when we feel it will be rewarded and take risk off the table when we believe the inverse is the case and capital preservation is prioritised, in line with the evolving macroeconomic data, geopolitical concerns and daily returns analysis. We try to capture as much of the upward momentum as possible and avoid the negative, reducing volatility and shifting the mean return over a full economic cycle. In today's world, and especially in the period between 2000 – 2024 we have had to focus more on capital preservation than on delivering the outcome, as the geopolitical risks have been exaggerated compared to any other similar period in the last 20 years.

The aim of these model portfolios is to deliver returns in line with their respective benchmarks at a lower level of volatility over 3 and 5 years.

MPS Solution	Time Horizon	Risk Profile	Money Market, Volatility Managed or Long Hold	Income or Growth Focussed	Return Objective	Risk Parameters
OBI Moderately Cautious	Minimum of 3Yrs	2/3/4	Volatility Managed	Growth	Volatility Managed - To generate moderate growth in real terms (IE Above Inflation) over the medium term when OCM feel risk is worth taking when not to be focussed on capital preservation.	Can take up to 50% of the risk of investing in the world equity market, as measured by the worst expected loss and annualised volatility of returns. Has a dual mandate so will rotate between equity and lower risk investments when risk of market declines are elevated due to geopolitical or economic concerns.
OBI Balanced - Growth	Minimum of 5Yrs	5/6/7	Volatility Managed	Growth	Volatility Managed - To generate strong growth in real terms (IE Above Inflation) over the medium term when OCM feel risk is worth taking when not to be focussed on capital preservation.	Can take up to 75% of the risk of investing in the world equity market, as measured by the worst expected loss and annualised volatility of returns. Has a dual mandate so will rotate between equity and lower risk investments when risk of market declines are elevated due to geopolitical or economic concerns. Will always have a core holding of 25% in Equities.

Long Hold (LH) **INCOME OR GROWTH VARIANTS**

These portfolios are managed to maintain a constant asset allocation, cyclically rotating the assets throughout the market cycle. We aim to select the funds that are best positioned within a specific sector or geography to perform strongly over the long term.

Based on our quantitative analysis, we will only adjust the LH models based on our cyclical rotation to be in the right assets at the right time based on a long-term, strategic approach. We continue to review the suitability of the underlying positions, ensuring we remain positioned where we feel the most upside is available by investing globally using funds, passive instruments and ETFs.

Should we see an increase in risk in the holdings of an underlying position or a change in a manager's investment style that does not suit our objectives, we will look to adjust this holding in favour of a position that suits our desired outcome. The absence of a capital preservation mandate (included in VM) makes these models more like traditional long-hold strategies, and investors must accept full market volatility.



The aim of these model portfolios are to deliver a higher return than their respective benchmarks over all time periods, with a focus on growth or income and no volatility managed overlay.

	MPS Solution	Time Horizon	Risk Profile	Money Market, Volatility Managed or Long Hold	Income or Growth Focussed	Return Objective	Risk Parameters
Income	Cautious Income	Minimum of 3 Yrs	2/3/4	Long Hold	Income and Growth	To generate natural income in line with BOE base rate and some capital growth but not expected to see assets grow in real terms (IE Above Inflation) over the medium term.	Can take up to 35% of the risk of investing in the world equity market, as measured by the worst expected loss and annualised volatility of returns.
	Balanced Income	Minimum of 5 Yrs	5/6	Long Hold	Income and Growth	To generate natural income in line with BOE base rate and capital growth to see assets grow in real terms (IE Above Inflation) over the medium term.	Can take up to 75% of the risk of investing in the world equity market, as measured by the worst expected loss and annualised volatility of returns.

	MPS Solution	Time Horizon	Risk Profile	Money Market, Volatility Managed or Long Hold	Income or Growth Focussed	Return Objective	Risk Parameters
Growth	Balanced	Minimum of 5 Yrs	5	Long Hold	Growth	To generate growth in real terms (IE Above Inflation) over the medium term which is materially higher than the long term return on cash, after fees and costs.	Can take up to 75% of the risk of investing in the world equity market, as measured by the worst expected loss and annualised volatility of returns.
	Growth	Minimum of 7 Yrs	6	Long Hold	Growth	To generate growth in real terms (IE Above Inflation) over the medium term which is significantly higher than the long term return on cash, after fees and costs.	Can take up to 85% of the risk of investing in the world equity market, as measured by the worst expected loss and annualised volatility of returns.
	Adventurous	Minimum of 7 Yrs	7 plus	Long Hold	Growth	To generate growth in real terms (IE Above Inflation) over the long term which is substantially higher than the long term return on cash, after fees and costs.	Can take an unconstrained amount of risk, sometimes in excess of world equity markets risk, as measured by the worst expected loss and annualised volatility of returns.

Blended Solutions **BUILDING BLOCKS**

We often use a motorway analogy when discussing risk with clients, in which the slow lane represents a cautious approach, the middle lane balanced and the fast lane a more adventurous approach.

Dependent on a client's risk profile score and capacity for loss assessment, we can build a mandate that stays in one lane, moves between lanes, or invests in numerous vehicles that are all driving in different lanes. At any point, the mandate can be changed as long as the risk profile gives us the required acceptance of market risk and volatility.

Using a combination of different solutions, we can hedge overall risk and build a **blended portfolio** which is perfectly aligned with the client's short, medium and long-term needs and objectives.

Our ideal strategy for all clients is to look at it this way, assuming you have an acceptable level of risk:-

- 1 Short-term investment (up to 3 years) should be in the Ultra-Cautious portfolio.**
- 2 Medium-term investments (3 to 6 years) should be in the Volatility Managed portfolios to try to smooth the returns and manage risk, noting there are no guarantees.**
- 3 Long-term (7 years plus) assets should be Long Hold, as these assets can accept volatility and should be more geared towards growth generation.**

Investment Solutions to Suit ALL CLIENTS AND THEIR NEEDS

ESG INVESTING

For each of the Volatility Managed and Long Hold portfolios outlined above, we offer portfolio variants for clients who have a preference for ESG investments. These portfolios focus on Ethical, Social and Governance factors to create a portfolio of assets which avoids exposure to 'sin' sectors, while also favouring those which have a positive impact on society.

This is achieved through the application of our stringent negative and positive asset screening process. These portfolios look to mirror the standard portfolio allocation using assets which are more aligned with ESG values.

LOW-COST INVESTING

For each of the Volatility Managed and Long Hold portfolios outlined above, we offer a low-cost alternative for clients who have a preference for lower-cost, more passive investments.

These portfolios look to replicate the standard portfolio allocation using passive instruments, with the aim of keeping portfolio charges below 0.30% per annum.

OCM AIM

This portfolio is most suited to a client who is looking to gain exposure to growth-orientated equities in the UK, or clients who are looking to manage their exposure to Inheritance Tax as part of an estate planning strategy. This portfolio invests in high-growth, Business Property Relief (BPR) qualifying small and medium sized companies which are listed on the UK's Alternative Investment Market (AIM).

It consists of a 100% allocation to UK equities, with its key objectives being the mitigation of Inheritance Tax and growth. It is managed on a long-hold basis, with the portfolio constituents being selected based on our long term, strategic outlook, while maintaining high levels of diversification in terms of sectors at all times.

The aim of this portfolio is to deliver returns over the long term from investment into high-growth UK companies, with a view to manage Inheritance Tax liabilities.

MPS Solution	Time Horizon	Risk Profile	Money Market, Volatility Managed or Long Hold	Income or Growth Focussed	Return Objective	Risk Parameters
OCM AIM Portfolio	A minimum of 2 years (to qualify for Business Property Relief)	7	Long Hold	Growth	To mitigate Inheritance Tax and to generate growth in real terms (IE Above Inflation) over the long term which is substantially higher than the long term return on cash, after fees and costs.	Solely invests in UK equities listed on the UK Alternative Investment Market

Contacting OCM

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We have access to office suites in every major city in the UK.



Important Information

This document is intended to be for information purposes only and it is not intended as promotional material in any respect. Reliance should not be placed on the views and information in the document when taking individual investment and/or strategic decisions.

OCM Asset Management is a trading name of OCM Wealth Management Limited and has expressed its own views and opinions in this document and these may change. The data contained in this document has been sourced by OCM Wealth Management Limited and it should not be further publicised or used.

Past performance cannot be used as a guide to future performance and the actual performance of an individual clients' portfolio may differ due to varying funds being used and also by being restricted in relation to asset allocation due to investment parameters being constrained. The value of investments may fluctuate in price, and you may get back less than the amount invested. Please note that rules and legislation relating to tax may change over time.'

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