

## True Potential Close Brothers Cautious Income

Investment Manager



Sub-investment manager



### Objective and Investment Policy

The investment objective of the Fund is to achieve income in excess of 3% per year of the net asset value of the Fund, with capital growth, over rolling 3-year periods (net of fees).

The Fund seeks to achieve its objective through the active management of a multi-asset strategy, by investing, directly or indirectly, at least 80% of its net asset value in equity securities (i.e. shares), equity-related securities (i.e. other investments whose value is related to equities), fixed income securities (i.e. bonds issued by corporates and governments) and fixed income-related securities (i.e. other investments whose value is related to debt).

The Fund will be managed such that 20%-60% of its assets will be exposed to equity and equity-related securities, with 30%-60% exposed to fixed income and fixed income-related securities, however, in normal market conditions it is expected that the Fund will have a largely balanced exposure to these asset classes.

While the Fund has the power generally to invest in the asset classes described above, it may invest up to 20% of its net asset value in high-yielding corporate bonds, being unrated bonds or those rated below investment grade (i.e. below BBB minus or equivalent) by a single external rating agency under normal market conditions. The Fund may also invest in bonds issued or guaranteed by governments in emerging markets.

The Fund may also invest up to 20% of its net asset value in money-market instruments (i.e. debt securities with short term maturities), deposits, cash and cash equivalents (including deposits, treasury bills, certificates of deposit, bankers acceptances and commercial paper).

Exposure to the above asset classes may be achieved directly or indirectly through investment in units or shares of other collective investment schemes such as UCITS schemes or eligible non-UCITS schemes (including collective investment schemes that are exchange-traded funds) and closed ended funds constituting transferable securities. The collective investment schemes invested in may be managed by the sub-investment manager or an associate of the sub-investment manager. By investing in these vehicles, the Fund may also have some limited exposure to alternative asset classes, such as property, private equity and commodities.

The Fund may use derivatives (a financial instrument whose price is dependent upon or derived from one or more underlying assets) for Efficient Portfolio Management (EPM), i.e. to protect against market or currency movements, to reduce costs, or to earn income or capital. The Fund may also use derivatives for investment purposes.

You can buy and sell shares on any working day in London, excluding UK public and bank holidays.

The Benchmark for this fund is Morningstar UK Moderately Cautious Target Allocation, this is a Comparator Benchmark. The benchmark may be used as a guide to compare and assess the performance of the Fund. Our aim is to help you monitor how your investment is performing. The Manager believes this is an appropriate comparator benchmark, given the multi-asset nature and relative risk profile of the Fund. The Fund does not use the benchmark as a target, nor is the Fund constrained by it. The mix of assets in the Fund may vary from those of the benchmark (and its constituents). Accordingly, it should be used for reference purposes only.

Ongoing Charges Figure (OCF)\*: 0.90%

There are no entry or exit charges.

Launch Date: 16 March 2015

### 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. A Cautious Investor is usually willing to accept somewhat lower returns in order to lower their exposure to risk.

### Why True Potential Close Brothers Cautious Income?

The True Potential Close Brothers Cautious Income Fund is sub-managed by Close Brothers Asset Management and is managed in line with the Close Diversified Income Portfolio Fund.

The True Potential Close Brothers Cautious Income Fund provides access to Close Brothers' portfolio management service. This fund is highly diversified and actively managed.

### Key Information

True Potential Close Brothers Cautious Income Acc  
ISIN: **GB00BV9FQW68**

True Potential Close Brothers Cautious Income Inc  
ISIN: **GB00BV9FQT30**

12 month historic yield\*\*: 4.90% (Inc), 4.75% (Acc)  
Yield as of 30 September 2024  
Source: Northern Trust Investor Services Limited

### Asset Allocation\*\*\*:



UK Stocks	15.0%
US Stocks	6.8%
European (ex UK) Stocks	3.4%
Asia Pacific Stocks	0.2%
UK Gilts	1.8%
UK Corporate Bond	29.5%
Global Corporate Bonds	8.2%
Global REITS / Property	7.9%
Gold	3.0%
Alternatives	13.2%
Cash and Cash Equivalents	11.0%

\*OCF payable can fluctuate over time as the underlying investments are variable and can change. The OCF figure is sourced from the KIID dated 20/05/2024 found at [www.truepotential.co.uk/documents/](http://www.truepotential.co.uk/documents/).

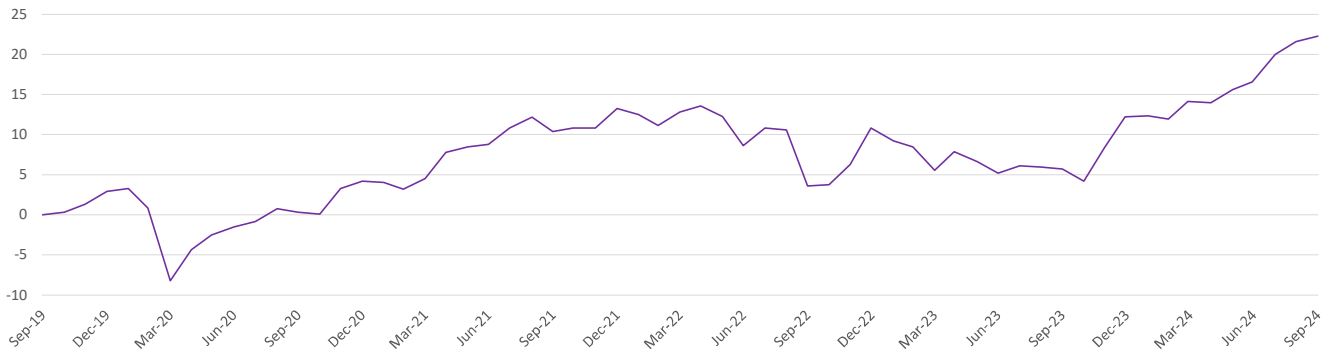
\*\* The Historic Yield reflects distributions declared over the past 12 months, as a percentage of the latest share/unit price. Investors may be subject to tax on their distributions. Please note, for some funds, it may be True Potential Administration's policy to charge certain expenses to capital, partially or in full. Full details are disclosed in the prospectus found at [www.truepotential.co.uk/documents/](http://www.truepotential.co.uk/documents/).

\*\*\*Source: Close Brothers Asset Management (as of 30/09/2024)

Asset Allocation is subject to change at any time without notice, is for information purposes only and should not be construed as an investment recommendation.

Please be aware that there is no guarantee that capital will be preserved.

**Cumulative Performance (%)\***



**Percentage Growth**

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	Since Launch
True Potential Close Brothers Cautious Income Acc*	0.5%	4.9%	7.1%	15.7%	10.8%	22.3%	45.9%

**Annual Percentage Growth**

	Sep 2018 Sep 2019	Sep 2019 Sep 2020	Sep 2020 Sep 2021	Sep 2021 Sep 2022	Sep 2022 Sep 2023	Sep 2023 Sep 2024
True Potential Close Brothers Cautious Income Acc*	3.8%	0.4%	9.8%	-6.0%	2.0%	15.7%

\* Source: Bloomberg, based on net asset value (as of 30/09/2024). Past performance is not a reliable indicator of future performance.

**Important Information**

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.

From 1st June 2021, True Potential Administration LLP took over from Smith and Williamson Fund Administration Limited as the Authorised Fund Manager. True Potential Investments LLP will continue as the Investment Manager.

From the 1st October 2022 this fund changed name from 'True Potential Cautious 2 Income' to 'True Potential Close Brothers Cautious Income'.

From 4th December 2023, the Depository has changed from HSBC Bank PLC to Northern Trust Investor Services Limited.

A Fund Prospectus and Key Investor Information Document (KIID) 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@tplp.com](mailto:investmentmanagement@tplp.com).

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**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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