

How **balanced** is your **balanced** portfolio?

Balanced

Balanced

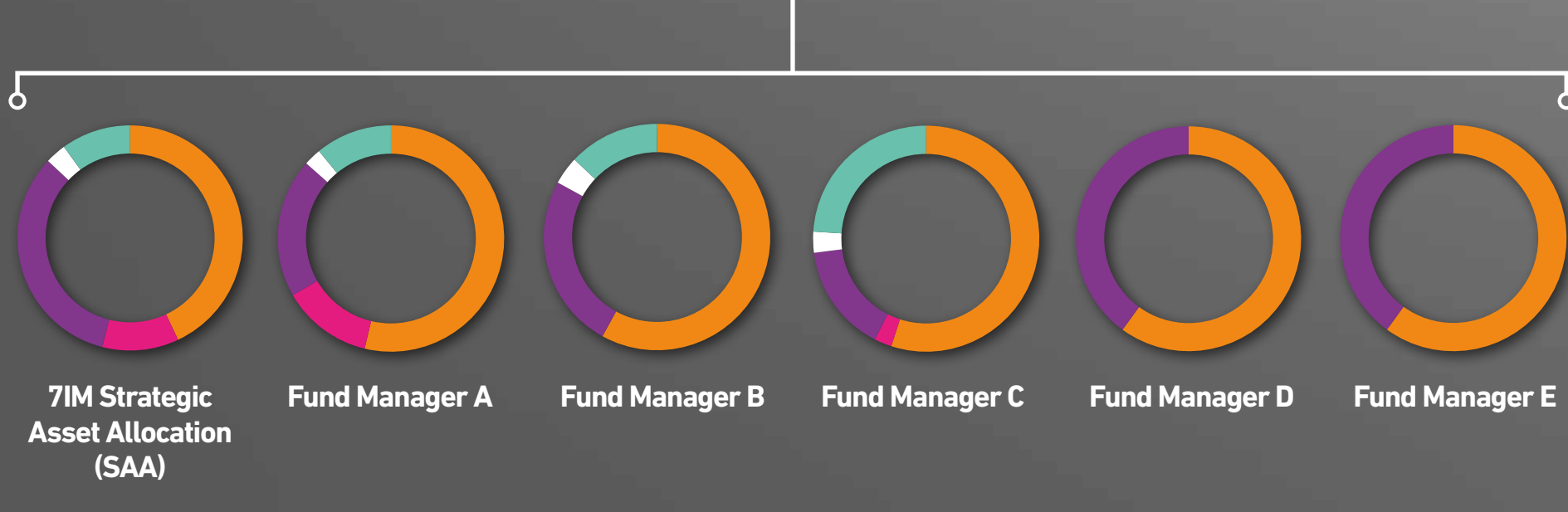
Balanced

Balanced

Balanced

Balanced

Six portfolios from six different providers. Same risk ratings. Same risk profile – 'balanced'. Based on this, you'd probably expect them to look reasonably similar in terms of make up. But that's not always the case.



Equities

17%
DIFFERENCE

Different equity allocations can have a real impact on portfolio performance. A "Balanced" allocation with 60% equities could be a lot more risky than one with 50% equities.

Investment Grade Bonds

25%
DIFFERENCE

Investment grade bonds have the biggest variation – a difference of nearly 25% between the smallest and largest holders.

Other

24%
DIFFERENCE

A close second is Other – some portfolios have nothing in the Other category, while some have up to 24% of their allocation here.

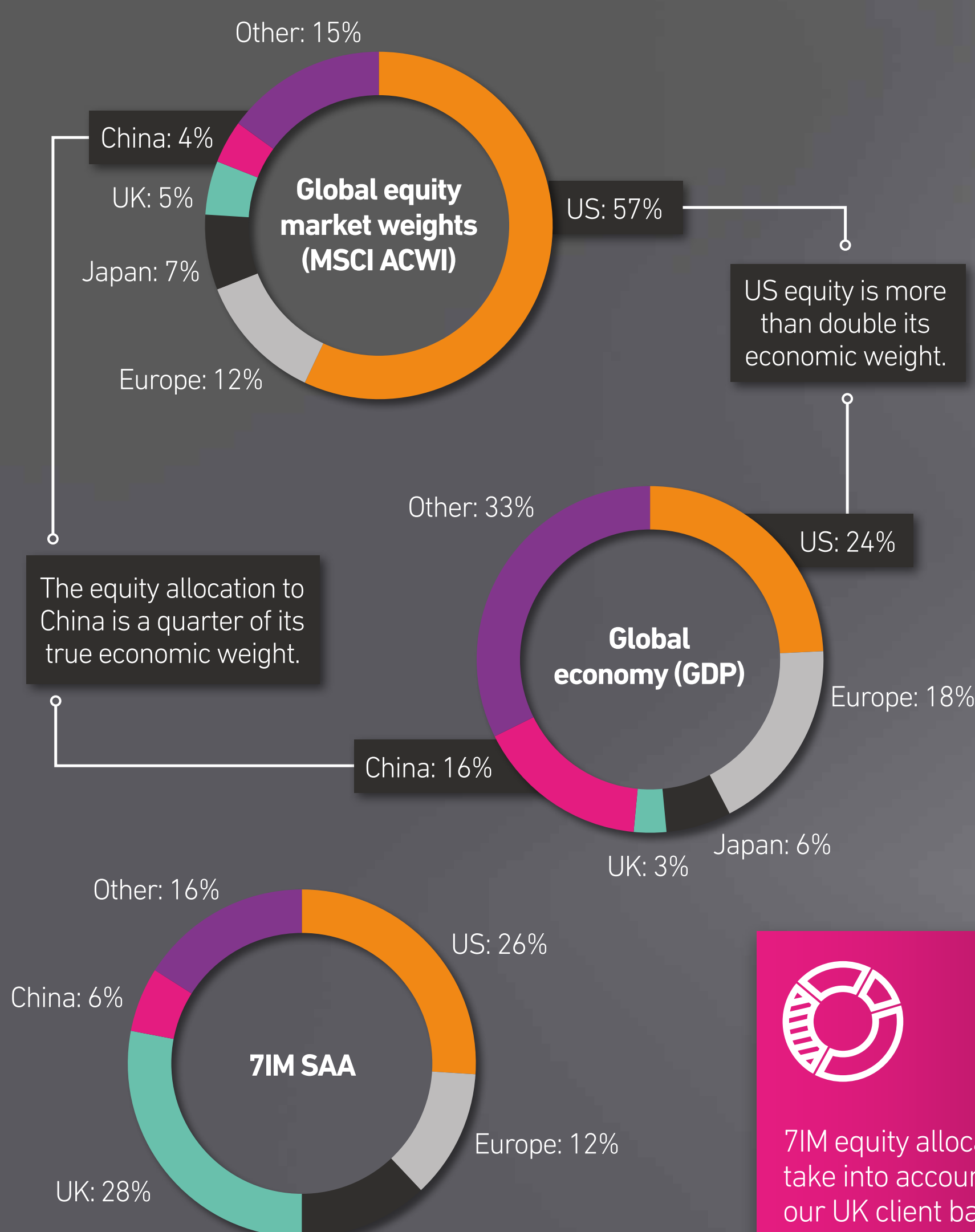


On broad asset classes alone, the differences are stark.

Other: There's no set definition of what 'Other' contains and it can vary hugely between providers. Also it could be 24% all in one asset, or made up of 24 different types at 1% each.

Look more closely, and compare the geographical allocation

Global markets don't look like the global economy.



7IM equity allocations take into account our UK client base, and are more evenly distributed around the rest of the world.

Regional exposure also significantly affects your sector exposure

Different countries are weighted more towards different sectors.



Countries' weightings towards different sectors may give an over concentration that you hadn't considered.

Summary

The make up of balanced portfolios can vary wildly. Dig deeper to see if yours is as balanced as you think.

Balanced

Balanced

Balanced

Balanced

Balanced

Balanced

Discover more about our Strategic Asset Allocation and the range of Funds and Models based on it at **7im.co.uk**

Source: Internal analysis conducted by 7IM.

Capital at risk. The value of investments may go up as well as down.

Seven Investment Management LLP is authorised and regulated by the Financial Conduct Authority. Member of the London Stock Exchange. Registered office: 55 Bishopsgate, London EC2N 3AS. Registered in England and Wales number 0C378740.