

FOR IMMEDIATE RELEASE

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7IM: 7 WAYS TO HELP GET YOUR FINANCES IN SHAPE

With a New Year comes new intentions, and **Seven Investment Management (7IM)** share seven ways to help get your finances in shape, from investments through to holiday currency planning.

1. Don't be kept in the dark

Recent research* by 7IM showed that Britain is a nation of silent money worriers, with seven out of ten people keeping their financial anxieties to themselves. But it is important to talk about finances, and make sure that in relationships, no one is in the dark.

Sophie Kilvert, Relationship Manager, 7IM said: "Whilst it's natural for most of us to divide up household chores, when it comes to managing household finances, there's often one person in the driving seat. It's understandable that the person with the greatest interest might want to take the lead on savings and investments. But it is important to know where everything is kept, from share certificates through to property deeds and other investments. In case of illness, bereavement or divorce, being in the dark can cause a huge amount of additional stress at a vulnerable time."

2. Nothing personal? Try to remove behavioural bias from your portfolio

Jeremy Greenwood, Senior Relationship Manager, 7IM said: "Something we notice with potential new clients is how personal their investments can be. Clients may have had a previous good experience with a certain stock or sector and this can lead to a behaviour bias in their investment decisions. We see clients holding on to 'losers' in the hope they recover some of their former sheen or having an overweight position in a sector familiar to them, exposing their wealth to unnecessary risks.

"It makes sense to invest in investment stocks or sectors that you have a personal interest in, but it is not necessarily the best way to construct a diversified portfolio. There's nothing wrong with having some fun with shares, but it is not the right way to weather proof your portfolio too. It is important to diversify geographically, but also at a sector level too. Multi asset funds can help diversify risk further beyond traditional asset classes."

3. Doing it for the kids? Think about saving into a pension for them

Justin Urquhart Stewart, Co Founder and Head of Corporate Development, 7IM said: "Most kids rightly get spoiled rotten over Christmas, but just as many recently purchased drones might have already been lost on their maiden voyage, parents don't want their hard earned savings going the same way.

"If you don't want to ruin your children, or crush their ambition by giving them too much, it's worth thinking about saving into a pension for them. With burdens such as university fees, not to mention postgraduate study, saving for a deposit on a house, and later childcare fees, many are not getting started with a pension until much later in life. Saving into a pension for your children could turn out to be one of the best things you ever do for them."

4. Rainy day money

Andrew McCulloch, Relationship Manager, 7IM said: "Many people in the UK don't have anything to fall back on in a financial emergency and therefore ensuring you have at least 3

months' worth of living expenses will allow you to sleep better at night, should something unexpected happen. In an ideal world, six months' worth of living costs is even better.

“If you do not have any money set aside for this specific purpose, then this should take priority over other financial goals. Once this has been achieved, you can therefore take a much longer term view with your other investments, safe in the knowledge that you have something to fall back on if you have a sudden change of circumstances. This can also help you avoid other financial issues, like having to take on additional short term debt and other negative consequences of being caught out.”

5. Holiday currency – be half right, rather than 100% wrong

Justin Urquhart Stewart, Co Founder and Head of Corporate Development, 7IM said: “If you’re planning your summer holiday, it’s worth thinking about taking out half of the currency now. Given it’s been a roller coaster ride for currency over the last year or so, it’s worth being half right rather than 100% wrong six months down the line if currency moves have worked against you.”

6. Get Appy

Financial apps can be a useful way of helping get your savings on track, because they can help gauge how much you need to save to achieve your goals.

Justin Urquhart Stewart, Co Founder and Head of Corporate Development, 7IM said: “The concept of long term financial planning, or delayed financial gratification, can be best brought to life by technology. Financial apps are a new twist on the old ‘carrot and stick’ approach, rebooted for the digital age.

“Whilst no substitute for financial advice or investment research, financial apps like 7IMagine can be a quick way of capturing details about your own or your families’ finances over a latte in as little as 10 minutes.”

7IMagine App illustration



7. Remember – money isn't boring!

Money Blogger **Faith Archer, of Much More With Less, sums it up perfectly:** "Money isn't boring – it can set you free. Money brings the choice to move home, walk away from a bad relationship or leave a job that isn't working for you. But lack of money, as mounting debt, can destroy lives."

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For further information, please contact:

Jemma Jackson
PR Manager, 7IM
jemma.jackson@7im.co.uk
020 3823 8696
07776 204 610

Notes to Editors:

*The **7IM Money Talks Study** involved online interviews with 2,005 adults across the UK between 7-10 November 2017. It was carried out by research company Opinium.

About 7IM

It all began in 2002, with seven of us in a basement establishing Seven Investment Management (7IM) because we couldn't find anywhere we wanted to invest our families' money. Our assets under management now stand at around £12bn (more than doubling since 2013), and we have moved from 'basement' to 'Bishopsgate' in the City of London. There are now around 240 of us.

Radical common sense

We manage money aiming to meet people's medium to long term return expectations. Fundamentally, we believe in active asset allocation in both active and passive investments (where we were one of the first to offer actively managed passive portfolios). We build global portfolios based on that allocation, and include alternative assets where appropriate to manage the risk reward trade off. Active currency management is also at the core of what we do.

7IM provides investment services to professional wealth managers, planners, advisers and private investors. These include: Discretionary investment management, a range of multi-asset portfolios, an investment and open architecture trading platform and a fantastic app, 7IMagine, which brings client portfolios to life.

Multigenerational investing

We do our best to pass on economies of scale, reducing fees so more investors within a family save with us. Grandparents, through to parents and their children can invest as individuals with one charging structure – whether they live under the same roof or not.

A story of continuous innovation.

In 2013, we launched 7IMagine, an app allowing investors and advisers to keep up to date with their portfolio. The brainchild of some clients – professional 'gamers' uninspired by their paper statements – 7IMagine was enriched in February 2016, with My Future. Again using gaming technology, My Future allows advisers and investors to capture details about family or individual finances, including any number of streams of income, properties, other assets and expenses, to help identify how sustainable their finances are and if / when their retirement income will run out.

Our funds

- Our **AAP fund range (Asset Allocated Passive)** is populated largely with passive structures to keep costs to a minimum. Asset allocation is actively managed to help exploit opportunities and reduce risk across the spectrum: **7IM AAP Adventurous, 7IM AAP Moderately Adventurous, 7IM AAP Balanced, 7IM AAP Moderately Cautious, 7IM Cautious and 7IM AAP Income**. Some of these risk profiles have an offshore version of the fund.
- Our **Multi-Manager fund range** invests in a range of active and passive vehicles. Costs still matter, but if we think an actively managed fund can outperform a passive alternative we have the freedom to choose it. Asset allocation is actively managed. Again, there are different funds for different profiles: **7IM Adventurous, 7IM Moderately Adventurous, 7IM Balanced and 7IM Moderately Cautious**. Again, some of these risk profiles have an offshore version of the fund.
- We also have a selection of funds designed to meet specific needs, such as the **7IM Personal Injury Fund, the 7IM Real Return Fund** or the SRI focussed **7IM Sustainable Balance Fund**.
- We also have a range of ‘smart passive’ funds known as the equity value funds. The range includes: the **7IM UK Equity Value Fund, the 7IM US Equity Value Fund, the 7IM European (ex. UK) Equity Value Fund** or the **7IM Emerging Markets Equity Value Fund**. These are entirely systematically managed based solely on company fundamentals, the aim being to outperform the relevant passive market cap-weighted alternative by selecting profitable, high-quality, cash-flow generating companies that trade at a discount to their intrinsic value.

Our Model Portfolios

The 7IM Model Portfolios are a range of risk rated portfolios and are available within our discretionary investment services and standalone on the 7IM platform and other platforms. The Models use the same investment process and asset allocation as our funds. Like the Asset Allocated Passive (AAP) funds, the entire asset allocation is fulfilled with ‘Smart Passive’ market cap weighted passive instruments (for example UK and US equities) which track those markets and systematic instruments. 7IM undertake the due diligence on the passive securities (such as counterparty risk and concentration). Our range of Model Portfolios are available across the risk profiles: **7IM Adventurous Model Portfolio, 7IM Moderately Adventurous Model Portfolio, 7IM Balanced Model Portfolio, 7IM Moderately Cautious Model Portfolio, 7IM Cautious Model Portfolio and 7IM Income Model Portfolio**.

The 7IM funds and Model Portfolios are available through the 7IM Discretionary, Managed Investment, Platform, and Self Invest services, as well as on other platforms.

Important information: The information contained in this document does not constitute investment advice and if you are in any doubt about the suitability of the investment or service, you should consult a professional financial adviser. The value of investments, and the income from them, can fall as well as rise and you may not get back the full amount invested. 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 No. OC378740.

WWW.7IM.CO.UK