

## Aligning Your Oakwood Model Portfolio with Your Attitude to Risk

### *"Surprise is the Mother of Panic!"*

We can't do much about you being shocked when markets suffer a totally normal temporary decline. We can however stop you being surprised!

To this end we want you to have an informed understanding **NOW** of the potential returns you *may* experience in future.

The figures to the right show the actual calendar year performance of a similar portfolio to the one recommended for you .

***Past performance is no guarantee of future returns.***

You will note that in the 25 complete calendar years between 1998 to 2022, seven (highlighted) had negative returns.

In other words, this portfolio showed a temporary "loss" in value almost one year in three!

Of course, this also means that the portfolio grew in the majority of years. *"The declines are temporary, the advance is permanent!"*

You should **not** use these figures as a guarantee of the future expected maximum gains and losses your investment could show year-on-year; this information will help inform you of the **potential** variances in returns going forward.

***It is important that you look at these figures and understand them.***

60/40 Portfolio	
Periodic Returns	
Rate of return (%)	
1998	4.8
1999	23.9
2000	6.7
2001	5.4
2002	-12.1
2003	17.2
2004	11.0
2005	18.8
2006	7.4
2007	-0.1
2008	-25.0
2009	30.0
2010	19.4
2011	-1.8
2012	12.7
2013	13.4
2014	11.8
2015	5.3
2016	12.1
2017	5.2
2018	-6.0
2019	17.8
2020	3.3
2021	17.1
2022	-10.2

**If you are uncomfortable with the range of historic returns shown please let me know at the earliest available point.**

### The very worst 12 month performance in 25 years?

**Between March 2008 and February 2009 this portfolio fell by 25%.**

**This would see an investment of €100,000 fall to €75,000.**



**If a temporary fall of this magnitude would cause you unbearable stress then please get in touch. We would need to consider whether this Portfolio is suitable for you.**

<sup>1</sup> Figures for the Oakwood Invest Model Portfolios only go back to 2017 (due to the date one of our funds was launched). We want to show you figures over a meaningful period of time. The above portfolio is based on the same equity-bond split as your Oakwood Invest Model Portfolio. It is NOT the same but is a decent proxy.

**Warnings:**

**Past performance is no guide to future performance, they are not a reliable guide to the future performance of your funds.**

**The funds outlined are not guaranteed.**

**If you invest in these funds you may lose some or all of the money you invest.**

**The value of your investment may go down as well as up.**

