

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 (%)	
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
2023	12.2

The average return over the 25-year period would have been 6.5% p.a. net after charges.

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.

¹ 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.