

# Investment Update



## What's Been Happening?

The portfolio continues to produce pleasing returns and the global recovery is still in full swing.

The General Election announcement for 6 May 2010 did not come as a surprise.

We feel that a hung parliament would be the worst case scenario as this would leave more questions than answers with regards to taxation and economic policies. This will not be helpful when we look at the position of UK Sectors within the portfolio at the next review.

## Market Consensus

After our analysis of the General Market Consensus, there have been very few changes.

Asia Pacific and Global Emerging Markets continue to be the most positive sectors and UK Gilts remain negative.

All Bonds & Fixed Interest Sectors have moved down the market consensus, which strengthen our tactical decisions to begin to take some profit from this sector and diversify into Property, which is now looking more favourable within the Market Consensus:

### POSITIVE

Asia Pacific Equity  
Global Emerging Markets  
UK Equity  
UK Bonds & Fixed Interest  
BRIC (Brazil, Russia, India, China) Equities  
US Equity  
Japanese Equity

### NEUTRAL

UK Smaller Companies  
UK Property  
International Bonds & Fixed Interest  
US Smaller Companies  
Global Property  
European Equity

### NEGATIVE

UK Gilt

## Oil

Oil has had an 18 month high recently, with data from the purchasing managers index was much stronger than predicted combined with better news with US employment figures and an upswing in the US property market, all lead to an increase in confidence.

## House Prices

According to Halifax, House prices rose again in March by 1.1%.

This rise in March follows February's 1.6% fall, the only month in which prices declined in the past 9 months. House prices have now risen on average across the UK to 9.1% above the lows of April 2009.

## Moving Forward

We are happy with the performance of the portfolios and satisfied with the positive move we made at the last review.

The outcome of the general election is very much in the balance and we shall be researching with keen interest the pledges each of the main parties make and determine how they will affect your investments and the economy as a whole.

**Due to the election taking place in May, we propose the review of your portfolio, which is scheduled at the beginning of May, be postponed to the beginning of June, after the general election.**

Should you wish to have your investments reviewed at the beginning of May, please contact us. We do however, recommend that the election takes place before we consider making any amendments to your investments.