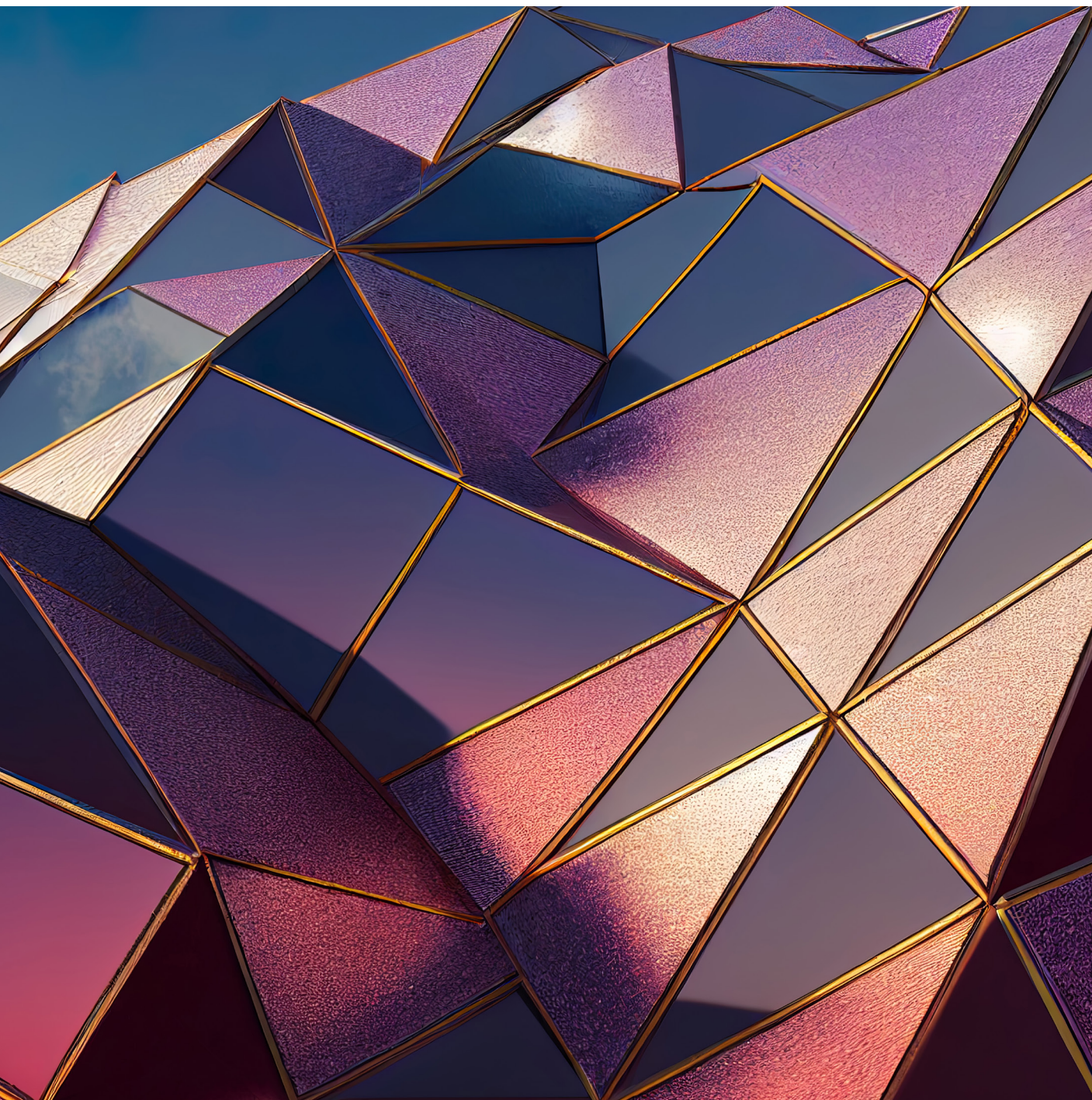


# Multi asset solutions

**The Global Multi Asset Portfolio range**



For professional clients, not suitable for retail investors.





# Why multi asset investing?

Multi asset funds combine a blend of different asset types, depending on their individual remits. Different asset types tend to perform well under different conditions and at different times.

Multi asset funds can present an effective means of combining different exposures within a single vehicle the benefits include:



## Diversification

Investments spread across different asset classes, sectors and regions, seeking to create smoother returns over time.



## Risk controlled

Multi asset funds are designed to balance risk and reward across a number of different asset classes. A range of risk-rated funds can suit a broad spectrum of individual client needs offering consistent outcomes as asset class weights vary gradually across the range.



## Active management

Using the skills of an experienced asset allocation team, multi asset funds can attempt to anticipate and be responsive to market fluctuations, adjusting exposures with the aim of maximising performance potential and mitigating losses.



## Time efficiency

The diversified nature of multi asset funds means they could be suitable as a single core holding, particularly for investors with smaller amounts to invest, allowing advisers to cut down on the administrative time and research required to build a portfolio of individual funds.



## Capital Gains Tax

Within a multi asset fund, the manager can switch the underlying investments as necessary without having to pay Capital Gains Tax (CGT). This could be a more tax efficient means of managing a client's portfolio compared to multiple transactions across funds\*.

\* This is based on our understanding of current tax law and may be subject to change. The tax treatment depends on the individual circumstances of each client and may be subject to change in the future.



# Our approach

The Multi Asset team employs a consistent investment philosophy and process.

We see strategic asset allocation as an active process with the objective of maximising returns while controlling risk, both in terms of traditional portfolio efficiency and resilience to shocks. We construct our multi asset funds from a broad range of asset classes with different economic drivers and correlations and we keep the strategic mix under regular review to ensure it remains appropriate as the capital market outlook evolves. We avoid exotic asset classes where there is insufficient data to make judgements about long run risk and return characteristics.

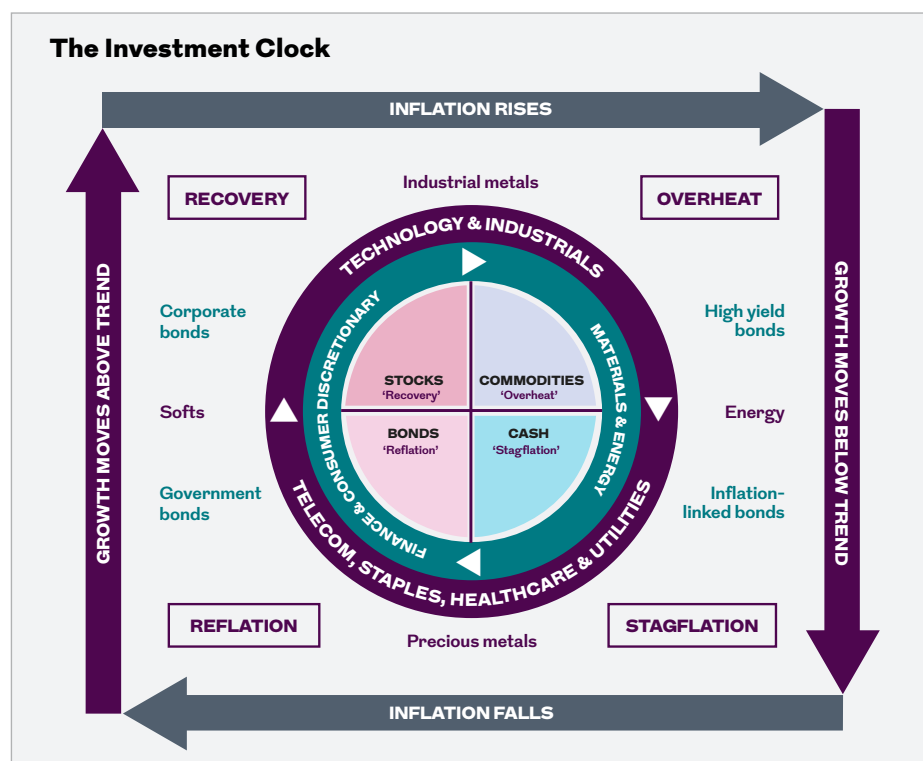
Tactical asset allocation operates on a shorter time horizon, seeking to add value irrespective of market direction and regardless of the economic backdrop. Rather than allocating all of our risk budget to one or two major decisions, we seek to improve risk-adjusted returns by spreading risk across a large number of tactical positions between, and within, asset classes. We believe research into the factors that explain historical asset class performance provides critical insight into the future, helping us to generate a robust and repeatable source of added value that has a low correlation with the strategic mix.

We apply a systematic framework for allocating to various asset classes

“We believe there is no such thing as a passive multi asset fund.”

**Trevor Greetham,**  
Head of Multi Asset

and regions with investment decisions informed by a range of quantitative models including the Investment Clock. The Investment Clock relates the global business cycle to the performance of various investments. It incorporates a wide range of indicator data and is used by the team to guide tactical asset allocation across the Global Multi Asset Portfolios (GMAPs) range.



Our Investment Clock model is key in deciding which asset classes to overweight and underweight based on the current stage of the business cycle.

## How the Investment Clock works

The Investment Clock's horizontal axis, left to right, measures inflation while its vertical axis indicates economic growth. In simple terms, the economic cycle moves through waves; from prosperity to decline, with central banks adjusting monetary policy as a means of stabilising activity within the economy. Tracking the movement through each of the Clock's quadrants – Reflation, Recovery, Overheat and Stagflation – can guide rotation across assets and sectors.

While the Investment Clock provides a scientific basis for the team's investment decisions, it and the other tactical models represent the starting point and not the end point of the investment process. Fundamental analysis and investment experience play an important role and the team's decisions also draw on input from our other investment teams, experts and policy makers.

The team provides frequent updates on the movements of the Investment Clock through regular blog posts, videos, webinars and in-depth reports. This introduces a high degree of transparency to the team's thinking. Please visit [www.investmentclock.co.uk](http://www.investmentclock.co.uk)



# Active management and expert guidance

The team applies a tactical overlay to each portfolio within the GMAPs range. This is a robust and repeatable daily asset allocation process, which takes shorter-term market movements into account.

The team continuously monitor the economy, to exploit market movements and steer the GMAPs range towards stronger growth, by tactically adjusting the asset allocation of each portfolio, within a risk-controlled framework.

As shown below, historical asset class performance has shown wide variations in returns year on year.

The purple box represents our Global Multi Asset Balanced Fund, which provides a smoother journey for investors, with less volatility in performance. This stresses the importance of selecting a diverse range of assets that can be tactically adjusted in the short term, with the aim of optimising growth.

	2019	2020	2021	2022	2023	2024
1	Global Stocks +22.6%	Global Stocks +14.3%	Commodities +28.3%	Commodities +30.7%	Global Stocks +16.0%	Global Stocks +20.2%
2	UK Stocks +19.2%	EM Stocks +11.9%	Global Stocks +20.0%	Cash +1.0%	UK Stocks +7.9%	EM Stocks +14.8%
3	EM Stocks +15.9%	Gilts +8.3%	Property +19.9%	UK Stocks +0.3%	<b>Multi Asset</b> <b>+7.0%</b>	UK Stocks +9.5%
4	<b>Multi Asset</b> <b>+10.0%</b>	<b>Multi Asset</b> <b>+5.2%</b>	UK Stocks +18.3%	EM Stocks -6.4%	Cash +4.4%	<b>Multi Asset</b> <b>+7.7%</b>
5	Gilts +6.9%	Cash +0.3%	<b>Multi Asset</b> <b>+8.3%</b>	<b>Multi Asset</b> <b>-7.3%</b>	Gilts +3.7%	Commodities +7.3%
6	Commodities +3.5%	Property -1.0%	EM Stocks +1.0%	Global Stocks -7.8%	EM Stocks +2.9%	Property +5.9%
7	Property +2.1%	Commodities -6.1%	Cash +0.0%	Property -10.1%	Property -0.1%	Cash +5.3%
8	Cash +0.7%	UK Stocks -9.8%	Gilts -5.2%	Gilts -23.8%	Commodities -13.1%	Gilts -3.3%

**Past performance is not a guide to future performance. The views expressed are the author's own and do not constitute investment advice.**

Source: RLAM, LSEG DataStream as at December 2024; property as at November 2024. 'Multi Asset' returns are based on the benchmark weights of Royal London Global Multi Asset Portfolio (GMAP) Growth Fund / Governed Portfolio Growth. Indices used are FTSE All Share, FTSE World, MSCI Emerging Markets ESG Leaders, MSCI/AREF UK All Balanced Quarterly Property Fund, Bloomberg Commodity Index, BoAML BB-B Global Non-Financial High Yield Constrained Index, iBoxx Sterling Non-Gilt Index, Bloomberg Barclays Global Aggregate Corporate Index, FTSE Actuaries UK Index Linked Gilts, Bloomberg Barclays UK Government Inflation Linked Bond 1-10 year Index, Bloomberg Barclays World Government Inflation Linked Bond (ex UK) 1-10 year, FTSE Actuaries UK Conventional Gilts Index, JPM Global ex-UK Traded Index, FTSE Actuaries UK Conventional Gilts up to 5 Years Index, SONIA. Total returns in sterling terms.

# Systematic framework for tactical decision-making

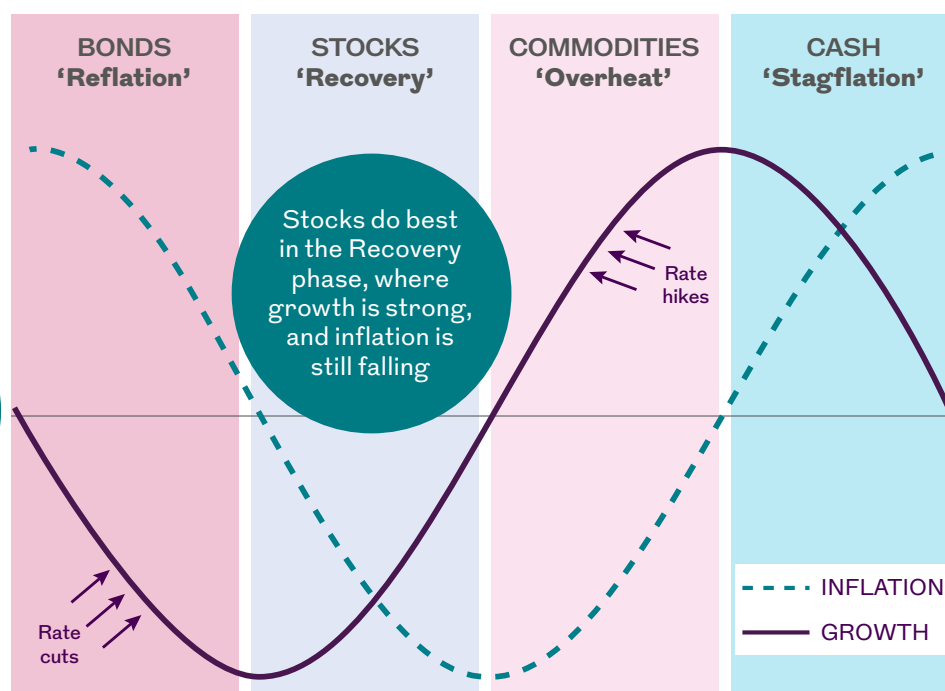
The Multi Asset team focus on tactical asset allocation as a key driver of returns – a central part of this is the Investment Clock.

## Asset class rotation and the economic cycle

The thick purple line in the business cycle shown below shows growth – a boom/bust cycle, which on average lasts five years. The teal dashed line is inflation. Inflation rises for a while after growth surges, then takes a while before it drops again.

Since growth and inflation are two different cycles, this creates four different stages of the business cycle (as highlighted below and corresponding with different sectors of the Investment Clock which was illustrated earlier).

Grounded in over 50 years of market data, investments perform differently as we move throughout the cycle, which present opportunities for tactical decision-making. For example:



Our Investment Clock reports help put this into context, and keep investors up to date on how we're managing the Global Multi Asset Portfolios.

# Key features of our Global Multi Asset Portfolios



## Track record

The range consists of seven multi asset solutions designed to maximise real returns with a defined risk framework. The funds share the same investment approach as Royal London Governed Portfolio range, which now has a 15 year track record of delivering on performance, governance and risk management.



## Diversification across traditional asset classes

We invest across diversified asset classes with long-term track records, including gilts and commodities, to help provide resilience to unexpected shocks. We avoid exposure to new, untested and often exotic assets which we believe should mean GMAPs offer more resilience when market stress intensifies or if the economy moves into a recession.



## Tactical asset allocation

We have a research-led tactical asset allocation process that makes use of quantitative models, but allows room for experience and judgement to play a part. We start with an analysis of factors that have worked in the past. Having a back-tested quantitative anchor, which we complement with more qualitative investment calls, has served us well over the years.



## Differentiated investment process

Our Investment Clock model is key in deciding which asset classes to overweight and underweight based on the current stage of the business cycle; allowing us to position defensively during a downturn, which isn't possible in a passive-only approach. It also pays to have an active strategy that can take advantage of buying opportunities during periods of heightened volatility.

Different asset classes tend to perform better at different stages of the business cycle. Stocks do best in the early recovery while inflation is still low or falling. Commodities do better later in the expansion, when inflation is rising and the world economy is starting to overheat. The Multi Asset team will look at the models and this will form the starting point of a fundamental discussion.



## Experience and expertise

We have been managing multi asset portfolios on behalf of clients including the Royal London Group since 1988. Our team of multi asset specialists has an average of over 20 years' investment experience.



## Risk rated

We have funds spanning the risk spectrum, so some financial advisers are using the GMAPs as part of their centralised investment proposition. Others have bought them as part of the blend to sit alongside multi asset funds with a different investment approach. We have made it easier for you to identify which funds best fit your clients' needs by risk rating our range by a number of different risk profiling providers.

We avoid exposure to new, untested and often exotic assets.

# Why GMAPs?

We offer seven diversified portfolios with different risk/return profiles to suit different clients' investment objectives.

The funds are managed in line with the following at their core:

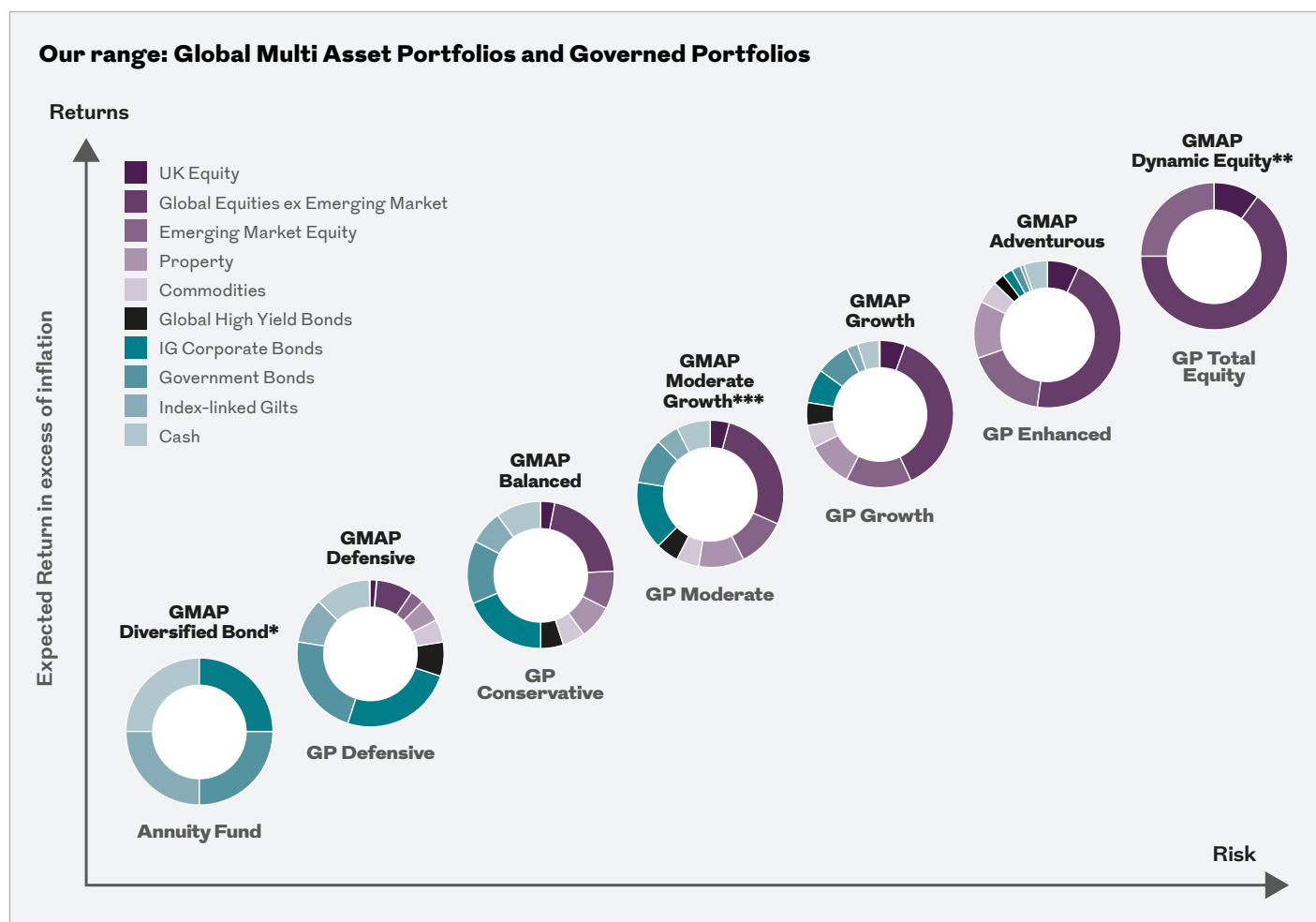
- **Focused risk management** – The risk process applied to the funds is designed to make sure that the funds are managed in a disciplined and

repeatable manner. This process begins with their design, with the asset mix of each fund designed to cater to a given investment objective and attitude to risk.

- **Broad asset mix** – The funds' exposures across different asset types have been designed to meet specific risk and return requirements. These exposures may, however, vary over time

in line with the manager's views to take advantage of market opportunities as market conditions change.

- **Active and passive investments** – The GMAPs offer exposure to both actively managed funds as well as some equity tracker funds. The combination of both provides balance and means that costs are reduced.



Source: Royal London Asset Management for illustrative purposes only.

\* Fund name changed from Royal London GMAP Conservative Fund on 15 March 2024.





































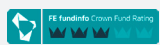

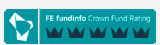
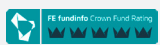


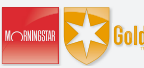


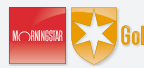


\*\* Fund name changed from Royal London GMAP Dynamic Fund on 15 March 2024.

\*\*\* Royal London GMAP Moderate Growth Fund was launched on 25 July 2024.

Our range of Governed Portfolios changed name on 18 November 2024. The Governed Portfolios are our risk-targeted insured pension proposition available through Royal London.



# Risk mapping and Platform availability

Diversified Bond*	Defensive	Balanced	Moderate Growth***	Growth	Adventurous	Dynamic equity**
			Fund launched on 25 July 2024. Ratings not available yet.			
						
						
						
						
Oxford Risk 1 / 5 1 / 7	Oxford Risk 1 / 5 2 / 7	Oxford Risk 2 / 5 3 / 7		Oxford Risk 3 / 5 5 / 7	Oxford Risk 4 / 5 5 / 7	Oxford Risk 5 / 5 6 / 7
						
						
						
Analyst-Driven % 10 Data coverage % 90	Analyst-Driven % 10 Data coverage % 90	Analyst-Driven % 10 Data coverage % 90		Analyst-Driven % 10 Data coverage % 90	Analyst-Driven % 10 Data coverage % 90	Analyst-Driven % 10 Data coverage % 90

\* Fund name changed from Royal London GMAP Conservative Fund on 15 March 2024.

\*\* Fund name changed from Royal London GMAP Dynamic Fund on 15 March 2024.

\*\*\* Royal London GMAP Moderate Growth Fund was launched on 25 July 2024.

Defaqto Risk Ratings as at 31 December 2024. The Dynamic Planner Trading name of Distribution Technology Ltd Risk Profile assessment of the fund is correct as at Q4 2024 and is reviewed independently by Dynamic Planner Trading name of Distribution Technology Ltd on an ongoing quarterly basis; and, if necessary, may change in future. Copyright© 2025 onwards.

EValue 31 December 2024 Report. Risk Ratings (Scale 1-10) data generated by Fund Risk Assessor on a 5-year time horizon. Visit [www.ev.uk](http://www.ev.uk) for full information about EValue's risk ratings.

FinaMetrica Risk Tolerance as at 31 December 2024. FinaMetrica scores are for each of the funds considered in isolation and are

based on 'OK Risk'. Please refer to <https://www.riskprofiling.com/> for further information. Synaptic based on 1-10 scale, at Q4 2024.

Oxford Risk as at 31 December 2024. Oxford Risk ratings for funds/portfolios provide an estimate of their risk level.

They do not by themselves indicate the suitability of a fund/ portfolio for an investor. Overall suitability should be assessed by a qualified financial adviser, taking the investor's financial personality, financial circumstances, and investing knowledge & experience into account.

Defaqto Diamond Ratings as at 31 December 2024.

## Our portfolios are available across multiple platforms:

- abrdn
- Advance by embark
- AJ Bell
- Aviva
- Cofunds supported by Aegon
- 7IM
- transact
- Wealthtime
- Quilter
- Fidelity FundsNetwork
- M&G
- James Hay Partnership
- Pershing

Share class availability may vary from platform to platform, please contact your preferred platform for details. Adding funds to platforms is a demand driven process, so should your chosen RL fund not be available via your preferred platform, we would encourage you to contact your platform representative to request access.

# Our Multi Asset team

The Multi Asset Team was established in 2015 with the aim of creating a range of funds for a broad spectrum of investor needs.



**Trevor Greetham**  
Head of Multi Asset



**Simon Rubingh**  
Senior Fund Manager



**Melanie Baker**  
Senior Economist



**Nersen Pillay**  
Investment Director



**Hiroki Hashimoto**  
Senior Fund Manager



**Jean-Marc Lange**  
Fund Manager



**Stephen Parry**  
Implementation  
Manager



**Michael Clarkson**  
Fund of Funds  
Manager



**Nick Woodward**  
Multi Asset  
Solutions  
Director



**Jake Winterton**  
Assistant Fund  
Manager



**Kathleen Broekhof**  
Investment  
Director



**Joshua Stait**  
Portfolio and  
Implementation  
Analyst



**Jamie Davis**  
Portfolio and  
Implementation  
Analyst



**Jack May**  
Senior  
Implementation  
Analyst



**Jasper Jogi**  
Multi Asset  
Analyst



**Matthew Dallow**  
Multi Asset  
Quant Analyst

# Risk warnings

**Investment risk:** The value of investments and any income from them may go down as well as up and is not guaranteed. Investors may not get back the amount invested.

**Exchange rate risk:** Changes in currency exchange rates may affect the value of your investment.

**Emerging markets risk:** Investing in emerging markets may provide the potential for greater rewards but carries greater risk due to the possibility of high volatility, low liquidity, currency fluctuations, the adverse effect of social, political and economic instability, weak supervisory structures and accounting standards.

**Derivative risk:** Derivatives are highly sensitive to changes in the value of the underlying asset which can increase both fund losses and gains. The impact to the fund can be greater where they are used in an extensive or complex manner, where the fund could lose significantly more than the amount invested in derivatives.

**Credit risk:** Should the issuer of a fixed income security become unable to make income or capital payments, or their rating is downgraded, the value of that investment will fall. Fixed income securities that have a lower credit rating can pay a higher level of income and have an increased risk of default.

**Interest rate risk:** Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital.

**Efficient Portfolio Management (EPM) techniques:** The fund may engage in EPM techniques including holdings of derivative instruments. Whilst intended to reduce risk, the use of these instruments may expose the fund to increased price volatility.

**Counterparty risk:** The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the fund to financial loss.

**Fund investing in funds risk:** The fund is valued using the latest available price for each underlying investment, however it may not fully reflect changing stock market conditions and the fund may apply a 'fair value price' to all or part of its portfolio to mitigate this risk. In extreme liquidity conditions, redemptions in the underlying investments, and/or the fund itself, may be deferred or suspended.

**Liquidity and dealing risk:** The fund invests indirectly in assets that may at times be difficult to value, harder to sell, or sell at a fair price. This means that there may be occasions when you experience a delay in being able to deal in the fund, or receive less than may otherwise be expected when selling your investment.



# Important information

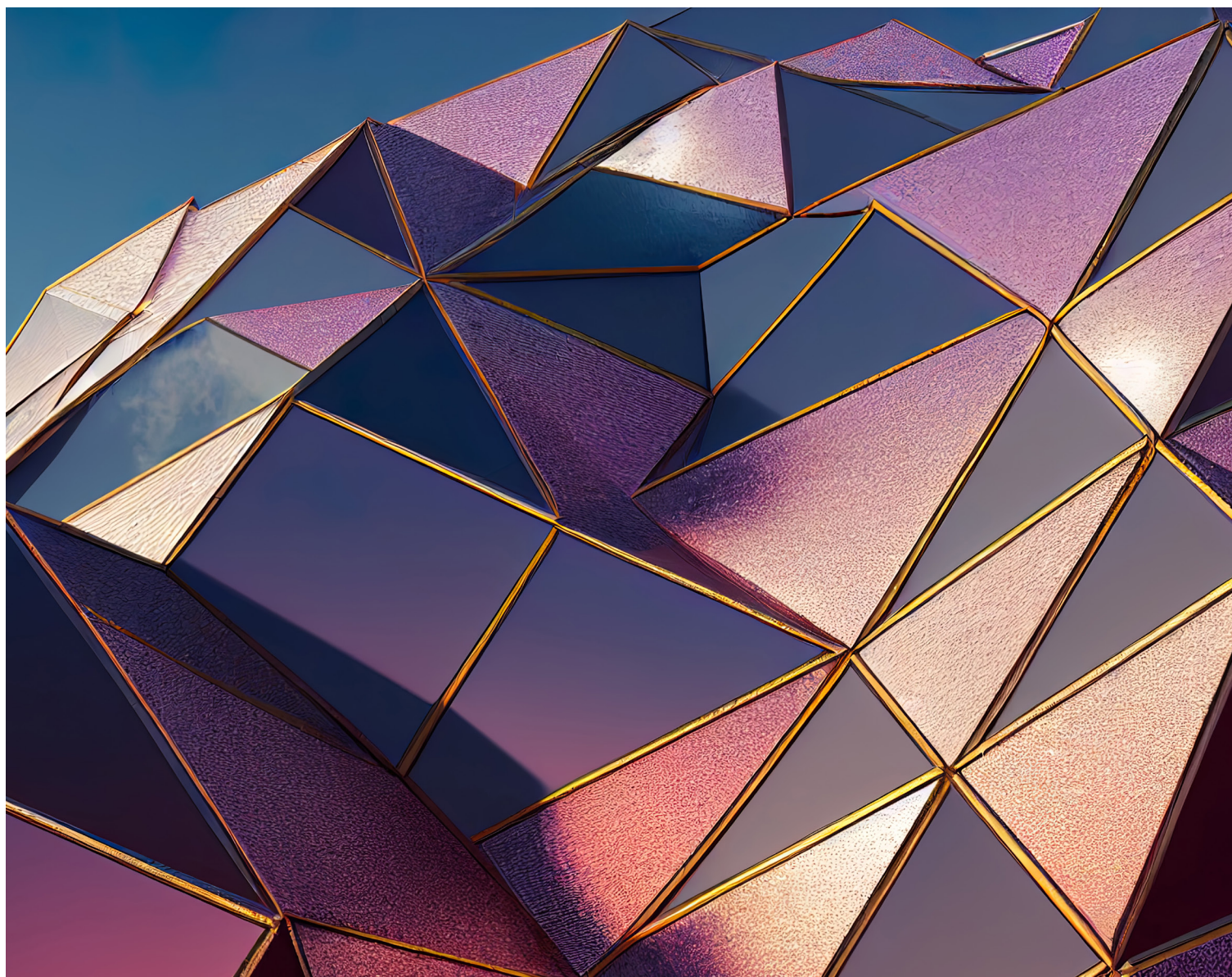
For Professional Clients only, not suitable for Retail Clients This is a financial promotion and is not investment advice. Telephone calls may be recorded. For further information please see the Privacy policy at [www.rlam.com](http://www.rlam.com).

The funds are sub-funds of Royal London Multi-Asset Funds ICVC, an open-ended investment company with variable capital with segregated liability between sub-funds, incorporated in England and Wales under registered number IC001058. The Company is a non-UCITS retail scheme. The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144037.

For more information on the fund or the risks of investing, please refer to the Prospectus or Non-UCITS retail scheme Key Investor Information Document (NURS KII Document), available via the relevant Fund Information page on [www.rlam.com](http://www.rlam.com).

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Ref: BR RLAM PD 0209



# Contact us

For more information about our range of products and services, please contact us.

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We are happy to provide this document in braille, large print and audio.



