

# LGIM MPS

November 2023  
Blended Growth Portfolio changes

## Summary of portfolio changes

### Equities

- ⊖ Maintained negative view on equities

### Fixed income

- ⊕ Maintained positive view on duration

### Alternatives

- ⊖ Reduced exposure to listed infrastructure and REITs in some portfolios




**Equities** – We maintain our reduced exposure to equities, given our expectation for a slowdown in economic growth. In the lower-risk portfolios, we slightly increased our exposure to equities to ensure they are appropriately aligned with their respective risk bands.

**Manager research** – At this rebalance, we increased our allocation to Pictet Clean Energy, to reflect a more positive outlook on the decarbonisation theme. Over the medium to long term, we expect positive growth in the underlying theme and growth in the sector. We also see valuations to be attractive for decarbonisation stocks and, as such, have increased the exposure, via the Pictet Clean Energy Fund, across the portfolios. There were no other manager changes at this rebalance.

**Bonds** – We maintain our positive view on duration. We had no changes to make to our bond portfolio given the recent tweaks in our special rebalance in October.

**Alternatives** – We have reduced our exposure to listed alternatives and global REITs in some portfolios. Similar to equities, these changes were to better align the portfolios within their risk bands.

Portfolio		Defensive	Cautious	Cautious Balanced	Balanced	Balanced Growth	Growth	Adventurous
 <b>Blended</b>	<b>Total Active</b>	<b>29.00%</b>	<b>32.50%</b>	<b>37.25%</b>	<b>40.00%</b>	<b>38.50%</b>	<b>43.25%</b>	<b>43.75%</b>
	OCF	0.32%	0.35%	0.39%	0.42%	0.42%	0.45%	0.46%
<b>Model portfolio manager fee</b>				0.06% (incl. VAT)				

Source: LGIM, as at 25 Nov 2023.

## Target asset allocation – Blended Growth\*

Fund Name	Active/ Index	Asset class	Defensive	Cautious	Cautious Balanced	Balanced	Balanced Growth	Growth	Adventurous
<b>Equities</b>			<b>13.50%</b>	<b>27.00%</b>	<b>38.50%</b>	<b>51.00%</b>	<b>58.00%</b>	<b>77.00%</b>	<b>96.00%</b>
Evenlode Income	Active	UK Equities	1.25%	2.50%	2.75%	3.75%	4.25%	5.25%	5.75%
Schroder Recovery	Active	UK Equities	0.75%	1.50%	1.50%	2.00%	2.50%	3.00%	3.25%
L&G UK Index Trust	Index	UK Equities	0.50%	1.50%	1.50%	1.75%	2.50%	3.00%	3.25%
Artemis UK Select	Active	UK Small Cap Equities	1.00%	1.00%	1.00%	1.25%	1.25%	2.00%	2.50%
Artemis Income	Active	UK Equities	2.00%	2.50%	3.00%	3.50%	4.25%	5.75%	6.75%
BlackRock European Dynamic	Active	European Equities	0.50%	1.00%	1.50%	2.25%	2.25%	3.00%	3.50%
L&G European Index Trust	Index	European Equities	0.75%	2.50%	3.25%	5.00%	4.75%	7.25%	8.50%
Lightman European Fund	Active	European Equities	0.25%	0.50%	1.00%	1.25%	1.25%	1.75%	2.00%
L&G US Index Trust	Index	US Equities	1.50%	3.75%	6.25%	7.75%	7.50%	9.75%	10.50%
UBS MSCI World Min Vol Index	Index	US Equities	1.50%	2.75%	4.75%	6.25%	6.50%	7.75%	8.50%
L&G Japan Index Trust	Index	Japanese Equities	0.25%	1.00%	1.75%	2.50%	3.25%	4.50%	6.00%
JPM Japan	Active	Japanese Equities	0.25%	0.50%	0.75%	1.00%	1.25%	2.00%	2.50%
L&G Pacific Index Trust	Index	Asia Pacific ex Japan Equities	0.50%	1.00%	1.50%	2.00%	2.75%	3.50%	5.75%
Jupiter Asian Income	Active	Asia Pacific ex Japan Equities	0.50%	0.50%	1.00%	1.50%	1.75%	2.50%	3.75%
L&G Global Emerging Markets Index Fund	Index	Emerging Market Equities	0.25%	1.50%	2.50%	4.00%	4.75%	6.75%	9.75%
Federated Hermes Global Emerging Markets SMID	Active	Emerging Market Equities	0.25%	0.50%	1.00%	1.25%	2.00%	2.00%	2.75%
Vanguard Global Small Cap Index	Index	Small-cap Equities	0.25%	0.50%	0.50%	0.50%	0.50%	1.00%	1.75%
M&G Global Emerging Markets	Active	Emerging Market Equities	-	0.50%	1.00%	1.25%	1.75%	2.25%	3.00%
Wellington Global Stewards	Active	Global Equities	1.25%	1.50%	2.00%	2.25%	3.00%	4.00%	6.25%
<b>Credit and Emerging Market Debt</b>			<b>27.00%</b>	<b>26.00%</b>	<b>28.50%</b>	<b>24.00%</b>	<b>15.00%</b>	<b>10.00%</b>	<b>-</b>
Man GLG High Yield Opportunities	Active	High Yield	3.50%	5.00%	6.00%	6.00%	4.00%	4.00%	-
L&G EM Govt Bond USD Index	Index	EMD Hard Currency	3.50%	4.00%	5.00%	4.50%	3.50%	3.00%	-
L&G EM Government Bond Local Currency Index	Index	EMD Local Currency	2.00%	2.50%	3.50%	3.00%	2.00%	2.00%	-
L&G Sterling Corporate Bond Index	Index	Sterling Credit	4.00%	3.75%	3.50%	2.75%	1.50%	0.50%	-
L&G Short Dated Sterling Corporate Bond	Index	Short-Dated Sterling Credit	3.00%	2.00%	2.00%	0.50%	1.00%	-	-
Man GLG Sterling Corporate Bond	Active	Sterling Credit	4.00%	3.75%	3.50%	2.75%	1.50%	0.50%	-
Robeco Global Credits GBP Hedged	Active	Global Credit	7.00%	5.00%	5.00%	4.50%	1.50%	-	-
<b>Government Bonds</b>			<b>38.00%</b>	<b>28.50%</b>	<b>17.00%</b>	<b>13.50%</b>	<b>14.00%</b>	<b>3.00%</b>	<b>-</b>
L&G All Stocks Gilt Index	Index	UK Sovereign	10.00%	8.00%	4.00%	3.50%	3.50%	1.00%	-
Vanguard Euro Government Bond Index GBP Hedged	Index	EU Sovereign	4.50%	3.00%	2.50%	2.00%	2.00%	-	-
L&G Global Inflation Linked Bond Index	Index	Global Inflation Linked	8.50%	5.50%	2.50%	1.50%	1.50%	-	-
L&G All Stocks Index Linked Gilt Index	Index	UK Sovereign Inflation-Linked	3.00%	3.00%	1.00%	1.00%	1.00%	-	-
Vanguard US Govt Bond Index GBP Hedged	Index	US Sovereign	12.00%	9.00%	7.00%	5.50%	6.00%	2.00%	-
<b>Alternatives</b>			<b>10.00%</b>	<b>11.50%</b>	<b>11.50%</b>	<b>10.00%</b>	<b>12.00%</b>	<b>9.00%</b>	<b>3.50%</b>
TwentyFour Absolute Return Credit	Active	Absolute Return	5.00%	4.00%	4.00%	2.50%	2.50%	3.50%	0.50%
Henderson Technology	Active	Technology	-	0.25%	0.25%	0.50%	0.50%	-	-
Pictet Clean Energy	Active	Global Infrastructure	1.50%	1.75%	1.75%	2.00%	2.50%	1.75%	1.25%
L&G Global Real Estate Dividend Index	Index	Global Property (REITs)	2.00%	3.50%	3.50%	3.00%	3.50%	2.00%	0.50%
L&G Global Infrastructure Index	Index	Global Infrastructure	1.50%	1.75%	1.75%	1.50%	2.50%	1.75%	1.25%
Guinness Global Energy	Active	Commodities	-	0.25%	0.25%	0.50%	0.50%	-	-
<b>Cash</b>			<b>11.50%</b>	<b>7.00%</b>	<b>4.50%</b>	<b>1.50%</b>	<b>1.00%</b>	<b>1.00%</b>	<b>0.50%</b>
L&G Cash Trust	Index	Cash	11.50%	7.00%	4.50%	1.50%	1.00%	1.00%	0.50%

Source: LGIM, as at 25 Nov 2023.

\*On 12 October 2023, the MPS portfolio naming conventions changed from being numbered 1 – 7 to Defensive, Cautious, Cautious Balanced, Balanced, Balanced Growth, Growth and Adventurous respectively.



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For further information about LGIM, please visit [lgim.com](http://lgim.com) or contact your usual LGIM representative



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