



Global funds – performance and positioning

PSG Wealth Global Preserver FoF USD

Over the minimum recommended period of three years, the PSG Wealth Global Preserver FoF USD returned 3.56% per annum, outperforming the sector average by 0.34% per annum.

The fund is ranked 25th out of 85 funds against global peers. For the third quarter of 2019, the FoF underperformed the EAA Funds USD Cautious allocation sector average by 0.59%.

A strong performance from the BlackRock Global MA Income Fund and Schroder ISF Global MA Income Fund helped the FoF's performance during the quarter. The asset allocation and security selection within the underlying funds assisted with upside performance. No changes were made to the underlying managers over the quarter.

PSG Wealth Global Preserver FoF GBP

The PSG Wealth Global Preserver FoF GBP outperformed the EAA Funds GBP Cautious allocation sector average by 2.31% per annum over the three years ending 30 September 2019 and is ranked second out of 31 funds against global peers.

The third quarter saw a strong performance from underlying managers, all outperforming the sector average. The FoF followed suit outperforming the sector average by 0.81% in GBP. Both PSG Wealth Global Preserver FoFs are ranked in the first quartile of their respective global sectors since inception. No changes were made to the underlying managers over the quarter.

PSG Wealth Global Moderate FoF

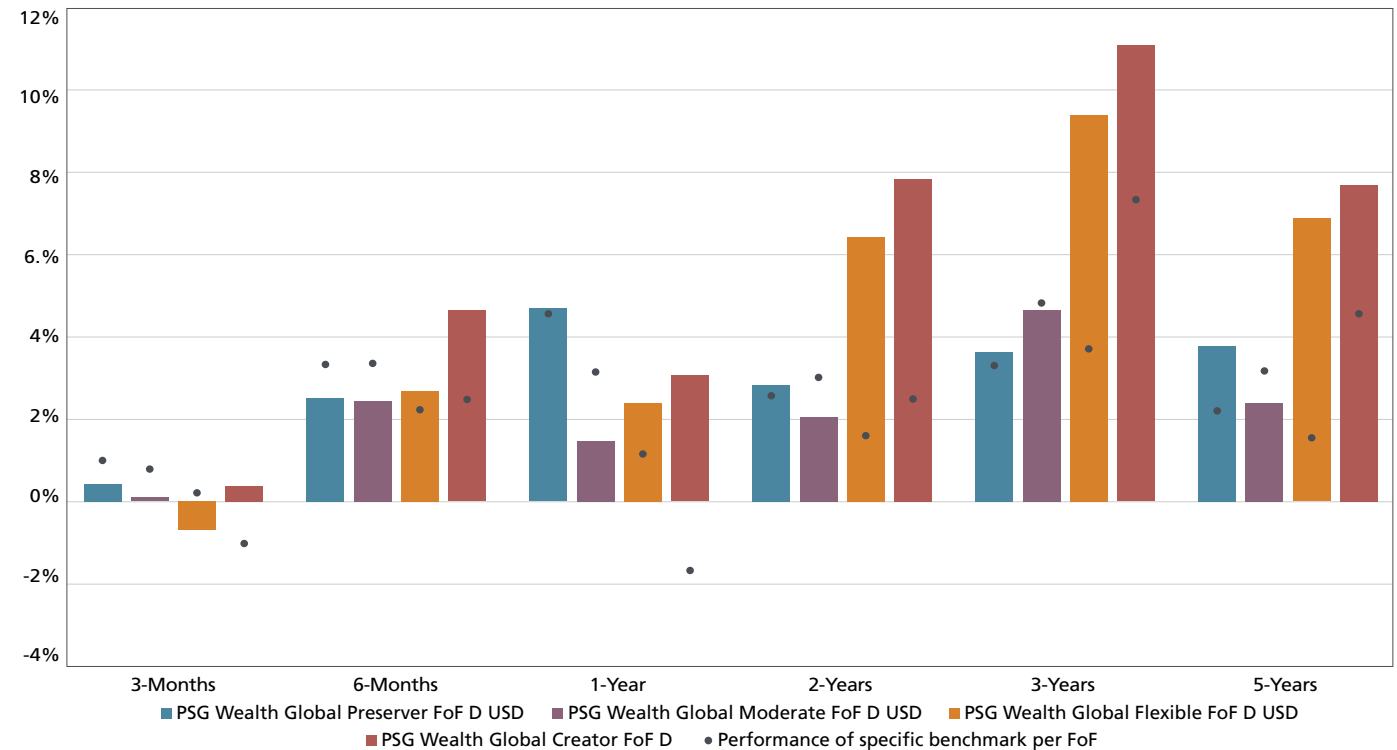
Quarter three saw a tough period for the Global Moderate FoF with five of the six underlying managers underperforming the moderate allocation category. Templeton Global Balanced Fund recorded the most noticeable underperformance as they had been more defensively positioned, with a value bias which did not work in their favour.

For the five years ending 30 September 2019, the portfolio delivered 4.24% per annum versus 3.97% for the Morningstar Moderate allocation sector average. The FoF is ranked in the second quartile of global peers since its inception. No changes were made to the underlying managers over the quarter.

PSG Wealth Global Flexible FoF USD

The PSG Wealth Global Flexible FoF USD outperformed the EAA Funds USD Flexible allocation sector by 5.72% per annum over the last five years and is ranked seventh out of 73 funds. For the quarter, the fund underperformed the sector by 0.90% with a noticeable decline in the last month.

Graph 1: Performance of the offshore solutions



Source: Morningstar

PSG Wealth Global Flexible FoF GBP

For the five years ending 30 September 2019, the PSG Wealth Global Flexible FoF GBP delivered 11.50% per annum in GBP, outperforming the EAA Funds GBP Flexible allocation sector by 6.10% per annum. Over the quarter, the FoF outperformed the sector average by 1.20% with a strong performance from five of the six managers. Both PSG Wealth Global Flexible FoFs are ranked in the first quartile of their global sectors since inception.

PSG Wealth Global Creator FoF

Over the minimum recommended investment period of five years, the PSG Wealth Global Creator FoF outperformed the sector average by 2.90% per annum and is ranked in the first quartile of global peers since its inception. The FoF also outperformed the MSCI World Index by 1.15% over the last 12 months and 0.28% per annum over the last five years (net of fees). For the third quarter, the FoF outperformed the EAA Funds USD Global Large-Cap Blend sector average by 1.32% in USD. No changes were made to the underlying managers over the quarter.



Table 1: Regional allocation as at 30 September 2019

PSG Wealth global fund range						
	PSG Wealth Global Preserver FoF USD	PSG Wealth Global Preserver FoF GBP	PSG Wealth Global Moderate FoF	PSG Wealth Global Flexible FoF USD	PSG Wealth Global Flexible FoF GBP	PSG Wealth Global Creator FoF
United States	58.1%	53.8%	48.6%	47.6%	47.6%	64.6%
United Kingdom	6.0%	11.0%	7.4%	15.3%	15.3%	7.8%
European Union	12.6%	12.9%	14.0%	14.7%	14.7%	14.8%
Japan	-0.3%	-0.6%	5.1%	4.9%	4.9%	3.5%
Other	23.6%	22.8%	24.8%	17.5%	17.5%	9.3%

Source: PSG Wealth research team

Table 2: Currency allocation as at 30 September 2019

	PSG Wealth Global Preserver FoF USD	PSG Wealth Global Preserver FoF GBP	PSG Wealth Global Moderate FoF	PSG Wealth Global Flexible FoF USD	PSG Wealth Global Flexible FoF GBP	PSG Wealth Global Creator FoF
US dollar	87.9%	82.8%	62.3%	56.8%	55.9%	70.1%
Pound sterling	-0.2%	4.8%	6.2%	24.3%	25.0%	7.0%
Euro	1.5%	1.7%	9.5%	5.2%	5.3%	9.8%
Yen	2.4%	2.4%	8.3%	7.2%	7.1%	3.5%
Other	8.4%	8.4%	13.6%	6.6%	6.7%	9.7%

Source: PSG Wealth research team