



Magnus Financial Discretionary Management Limited

Our Bespoke Service



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Welcome

Welcome to Magnus. We're privileged to be able to offer you an investment solution that helps achieve your investment goals.

Whatever you're investing for, our investment capability, fund pricing and diligence will ensure your portfolio is optimised for performance.

Working in partnership with your Financial Planner, we will manage your portfolio according to your goals and risk profile, while ensuring maximum tax efficiency.

In this brochure we will outline our Bespoke service, our team, and the difference between this and our Managed Portfolio Service (MPS).



Our relationship with Wren Sterling

Magnus is a separate company in the same group of companies as Wren Sterling, known as the Wren Sterling Group. This is to ensure that it is governed independently of the Wren Sterling financial advice business. We are able to access Wren Sterling's central resources and more importantly, its buying power and can look to secure the best charges with the fund providers that we use.

It's important to state that Wren Sterling's financial advice business is totally independent and financial advisers receive no inducements for using Magnus as an investment solution.



AWARDED BY
ARC
FOR COMMITMENT
TO TRANSPARENCY
2024



The ARC 3D Award indicates Magnus' engagement with ARC's Investment Manager Research Programme and fulfilment of the due diligence criteria. It is not a rating or endorsement of suitability for specific clients but a validation of our commitment to transparency.

Why invest through Magnus?

Our experience and value

01

Value for Money

Our standard Bespoke management fee – 0.50% + VAT

02

First class customer service

We're in regular communication with your adviser through our updates programme and we're available for direct communication with you too

03

Performance

Our Bespoke service is new. However, our model portfolios have produced strong investment returns over the four years since inception. See page 6 for details.

04

Aligned

Designed to match Wren Sterling's target market and suitability process

Expertise

05

Smarter approach to equity diversification

Integrating both factor perspectives and sector perspectives

06

£900m+ assets under management*

Across Magnus' total assets, including the model portfolio service, we have scale and we're growing all the time

07

Governance

Liquidity management and monitoring of underlying investments using proprietary tools and techniques

08

Third party expertise

We're working with investment management experts, Elston Consultancy, giving us access to the latest investment data

Oversight

09

Institutional framework around asset allocation, stock and fund selection

Effective governance arrangements when it comes to investment decisions

10

Investment Committee

Chaired by an independent expert with highly relevant industry experience, Clemmie Vaughan, ex CEO of Ruffer

11

Transparent

Quarterly reporting and direct access to the Magnus team for queries

12

Part of the Wren Sterling Group of Companies

We can use the scale of the Wren Sterling Group to create fund cost value for you





Magnus' Bespoke Service

Magnus' Bespoke Service is for individuals, families, trusts, charities, and corporations with more complex or specialist financial planning arrangements. It has been developed to compliment the managed portfolio service (MPS).

Magnus, formally MFDM LLP, launched in March 2020 to provide discretionary management services for clients of Wilmslow-based financial advice firm, Mutual Financial Management. The rationale was to allow for agile investment management and rapid implementation of fund switches and investment decisions.

Now the firm is part of the Wren Sterling Group, and by the end of 2024, we will have over 500 bespoke clients.



What are the key differences between our bespoke portfolio management service and our managed portfolio service?

Differences

- **Choice:** With our Bespoke service, you can enjoy a direct relationship with your Investment Manager who, whilst working alongside your Financial Planner, can tailor the investments to your specific needs.
- **Tax support:** We understand that tax efficiency is important to our Bespoke investors, so we can help you manage your Capital Gains Tax (CGT) liabilities, in conjunction with your Financial Planner.
- **VAT:** A key difference on the Bespoke portfolio is that VAT is applicable due to the tailored nature of the service.
- **IHT planning:** We can utilise a variety of direct investments, including building bespoke AIM portfolios.

Similarities

- **Collaboration:** Investors who are in our investment solutions will recognise the close partnership we have developed with your Financial Planner. Your Financial Planner will be in regular contact with us, as you would expect.
- **Preferential fund costs:** We're also pleased to be able to pass on the same cost savings as all other Magnus clients receive.
- **Allowances:** You are able to utilise your ISA allowances through the platform, in conjunction with your Financial Planner.



Our relationship with your Financial Planner

Although our Bespoke Service gives you direct access to your Investment Manager, your investments are just one aspect of your overall financial plan, which is overseen by your Wren Sterling Financial Planner.

Magnus is responsible for assessing the suitability of the investments against the agreed investment mandate.





Our team

Magnus' Bespoke Service is headed by Emma Matthews and Thomas Hinds, two of our Investment Managers with oversight from Rory McPherson, Magnus' Chief Investment Officer.

Emma Matthews CFA Chartered FCSI

Investment Manager

Emma is a CFA Charterholder and Chartered Fellow of the CISI. Emma focusses her time on bespoke client portfolio management and direct equity research. She has a background in asset management, in-house institutional investment management, institutional investment consultancy and retail investment management.

She was previously with NOW: Pensions, as Head of Investment and was responsible for investment strategy & proposition of the c.4£bn AUM UK master trust. She was just 30 at time of appointment and is believed to have been the youngest in the industry at that time.



Thomas Hinds Cert PFS (DM)

Investment Manager

Thomas joined Magnus in 2020 having previously worked in China as an equity analyst for several Chinese investment banks providing research analysis on the domestic market for major financial institutions. Thomas covered most market sectors but had a particular focus in the luxury retail sector.

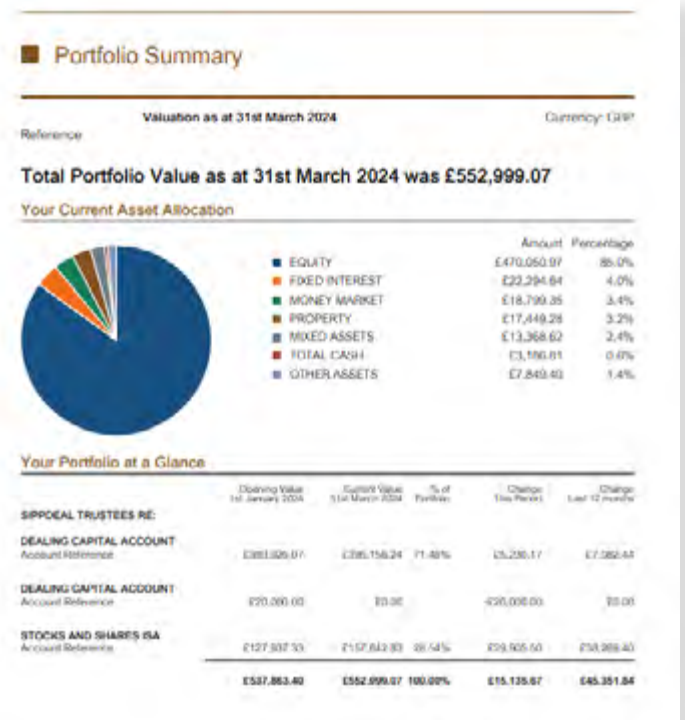
In his current role at Magnus, Thomas works as part of the DFM team providing quantitative analysis in particular detailed portfolio analytics and insights to evaluate different strategies and allocations. Thomas holds a BSc in Economics from the University of Cardiff and the CII Certificate in Discretionary Management.



Accessing and viewing your investments

Our Bespoke Service allows you to consolidate existing investments and arrange for Magnus to manage them from a single investment platform, with a single snapshot, accessible online.

Here are some example snapshots of the reporting available to you and your Financial Planner.



Asset Allocation in Detail

As at 31 March 2024

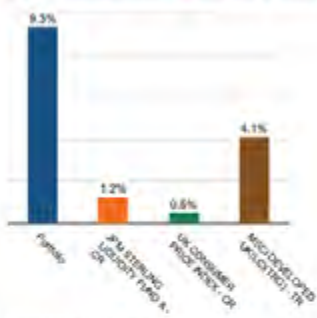
EQUITY	85.0 %
FIXED INTEREST	4.0 %
MONEY MARKET	3.4 %
PROPERTY	3.2 %
MIXED ASSETS	2.4 %
OTHER ASSETS	1.4 %
TOTAL CASH	0.6 %

As at 1 January 2024

EQUITY	80.1 %
TOTAL CASH	4.7 %
FIXED INTEREST	4.1 %
MONEY MARKET	3.5 %
PROPERTY	3.3 %
MIXED ASSETS	2.7 %
OTHER ASSETS	1.6 %

Note: The images on this page and overleaf are examples only and will vary according to the platform your investments are managed from.

Performance from 1st January 2024 to 31st March 2024



Source of data: Interactive Data

Performance - Historic



Geographical Allocation



Your Portfolio at a Glance

	Opening Value 1st January 2024	Current Value 31st March 2024	% of Portfolio	Change This Period	Change Last 12 months
CAPITAL ACCOUNT					
Account Reference	£941,246.25	£1,034,366.88	75.23%	£93,120.63	£364,181.31
STOCKS AND SHARES ISA					
Account Reference	£64,136.71	£68,378.12	4.97%	£4,241.41	£8,787.88
SIPP DEAL TRUSTEES RE: DEALING CAPITAL ACCOUNT					
Account Reference	£93,118.76	£98,643.48	7.17%	£5,524.72	£11,024.82
DEALING CAPITAL ACCOUNT					
Account Reference	£159,478.64	£173,682.02	12.63%	£14,203.38	£26,028.96
	£1,257,980.36	£1,375,070.50	100.00%	£117,090.14	£410,022.97



Our investment strategy

Over the next few pages are details of our investment philosophy, our rationale for selecting our investments and the processes we go through to compile the assets in our managed portfolios.



Investment philosophy

Our experienced team seek to help investors achieve their goals by providing them with superior risk-adjusted-returns. We do this through a combination of rigorous portfolio construction and fund selection techniques, as well as strong input and oversight from our market leading external expertise.

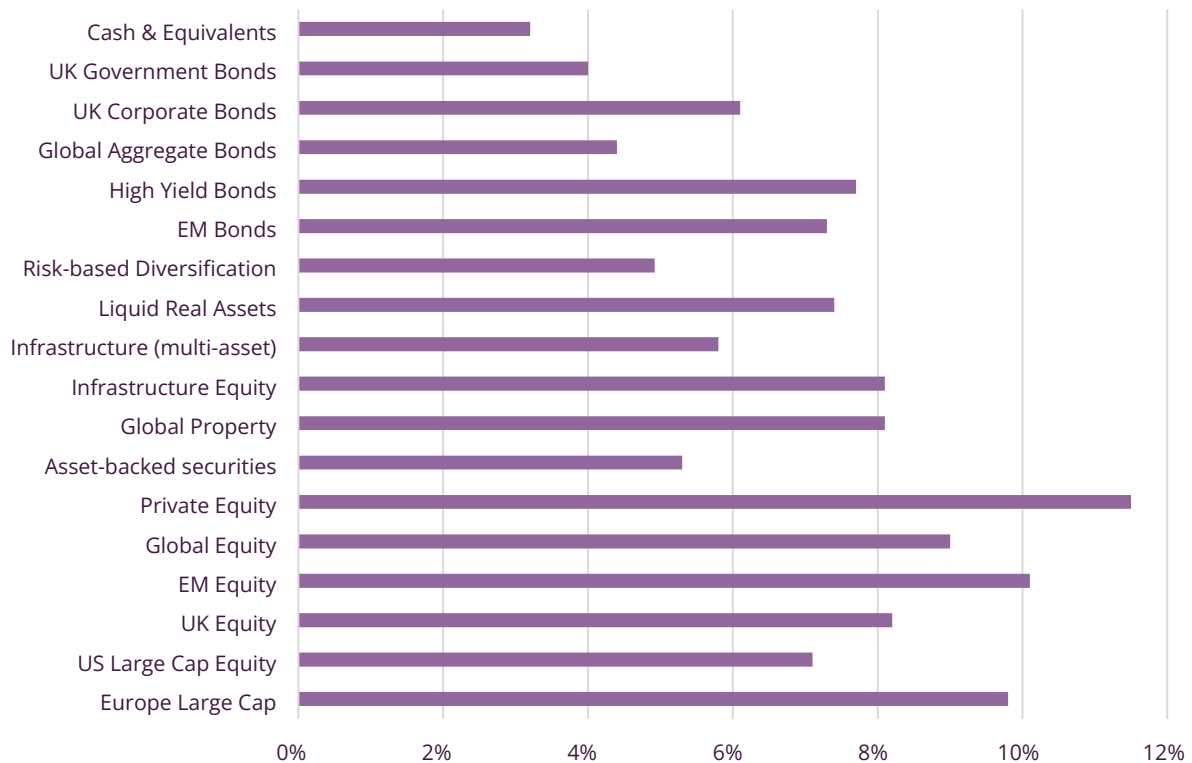
Our investment beliefs are broadly summarised as follows:

- Strategic Asset Allocation (“SAA”) is determined by different levels of risk appetite and this drives long-term returns
- Equities are one of the best ways for investors to capture and reflect economic growth and do the “heavy lifting” within Portfolios
- Diversification helps manage risk and to that end we aim to expose your portfolios to different types of investments
- Tactical Asset Allocation (“TAA”) can boost returns at the margin
- Specialist managers outperform generalists: we believe we can add return through selecting superior investments and combining them together in a coherent portfolio

Strategic Asset Allocation driven by Risk and Return

We seek to understand the expected level and variability (risk) of returns for a given time frame by asset class. After that, our challenge is to best combine those asset classes for an optimised portfolio.

Median value of long term expected annualised range of returns, by asset class (GBP)



Source: Elston research February 2023, Blackrock capital market assumptions for 20 year expected return data, median returns. US Private Equity (buyout) Private Debt (Direct Lending). US Corporate Bonds (Credit)



The forecasted returns are for guidance purposes only and are not a reliable indicator of future performance.

Tactical Asset Allocation

Tactical Asset Allocation is driven by our “Cycle, Valuation and Sentiment” (“CVS”) framework which uses a combination of quantitative and qualitative approaches to determine where best to make tactical asset allocation decisions.

Cycle

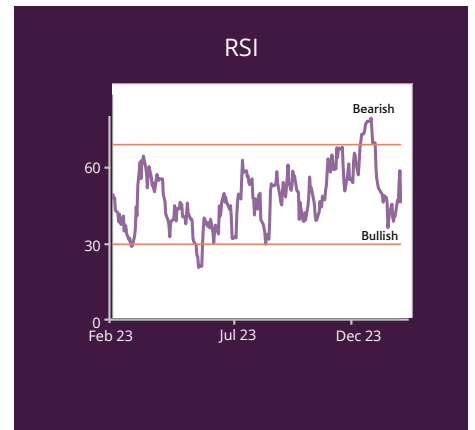
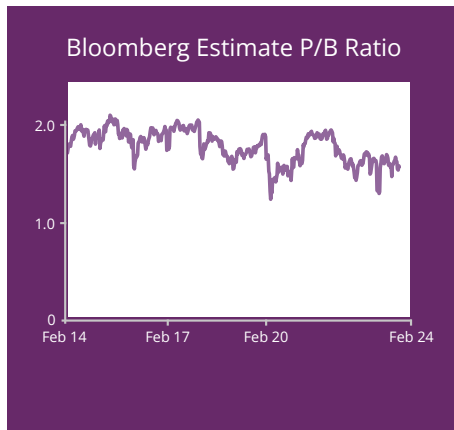
What are earnings like?
What is economic growth like?
What is policy like?

Valuation

How cheap is that asset relative to other assets?
Relative to history?

Sentiment

How bullish or bearish are investors?
What is price action like for this asset?



Expert Updates and Opinion

We know you're keen to monitor the performance of your investments, so we provide quarterly client reporting to you, as well as the daily access you have to your portfolio online.

To complement our quarterly reporting, our Chief Investment Officer, Rory McPherson produces a weekly blog looking at the global investment market, as well as quarterly reviews and one-off videos covering particular topics.

All our material is available through your Financial Planner and our regular communications are all on magnusdfm.com





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Important information

All the solutions we offer involve some form of investment risk. The value of investments and any income from them can fall and investors may get back less than originally invested.

Past performance is not an indication of future performance.