Optimum Cautious

Optimum Cautious **Portfolio Strategy**

In order to generate potential returns consistent with the level of risk, Optimum Wealth Management will invest via a mixture of selected active and passive funds to create a diversified portfolio comprised of UK and Global equities, Corporate and Government bonds and other Alternative assets such as commodities and property where appropriate.

Who is this portfolio for?

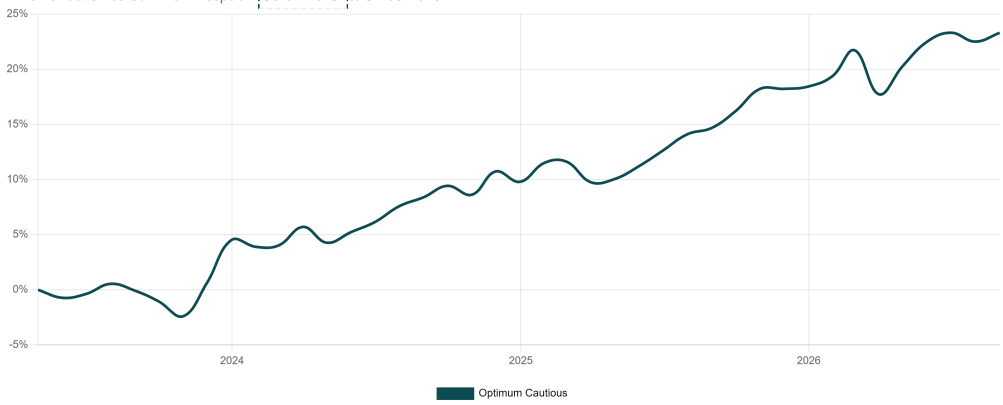
This portfolio is likely to be suitable for: A cautious investor seeking to protect their wealth by investing in a wide range of asset types. This is to try to maintain the value of their assets when adjusted for inflation or to receive a higher income than traditional cash deposits. An investor more interested in avoiding losing money than in maximising potential investment gains. Someone who is prepared to tolerate small fluctuations in the value of the portfolio in order to achieve greater investment returns than a bank or building society deposit.

Portfolio Objective **Cautious**

The leading objective of this portfolio is to maximise potential return for a given level of risk. One measure of portfolio risk is how much of the portfolio is invested in equities (company shares). For this portfolio, over the long-term, we would expect the proportion invested in equities to be approximately 25%. This strategic exposure may be adjusted over the longer term to maintain adherence to the risk limits. In the shorter term, we may also adjust this weight tactically as economic and market conditions dictate while not deviating by more than ±12.5%.

Cumulative Returns

Time Period: Since Common Inception **30/04/2023** to **31/08/2026**



Performance Information

Past performance is not a guide to future performance.

Cumulative **Returns** (%)

	1 MONTH	3 MONTHS	1 YEAR	3 YEAR	5 YEAR	INCEPTION
Optimum Cautious	0.6	0.7	7.5	23.4	-	23.3

	01/09/2025 - 31/08/2026	01/09/2024 - 31/08/2025	01/09/2023 - 31/08/2024	01/09/2022 - 31/08/2023	01/09/2021 - 31/08/2022
Optimum Cautious	7.5	5.8	8.5	-	-

Monthly **Market Commentary** - August 2026

Global equity markets advanced 1.9% in August, driven by a strong earnings season as the AI theme continued broadening beyond large tech names. Geopolitics continued to matter throughout the month, from renewed Middle East tension to central bank and Treasury intervention in currency and bond markets.

UK large-cap equities lagged broader developed markets, edging up 0.2%, as limited exposure to technology names capped gains. In contrast, US large-cap equities returned 2.0%, whilst US technology large-cap equities outperformed with a 3.2% gain, as another strong Nvidia earnings report reinforced confidence in the AI investment cycle.

Japan and emerging markets both advanced 2.6%. Japan was supported by domestic policy, though the yen resumed weakening after the joint US-Japan intervention on July 31st, which had briefly halted its slide to a 40-year low. China lagged, falling 0.7% amid persistent demand concerns.

Global bonds were broadly flat, up 0.1%, whilst UK gilts gained 0.2%. Federal Reserve Chair Warsh struck a hawkish note at Jackson Hole, with markets now pricing in a greater chance of a rate hike in September. Treasury Secretary Bessent pledged further buybacks of long-term debt to ease summer trading conditions, though yields drifted back higher into month-end.

Commodities rallied 5.3%, as renewed dollar debasement fears took hold and the dollar weakened. Gold surged 12.7% and silver climbed 20.8%, whilst Bitcoin advanced sharply, up 24.6%. Brent crude rose 2.1%, trading around $90 per barrel at month end amid the ongoing Middle East backdrop. Global REITs fell 3.8% as rate-sensitive sectors underperformed.

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Portfolio Characteristics

Standard Deviation	5.2
12 Month Yield	0.8
Since Inception Annualised Return	6.48
Risk Profile	Cautious
Inception Date	30/04/2023

Top Holdings (%)

HSBC Global Government Bond IndexS2CHGBP	21.60
HSBC Global Aggregate Bond Index S2CHGBP	14.05
HSBC Global Corporate Bond Index S2CHGBP	7.60
Dimensional Glbl UltraShrt FxdInc £ Acc	6.35
HSBC American Index C Acc	5.20
iShares UK Equity Index (UK) D Acc	3.20
MS INVF Emerging Mkts Dbt Opp SH4 GBP	3.15
Vanguard US Equity Index Acc	2.85
FTF Brandywine Global Income Optimiser Fund EB (acc) GBP	2.70
Loomis Sayles Global Opp Bd H-F/A GBP	2.70

Data Definitions

Standard Deviation: A statistical measurement of dispersion about an average, which, for a model, deviation of historical performance to try to predict the range of returns that are most likely for a given fund. When a fund has a high standard deviation, the predicted range of performance is wide, implying greater volatility. Morningstar computes standard deviation using the trailing monthly total returns for the appropriate time period. All the monthly standard deviations are then annualized.

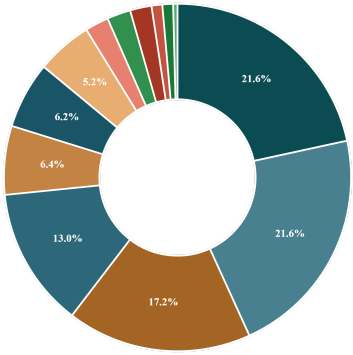
Inception: The date at which the portfolio was first managed. This can be found at the top left corner of the investment growth graph.

12 Month Yield: Is the sum of a fund's total trailing 12-month interest and dividend payments divided by the last month's ending share price (NAV) plus any capital gains distributed over the same period.

Benchmark: ARC Private Client Indices – The performance comparator provided in the cumulative return chart and the performance table below. The comparator benchmark(s) shown are representative of the risk/return of the model.

Overlay Strategy The Overlay Strategy allows us to benefit through institutional pricing, provides access to funds that may not be available on all platforms, and provides a more efficient means of portfolio management, therefore allocations can differ. The Overlay Strategy and the platform-held portfolio together aim to create the "ideal" portfolio. The overlay strategy is not applied to all models and you should refer to the Portfolio Characteristics section to determine if the overlay strategy has been applied to a model.

Portfolio Holdings Optimum Cautious



- Strat Bond: 21.60%
- IG Bond: 17.20%
- Emerging Market Bond: 6.40%
- HY Bond: 5.20%
- Global Emerging Market Equity: 2.20%
- Cash: 1.00%
- Asia Dev ex Japan Equity: 0.40%
- Govt Bond: 21.60%
- North America Equity: 13.00%
- UK Equity: 6.20%
- Europe Equity: 2.20%
- Alternative: 2.00%
- Japan Equity: 1.00%
- **Total: 100.00%**

Important Notes

The returns shown in this factsheet are indicative and may differ from actual performance. The returns do not account for the effect of capital additions and withdrawals, and / or advice and platform fees. A minimum of 1% of each portfolio is allocated to cash. We approximate cash performance using a proxy instrument - actual investor experience may differ based on the cash treatment of different platforms.

This document is not investment advice or a recommendation, you should not make any investment decisions based on it.

Please be aware that adjustments to previously reported data can occur.

The value of investments and the income from them can fluctuate and it is possible that investors may not get back the amount invested.

All model returns are calculated in £-Sterling and include DFM fee and fund charges, but do not include investment platform and adviser charges.

NOTE: All benchmark returns are calculated in £-Sterling and include DFM fees, fund and investment platform charges but do not include adviser charges.

Further information

For more details regarding this portfolio or further explanation of the terms used please contact your professional adviser.

About Optimum Wealth Management

Optimum Wealth Management is a trading style of Tatton Investment Management Limited which is authorised and regulated by the Financial Conduct Authority. Firm Reference Number 733471 Tatton Investment Management Limited is registered in England and Wales No: 08219008. Registered Office: Paradigm House, Brooke Court, Wilmslow, Cheshire SK9 3ND