

What's the aim of the Cautious Plan and who is it for?

The aim of the Cautious Plan is to achieve returns level with the Bank of England base rate (before fees). This Plan is suitable for risk-conscious investors whose focus is on stable returns across different market environments.

They are still open to taking on small amounts of risk, but their focus is more on preserving their money and preventing losses, rather than making large gains. While investing should always be part of a long-term strategy (5+ years), this Plan could be considered for a shorter time horizon, as the large proportion of cash equivalent assets should protect from market drops (although this is not guaranteed).

Investing always involves some level of risk, and up-and-down movements in value are to be expected. With the Cautious Plan, our aim is to limit the extent of these movements, but there is still a risk you may get back less than invested. Money can be withdrawn at any time.

What makes the Cautious Plan different?

The example below shows a typical mix of investments for a Cautious Plan. It can hold between 70% and 90% in Cash and Cash Equivalents (Money Market Funds), with the remainder in low-risk investments (Short Duration Corporate Bonds and Defensive Alternative assets).



The chart above shows the range for the Cautious Plan, which will always be invested in 100% of low-risk assets.

Benchmarking

The Cautious Plan performance is measured against the SONIA interest rate benchmark. This is effectively the base rate set by the Bank of England. However, it is based on actual transactions, reflecting the average interest rates banks pay to borrow money from other financial institutions.

Typical Investments in a Cautious Plan

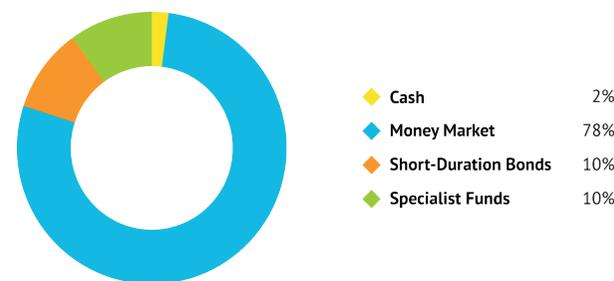
This is an example of the typical investments you might see in a Cautious Plan.

Investment	ISIN	% of Plan
Cash	Cash	2%
Royal London Money Market Bonds	GB00B8XYQ86	20%
abrdn Money Market Bonds	GB00B1C42332	20%
BlackRock Money Market Bonds	IE00BFZD2350	19%
Royal London Short Duration Bonds	GB00BMNR1H58	19%
M&G Short Duration Corporate Bonds	GB00BMWSRZ99	5%
Royal London Short Duration Corporate Bonds	GB00BJ4KW917	5%
Aviva Investors Multi-Strategy Target Return Fund	GB00BMTRW439	10%

CAUTIOUS PLAN FACTSHEET

Investment Mix

This is a typical example of the mix of investments in a Cautious Plan.



Regional Mix

This is a typical example of investments by region in a Cautious Plan.



The Investment Team at Wealthify review and adjust the investment and regional mix on an ongoing basis to try to optimise the performance of our Plans.