

Step 4 Portfolio Review & Rebalancing

We review our recommended portfolios quarterly to ensure that all funds continue to meet our prescribed investment criteria. As a result, we will from time to time add or remove funds from our recommended list. In normal circumstances we will not however change the fund selection as a "knee-jerk" reaction to short-term market changes - this would defeat the purpose of having a well considered and structured asset allocation strategy.

Portfolio rebalancing allows us to ensure that you are not over exposed to risk based upon the asset allocation strategy that was employed when you initially invested your money. For example, you may have a strategic weighting towards equities of between 30% and 35%. After a year, equities may have been the best performing asset class and now comprise 40% of your portfolio. It would therefore be important to reduce the equity weighting (or exposure) back to within your strategic range of between 30% and 35%, by reappportioning the profits made in that sector into other asset classes.

At the same time, this allows us to effectively "bank" some of the profits made within your portfolio and therefore ensure that these profits are balanced across the asset classes in the same way as your original investment.

We recommend that your portfolio is reviewed quarterly and rebalanced annually and we will contact you with full details of any changes we make via your preferred contact method – post or email.

We are here to work closely with you on an ongoing basis, regularly reviewing your portfolio to make your money work harder and help achieve your investment potential – all adding up to a service you will really value.



For further advice and assistance

Please email invest@monahans-fsl.co.uk or call 01225 785570

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