



FLYING
COLOURS
EXCEPTIONAL FINANCIAL PLANNING

HOW TO INCREASE
YOUR RETURNS BY 35%

Guy Myles, CEO
www.flyingcolourswealth.com

QUICK INTRODUCTION

22 years in investment management

- US equity fund manager at Mercury Asset Management (now BlackRock)
- Co-founded Octopus Investments in 2000
- Started **Flying Colours** in 2014

Our mission: Improve the returns of UK investors

- Help uncover opportunities
- Reduce investor mistakes
- Optimise the tax situation

MIND THE GAP: WHY ARE UK INVESTORS MISSING OUR ON RETURNS?

An examination of the average UK investor's returns versus those of the average fund.

- Undertaken by Cambridge University and supported by Professor Elroy Dimson
- Almost 5,000 funds with combined assets of £2.5bn analysed
- Data sourced from Morningstar, Barclays Capital and Bloomberg



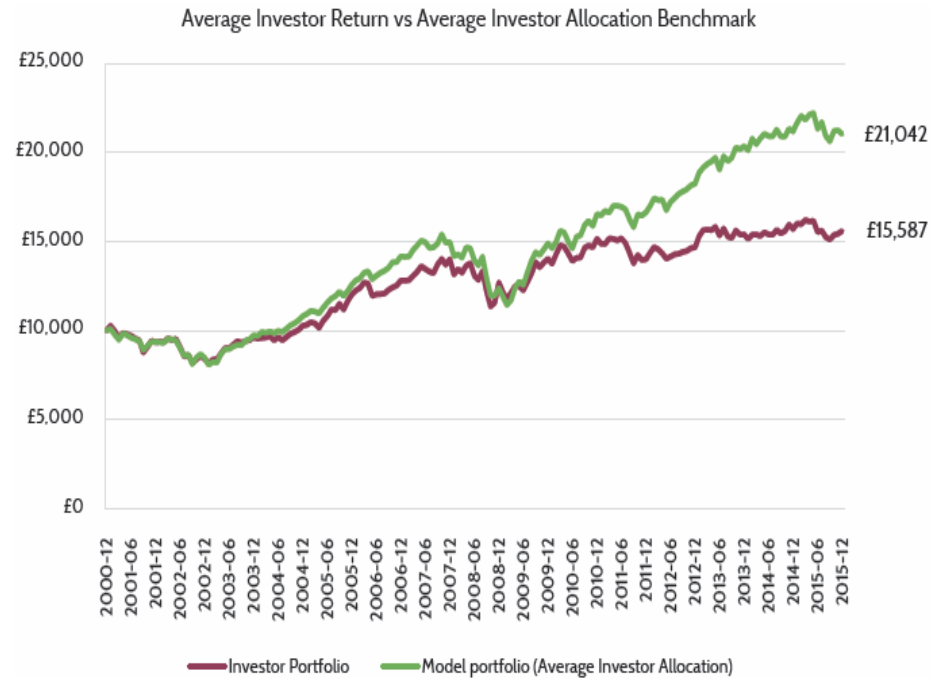
RESEARCH RESULTS

UK investors miss out on 2.1% EVERY YEAR

- 0.75% eaten up in costs
- 1.35% in investor timing errors
- **Over 15 years that amounts to 35% in lost growth**
- A £10,000 investment missed out on almost £5,000 of returns
- A £50,000 investment missed out on £27,500!

Can you afford to miss out on investment returns?

Period	Annualised Investor Return	Annualised Benchmark Return	Difference
2001-2015	3.0%	5.1%	-2.1%



REDUCING THE GAP

Reducing costs is crucial

- Unavoidable to some degree but a guaranteed drain on your returns
- Research doesn't include cost of platform/trades or financial advice so the situation for many is even worse.

Essential to improve investment discipline

- Investors flow to funds after positive market returns
- 81% of top-performing funds fail to live up to top decile status
- Almost every worst performing fund improves in subsequent years

SO WHAT'S THE ANSWER? / OUR SOLUTION

Low-cost funds wherever possible

- Reduce your costs as much as we can

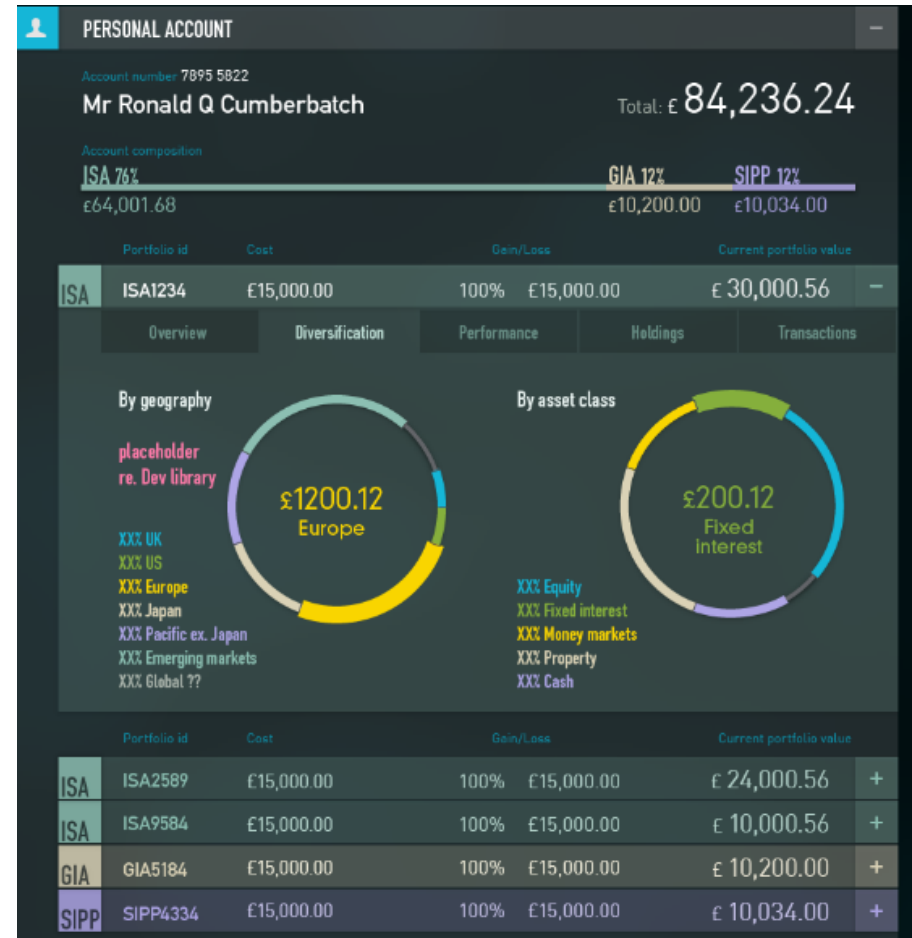
Disciplined portfolio management

- Eliminate timing errors

Supported by professional financial advice

- A coherent investment plan with a destination, capable of reacting if your situation changes
- Tax optimisation and insight
- Support making crucial financial decisions

Can complement your own investing.



INVESTMENT PERFORMANCE

Portfolio Name	Return Date (Mo-End)	Base Currency	Total Return 1 Month (Mo-End) GBP	Total Return 3 Month (Mo-End) GBP	Total Return YTD (Mo-End) GBP	Total Return Annualized 2Y (Mo-End) GBP	Annual Return 2016 GBP	Since Launch (Jan 2015 to December 2016)
Flying Colours Dynamic Defensive	31/12/2016	GBP	1.71%	-0.70%	12.72%	7.20%	12.72%	14.39%
* ARC Cautious PCI TR	31/12/2016	GBP	1.50%	0.39%	5.08%	3.15%	5.08%	6.29%
Flying Colours Dynamic Conservative	31/12/2016	GBP	2.12%	0.86%	14.38%	8.87%	14.38%	17.74%
* ARC Balanced Asset PCI TR	31/12/2016	GBP	2.30%	1.68%	8.59%	5.17%	8.59%	10.35%
Flying Colours Dynamic Balanced	31/12/2016	GBP	2.30%	1.75%	14.97%	9.82%	14.97%	19.64%
* ARC Steady Growth PCI TR	31/12/2016	GBP	2.90%	2.68%	11.99%	7.01%	11.99%	14.02%
Flying Colours Dynamic Growth	31/12/2016	GBP	2.56%	2.94%	16.45%	10.98%	16.45%	21.96%
* Core Growth benchmark (50:50)	31/12/2016	GBP	3.20%	3.23%	13.38%	7.62%	13.38%	15.25%
Flying Colours Dynamic Aggressive	31/12/2016	GBP	2.82%	3.82%	17.80%	11.94%	17.80%	23.88%
* ARC Equity Risk PCI TR	31/12/2016	GBP	3.50%	3.79%	14.78%	8.24%	14.78%	16.47%

INDUSTRY BEATING COSTS

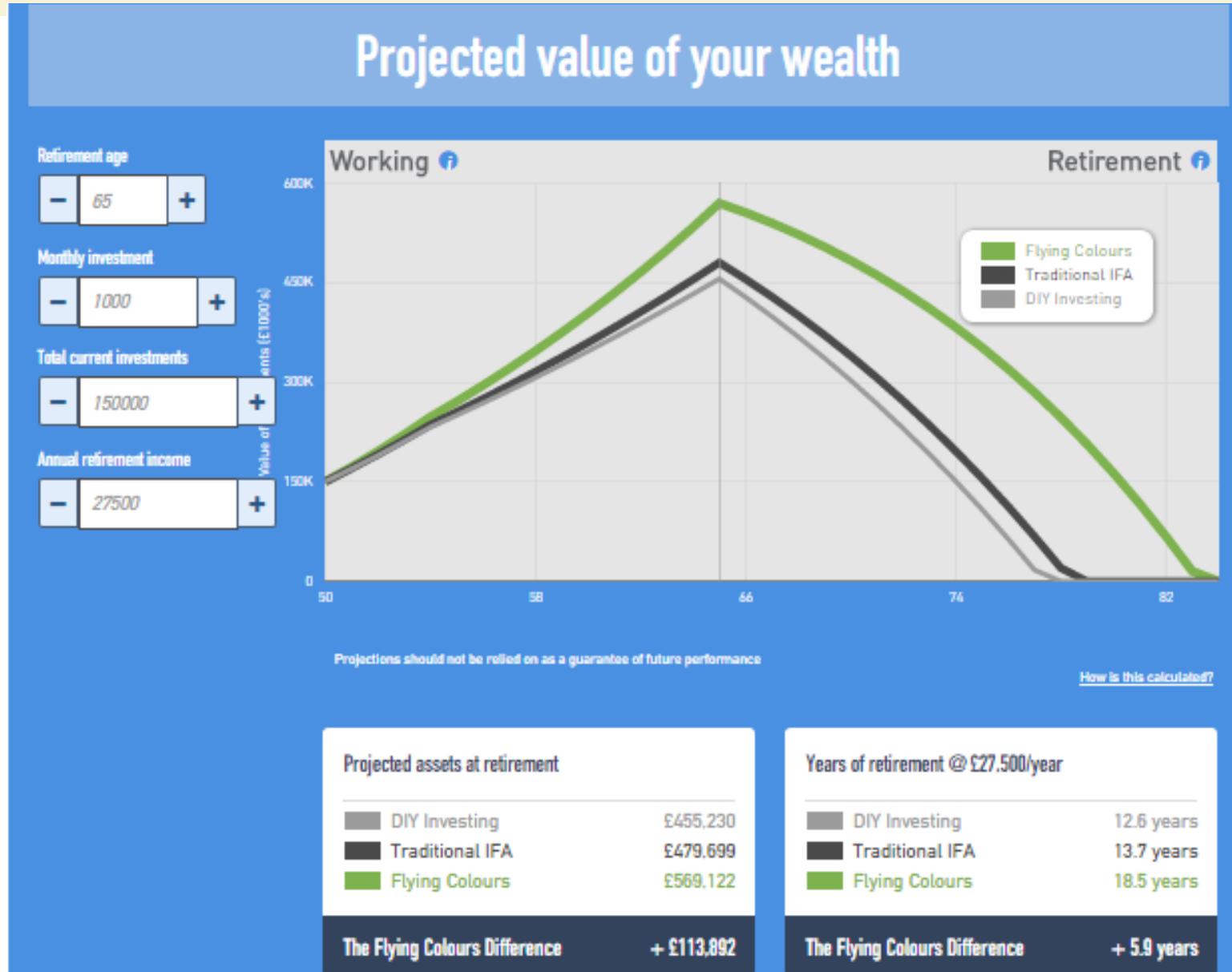
Annual costs for ongoing financial advice, investment management and funds

DIY (no financial advice)	Typical UK IFA	Flying Colours
1.25%	2.15%	0.5% - 1.05%

Annual figures: 0.35% average platform cost; 0.8% average fund cost; 1% average typical IFA cost.
Flying Colours platform 0.34%, funds between 0.11%-0.17%, annual advice 0.54% or £499, whatever is less.

Sources: Which?; Platform; Hargreaves Lansdowne and Flying Colours.

THE FLYING COLOURS DIFFERENCE: CALCULATED



THANKS AND ENJOY YOUR DAY

Come and see us at stand 92.

Download the full research report
www.flyingcolourswealth.com/mindthegap

