



networkwealth

Wealth management as it should be

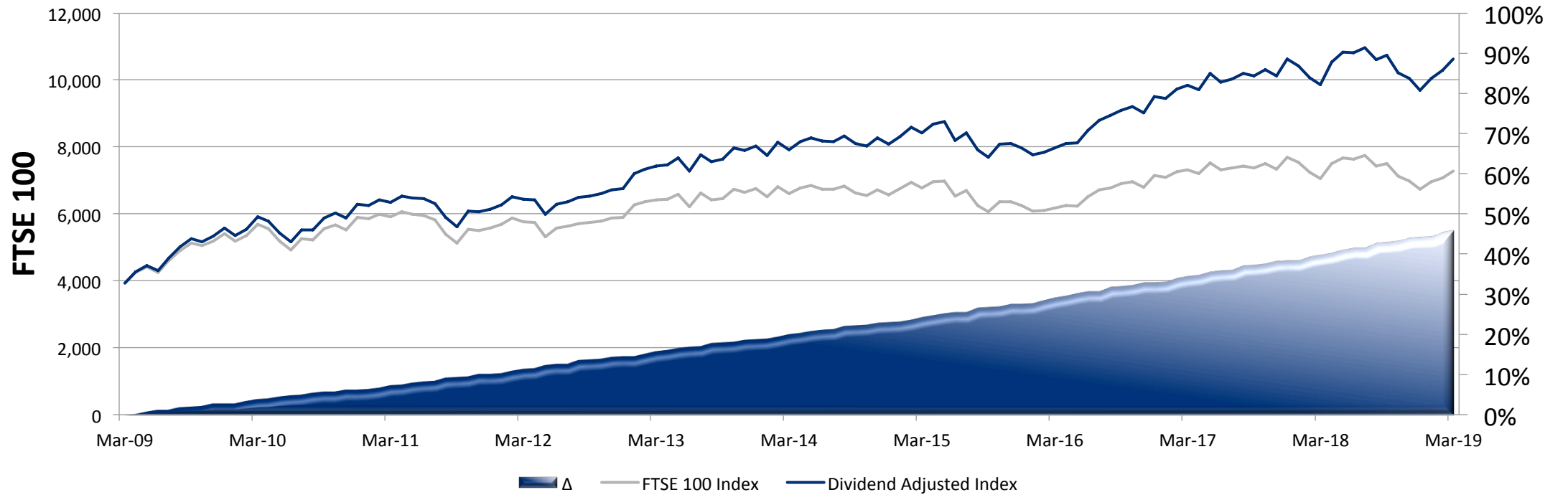
The Master Investor Show

April 2019



# The Importance of Income

## FTSE 100 - With & Without Dividends





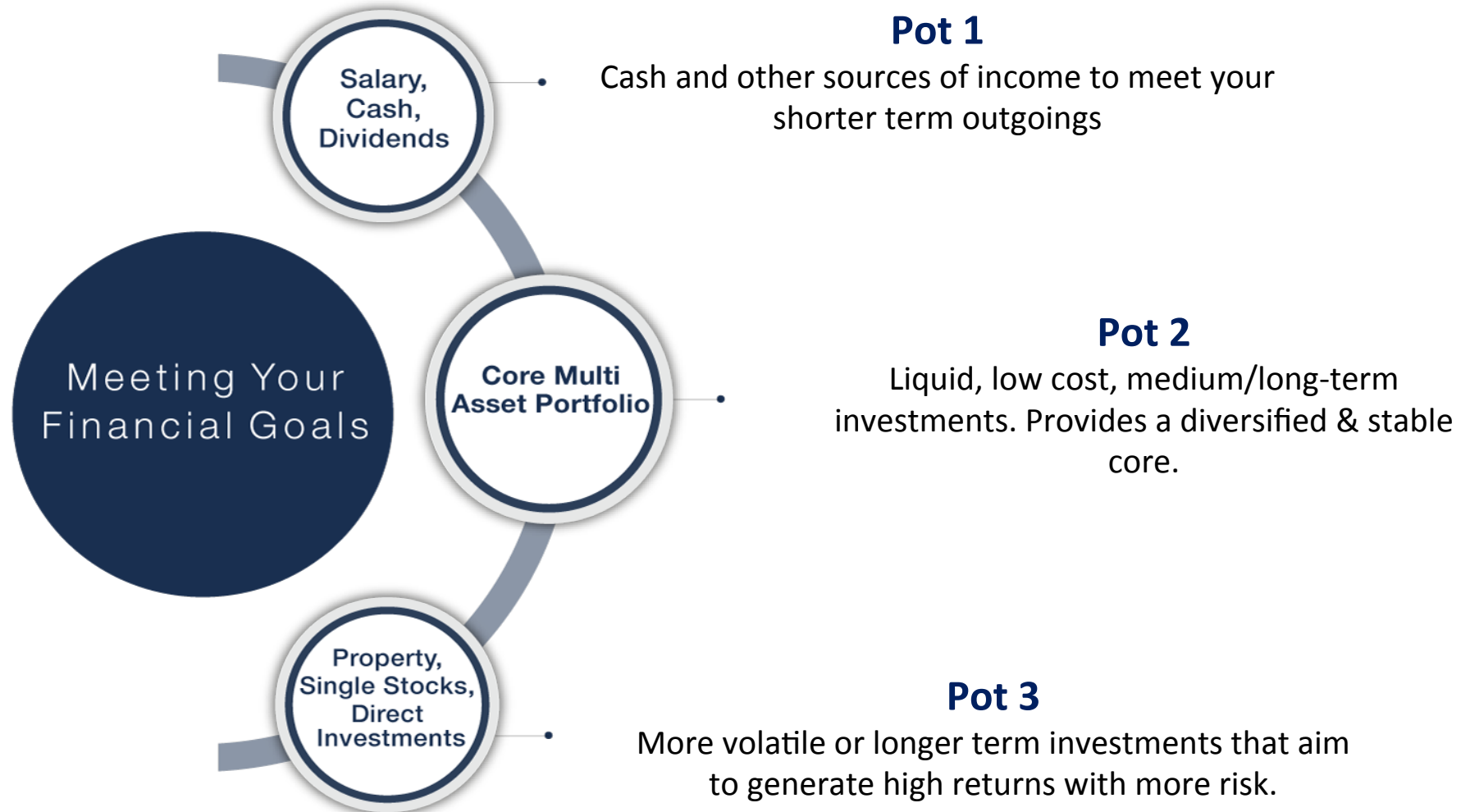
# Dividend Sustainability

- 1 FTSE 100 pay-out ratio currently sits at 74% of net income
- 2 S&P 500 pay-out ratio is only 46%
- 3 Pay-out ratio above 60% generally considered unsustainable
- 4 Are companies sacrificing future growth, to maintain dividends?
- 5 Don't be lured in by unsustainably high dividend yields



# The Three Pot Theory™

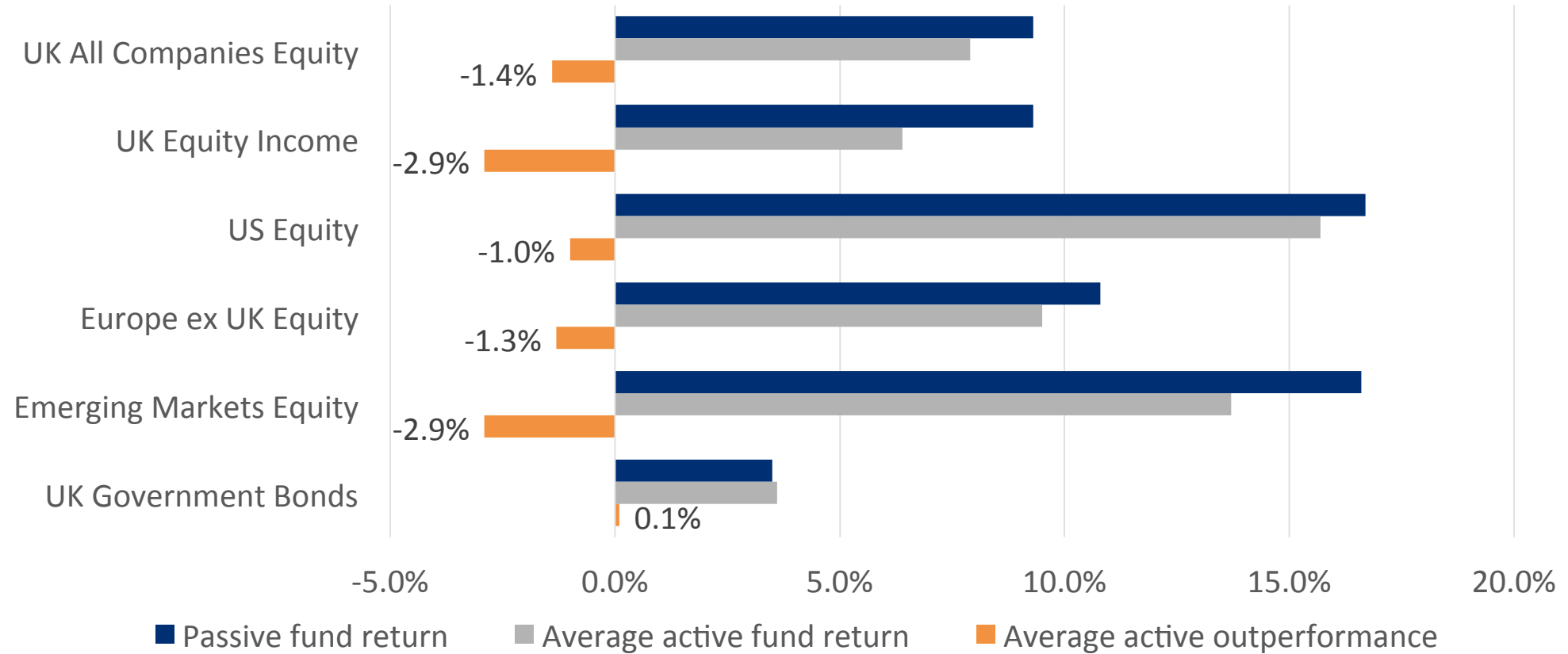
Saving for long term goals can be well served by a core and satellite approach





# Active Managers: Hype or Gripe?

## 3 Year Annualized Returns of Morningstar Sectors



Source: Morningstar, Bloomberg, Netwealth calculations. All annualized returns shown net of fees in GBP terms, as of 31/03/2019. Past performance is not a reliable indicator of future performance.



# Income ideas for Pot 3

- 1 It's hated – despised, even...
- 2 It's cheap....
- 3 It's paying out its highest yield since the financial crisis...
- 4 You (probably) live there...
- 5 It's time to invest in the UK.

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The UK's best-selling financial magazine



# Income ideas for Pot 3

- 1 “The high street is a disaster” – but is it really that bad?
- 2 “Interest rates can only go up” – but when?
- 3 “Brexit will mean a mass exodus from London property” – not yet it hasn’t
- 4 Maybe now is a good time to invest in commercial property...

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