



**citywire**

By Annabel Williams on 13 March 2012

## A spotlight on Wilson King's private client performance

### Positioning

Amy Lazenby, founding partner and investment manager at Wilson King said the fixed income exposure held last year had been pared down, partly due to credit quality concerns and because she believes equities may surprise on the upside.

'We think there is a misallocation of money at the moment and that will fuel a stronger rise in equity markets. They are generally very attractive value at the moment.'

Recently, Lazenby has moved money into companies where dividends are expected to grow. 'We are not owning companies which we believe will have a very large absolute dividend. We are much more interested in buying into companies that will grow their dividends – so we don't own tobacco or pharma stocks,' she says.

'They have a high yield but in our view there is a limited capital upside. So in a stronger market we think they are fully priced.'

### Performance

Over the last year the portfolio has been down by 5.5%, compared to the Apcims Balanced benchmark, which was down 0.1%. Over three years, it has returned 44.5% compared to 34% in the benchmark.

Good calls include a position in accountancy software firm Sage: 'That has done very well for us,' Lazenby said. 'It had a very good rally when it announced it was raising its dividend by 25% at the beginning of December.' Lazenby is keeping hold of some UK bank stocks that have buoyed performance over the last year. 'We don't like the banks fundamentally but they have had a very strong rebound this year.'

The Henderson Asian Income and Schroders Asian Income funds have been good performers: 'They both yield over 5% and the returns have been very pleasing. It's a nice balance for a medium risk portfolio.'

## Outlook

Technology is a key theme of Lazenby's: 'The opportunities in technology are not only a growth story but an emerging markets story too,' she said. As such, the portfolio has a position in the Polar Capital Technology trust, the AXA Framlington Global Technology fund and the Herald Investment Trust.

The BlackRock Latin American fund – which Wilson King has held for four years – is also a favourite, in part due to manager Will Landers: 'It's the most brilliant fund and he is a fantastic investment manager.' Together, technology and emerging markets funds make up 17% of the portfolio.

The Scottish Mortgage Investment trust with its raft of global names is also a key play. 'It's quite growth orientated... I don't like the term "people investing in funds with global bias" because it's overly bland, but they do have exposure to PPI and China's Google.'