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FINANCIAL SERVICES LTD

Coronavirus Update

As the Coronavirus continues to spread and the Government and the World Health Organisation issue further guidance and information, it is clear that the virus will have an effect on us all.

The health and safety of our staff and clients is of paramount importance to us and therefore we wanted to let you know that we are adapting some of our working practices to mitigate the risk presented by the virus.

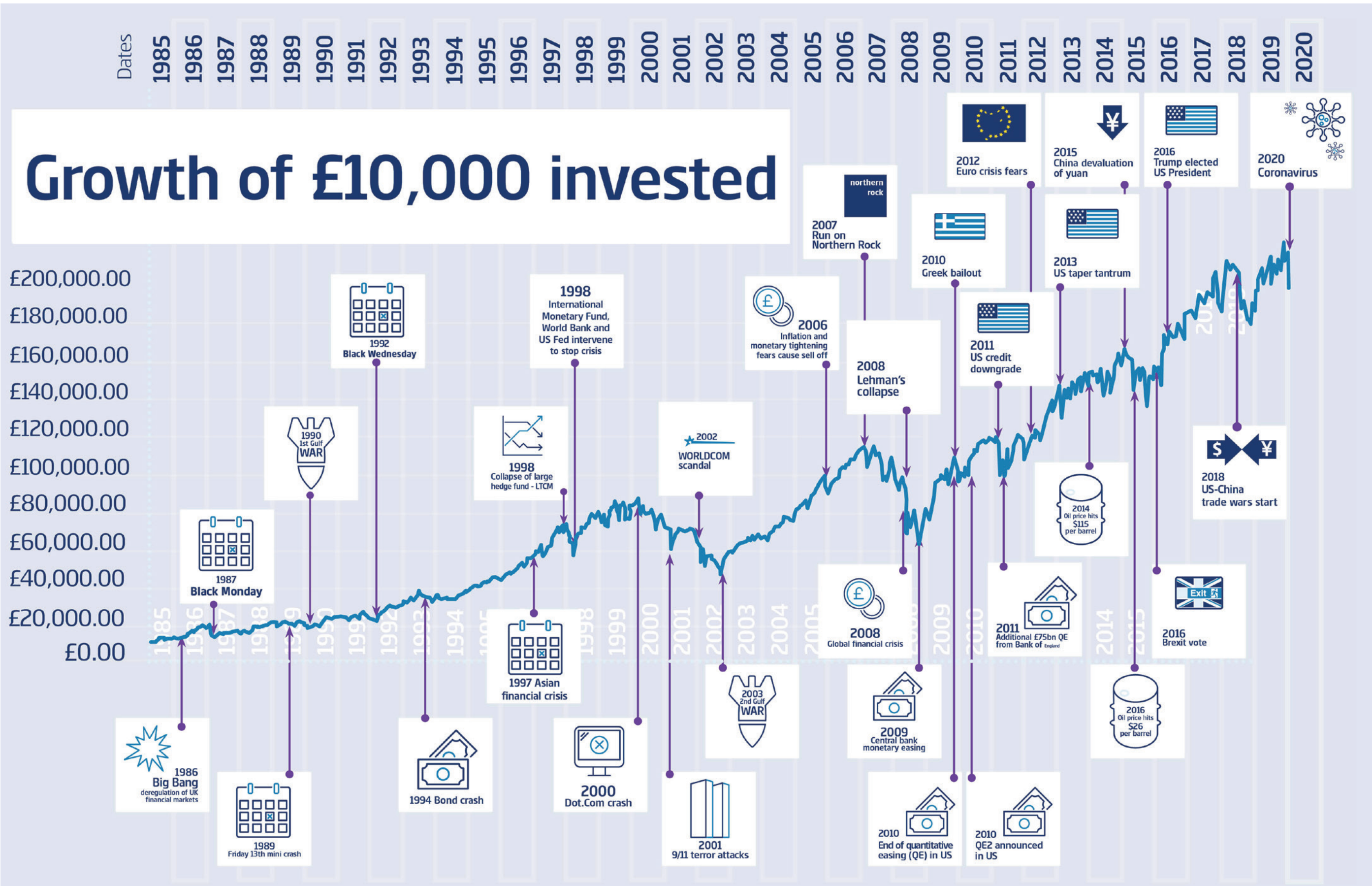
We have introduced some social distancing measures including some of our staff working from home and also reducing all non-essential face-to-face meetings through the use of telephone, email and other media. Whilst this might be a slightly different way for us to deliver our services we are confident that we will be able to continue to deliver the same high levels of service that our clients have come to expect, and we will be working hard to ensure minimum disruption during this unsettling time.

We also understand that the current market volatility is unnerving and that you may be concerned about your pensions or investments. We wanted to assure you that we are only a phone call or an email away and we are endeavouring to provide you with regular updates.

And whilst we are in the midst of this market uncertainty, we hope we can provide you with some reassurance by sharing three key messages with you:

1. The benefits of investing over the long term

Volatility is part and parcel of investing over the long term. "Time in the market" is a favourite saying among finance professionals, and during periods of volatility it is important to take a step back and look at market events in context, to show why it's consistently the advice we give.



Source: Financial Express. FTSE® All-Share Index, total return with dividends reinvested, from 31 December 1985 to 27 February 2020. Figures don't factor in any charges or the impact of inflation. Figures refer to the past and past performance is not a reliable guide to future performance.*

The chart above shows the major market events between 1985 (as far back as FTSE® All-Share Index* data goes) and February 2020, and tracks the growth of a £10,000 investment over that time. A lot has happened, and there have definitely been times when many investors have been concerned, such as during the 2008/09 global financial crisis. But if that £10,000 had remained invested for the whole period, the growth would have been remarkable — even taking charges into account, which the chart doesn't.

But what's really good about looking at all the years of activity at once is that it puts things into perspective. 2016 and 2017 were billed as turbulent years for markets. But if you look at the impact of the Brexit referendum and the US Presidential election in relation to everything else that's happened in recent history, it seems far less momentous than it would if we looked at those events in isolation.

2. The benefits of remaining calm

It can be easy to panic when you see the value of your investments fall — it's a very normal reaction.

However, those that sell their investments, are likely to be selling after markets have already fallen and, importantly, before they rise again. That means they're locking in losses and will potentially have less money than someone who kept their composure, and their money invested.

On the other hand, if markets are doing really well, it may seem attractive to buy into them. But you know that those that do that, could end up buying at the top of the market, and their new investments could fall in value soon after.

This illustrates why trying to time the markets can be a dangerous game, and catching the top and bottom end of things is extremely hard.

3. The benefits of diversification

Periods of market volatility are a valuable reminder of the importance of diversifying investments. That’s why we recommend investing in multi-asset funds as they provide the opportunity to invest in a spread of assets, strategies, sectors and geographical locations to ensure diversification in order to spread the risk and improve the potential for returns.

Be rest assured that we are actively monitoring your portfolio on an ongoing basis.

Please remember that the value of your investments can go down as well as up and may be worth less than was paid in.

Past performance is not a guide to future performance.