



Business news from COCKBURN LUCAS INDEPENDENT FINANCIAL CONSULTING LIMITED

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Kicking the tires, why research is so important

Well so far so good! I am delighted to report further strong gains from our approved fund managers and asset allocation policy for all clients since our last edition of Market Eye. The confidence in markets has spilled over into 2010 but the key question we are always being asked to predict for our clients and investors is how long will this last and what is the next big thing from an investment perspective?

Addressing the first question is in our opinion relatively easy as markets have risen so far so quickly and we are starting to see the effects of the withdrawal of printed money off the table, and closure of the so called Quantative Easing program (QE). Markets will need to pause for breathe at some time and we may see a period of consolidation over the coming months, with investors now being also able to re-assess their own risk profiles and review what worked in their portfolios and what didn't as there will no doubt be elements that require some work to be undertaken and now will be a good time for a "spring clean".

As for the next big thing, well if you believe the hype around the gold price then \$2000 an ounce is being touted by many professionals on the side of the bulls; or you could look towards the shortage of water over the coming years and how an increasing population will put pressure on agriculture and all things food related, driven by continued growth in the emerging markets of Asia and beyond.

The truth is we just don't know what will be the outcome but as professional investors we can access some very fine minds when it comes to the big Macro questions and where we should be allocating our clients assets to position them for further gains or deliver competitive levels of income with capital preservation at the core. On this question we are delighted to introduce Old Broad Street Research (OBSR) who will provide assistance in identifying the best and most consistent fund managers for our product selection and asset allocation guidelines as part of our Wealthmaster service.

Additionally we also felt that it would be useful to concentrate on some behind the scenes activities, including manager research and due diligence which contribute towards our services and the research that is so central to our proposition. As your financial planners our goal is to create or protect wealth over the medium term and allow you to concentrate on the more enjoyable aspects of life ensuring you receive impartial and accurate advice in regard to your personal situation and needs.

Finally we are also delighted to welcome Helen Evans to our consultancy team (more of whom later) and congratulate David Ryan on his appointment of Associate Director of private clients. All in all it's great to be able to report on positive news twice in a row and we look forward to sharing more news and views over the rest of the year.

The Editor

The views/opinions expressed in this newsletter by the editor do not constitute personal advice or a recommendation - it is important to seek independent financial advice.

COCKBURN LUCAS INDEPENDENT FINANCIAL CONSULTING LIMITED

Milton Chambers, 19 Milton Street, Nottingham, NG1 3EN

Telephone (0115) 947 6005 Fax (0115) 948 4286

E-mail: enquiries@cockburnlucas.co.uk Website: www.cockburnlucas.co.uk

Registered Office: Milton Chambers, 19 Milton Street, Nottingham NG1 3EN. Registered No. 3365186

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Where there is muck there is brass

Opportunities for investment in waste have never been greater. UK and European Government policy aimed at driving waste away from landfill into more sophisticated and sustainable forms of reprocessing and treatment is coupled with a real pull from across the UK's retail and manufacturing supply chain as it seeks to reduce its associated carbon footprint. Waste and its use as a potentially valuable resource is finally at the centre of the social and political agenda, and is no longer seen as a fringe activity to be dealt with by someone else.

Nigel Aitchison



The UK offers particularly interesting opportunities in this segment. Until recently the UK has been highly dependent on landfill and is now playing catch up to the higher performance levels of certain European countries in terms of recycling and recovery - the UK needs to invest an estimated £30 billion in infrastructure for generating renewable energy, recycling and waste treatment over the next five to 15 years. In addition, recent improvements to the legislative framework have added significant impetus. Announcements in April's Budget, including legally binding targets for the reduction of greenhouse gases, with a commitment to reduce the UK's carbon emissions by 34% by 2020 and incremental increases in Landfill Tax taking it from current levels of £40 per tonne to £64 per tonne by 2013 confirmed the importance of this sector.

Despite a decrease in the overall volumes of waste being produced, the challenging targets for both Municipal and Commercial & Industrial wastes still require a vast increase in the number of new facilities, which in turn requires a significant private and public sector capital commitment. The Government itself has stated that the Municipal sector alone requires £10 billion of new infrastructure to achieve the EU Landfill Directive targets. The attractiveness of the sector is enhanced further still by the incentives that are available to generators of renewable energy, which are expected to be worth more than £1 billion annually for the next 18 years.

Government incentives and increasing public and social awareness around the issues of climate change and energy security, will continue to drive investment in renewable energy and waste management infrastructure in the UK for the foreseeable future. With governments financially constrained and the lack of lending by the banks, much of this investment will have to come from the private sector. For private equity investors, the attractive risk-return profile of this still emerging sector is highly compelling and appetite for the sector remains strong; indeed some regard the environmental infrastructure sector as a relative safe harbour compared to the troubled waters associated with more traditional private equity segments.

Cockburn Lucas are keen supporters of this area and the Foresight team, who are regarded as one of the highly respected venture capitalist operating in this area. For more details of how you can access this area of the market and reduce your tax bill please call us.

Nigel Aitchison
Partner, Foresight Group





Cockburn Lucas is delighted to announce the continued expansion of the consultancy team with the appointment of Helen Evans as a Senior Financial Adviser. Helen offers invaluable experience that spans 20 years in Financial Services; the majority of which was gained within a well respected Building Society known for its strong commitment to providing professional and customer focused advice.

She says it is the knowledge and experience gained to date that form the foundations of her understanding of her role and adds that, in spite of many changes, the basic principles of giving advice haven't changed all that much as it is all about trust and being willing to listen to a client's concerns and needs, and being able to communicate the solution in a simple non jargon manner.



Helen believes her success is primarily down to how she deals with people and that treating customers fairly is integral to her approach and role as an adviser. Helen decided to join the CL team following a process of demutualisation during which her employer lost its independent advice status and decided not to offer this to clients in the future.

Having spent the last 11 years building on her experience and qualifications to an advanced level as an IFA (part of which was spent with Angus and David) her previous employer's loss has definitely been our gain and we all wish Helen a warm welcome.

Outside of the working environment, Helen enjoys a very busy social life and tries to keep fit. She says the word try is completely appropriate as she sometimes struggles with her motivation and adds that there is always something far more interesting to do! For this reason she has recently engaged the services of a personal fitness trainer to help keep her on track and keep her in shape for what we expect will be a busy time for her over the coming months.

Taking Care of Nottinghamshire ... Forever

Melodic birdsong, wildflower meadows, meandering rivers and ancient woodlands carpeted in bluebells: many of us have countless happy memories of magical moments in the Nottinghamshire countryside.

Nottinghamshire Wildlife Trust manages some of the finest wild places in Nottinghamshire as nature reserves, and provides opportunities for people of all ages to enjoy the natural environment and the wildlife around them. The ever-increasing pressures on our environment mean that some species and habitats are in danger of disappearing.

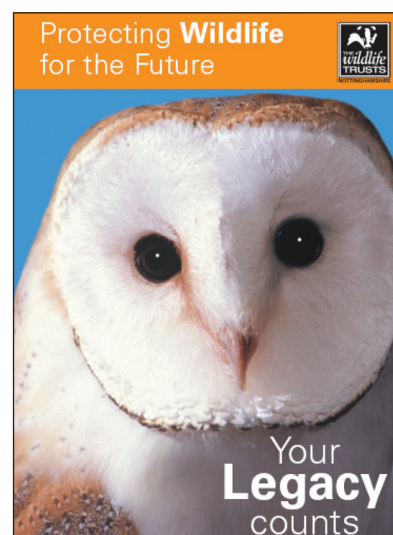
If you enjoy the Nottinghamshire countryside and are interested in the wildlife it supports, you may wish to help ensure future generations can enjoy the richness and beauty of our natural heritage.

Making a will and keeping it up to date is the only way to make sure that your estate is distributed as you intend. It means you can be sure of providing for the people you love and the causes you care about. Every penny over the Inheritance Tax limit (£325,000 in 2009-10) is taxed at 40%, except legacies to charity which are tax exempt.

Despite the fact that 80% of us give to charity during our lifetime, only four per cent will leave a charitable legacy in our will.

Legacy income is very important to the work of the Wildlife Trust. Please think about including Nottinghamshire Wildlife Trust in your will.

If you would like a legacy leaflet, please contact Christine Setchell at: Nottinghamshire Wildlife Trust, The Old Ragged School, Brook Street, Nottingham, NG1 1EA. Telephone: 0115 958 82421 or email: csetchell@nottswt.co.uk





The Cofunds Wealthmaster Researched Panel



OBSR has many years of experience in fund panelling and constructing guided fund ranges for a wide variety of clients. We use our knowledge of fund and fund groups combined with our experience and understanding of the needs of advisers and their clients to compile carefully constructed fund lists that are tailored to their needs.

Establishing the Cofunds Wealthmaster Guided Range

The aim of the Cofunds Guided Range is to provide Cockburn Lucas with an actively advised and carefully selected range of 100-120 funds that is equipped to satisfy a broad spectrum of investment needs. There are four guiding principles that provide the broad framework for selection:

Independence – OBSR is an independently owned and independently spirited company. Our primary aim is and always has been to provide objective and high quality advice to our clients. OBSR Fund Ratings are awarded on merit – OBSR is not paid to award Ratings (although we charge a licence fee to fund companies wishing to publicise our Ratings). This enables us to be completely independent and impartial in our recommendations and to be focused upon investment quality.

Investment Quality is the most important criteria for the Cofunds Wealthmaster Range. This key objective is aligned with OBSR's own research process, which seeks to identify the most compelling investment funds in each sector / category. The vast majority of the funds on the list enjoy OBSR Fund ratings*.

Diversity and coverage are also key requirements for the Cofunds Wealthmaster Guided Range. In compiling the list we have ensured representation from all major IMA sector and considered the need to feature funds that have a range of risk profiles and styles.

IFA Service and support is also a consideration. We understand that ongoing service and support from fund companies is extremely important in order to help Cockburn Lucas to provide a first class level of service to their clients.

Bearing these criteria in mind, we have helped establish a high quality, investment led and wide ranging fund list that we believe will satisfy the majority of investment needs.

*OBSR does not currently award Ratings to tracker funds, cash funds and direct property fund

Indication of our conviction in manager's ability to meet or exceed a funds objectives compares to other funds of a similar type.

OBSR currently rates about 300 funds out of a universe of 2500 funds. We do not work to a 'quota' nor are we paid to rate funds. The number of funds rated is simply the result of our due diligence process. Any fund which receives an OBSR rating is exceptional of its type and can be considered in relation to appropriate clients.

We have a review programme for every fund to assess whether the investment process is still in line with our understanding and is appropriate for its objectives. Following these review meetings, we consider whether the OBSR Fund Rating is still appropriate. The OBSR Fund Rating may be adjusted, suspended or removed.

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WEALTH MASTER

