



Where money meets intelligence

 **CROSSING POINT**

TACTICAL INVESTORS



About Us

Crossing Point Investment Management was conceived in 2014 and formed in 2018 based on the conclusion of extensive academic research into an investment philosophy established upon trend following and tactical trading. Our investment strategies are stringently based upon exhaustive and robust research and testing, backed up by MSc and PhD research papers.

Our Crossing Point portfolios change the direction and expectation of investment management by not only offering the benefits of global stock market growth, but by managing downside risk through the use of trend-following strategies.

Our advanced algorithms monitor and signal when to buy, hold or sell capital assets allowing us to participate in up markets and reduce exposure to down markets providing consistent returns at lower risk and lower cost.

Crossing Point's **Guardian portfolios** are based on accredited asset allocation models and use tracker funds to gain full global asset class exposure. Our dynamic, technical rules-based analysis actively informs us when to hold equities and when to revert to the security of safer investments. This process responds to evolving stock market conditions with

each fund within each geographic equity sector monitored independently.

In addition, we also offer 3 other trend-following portfolios within our range. Our **Green path portfolios** are designed for investment into sustainable and environmentally responsible funds. Our **Heritage portfolios** invest the majority of their equity allocation into investment trusts with the aim to provide superior return and diversity. And, our newly conceived **Fusion portfolios** offer a hybrid mix of active, passive, and ESG funds.

Trend-following strategies have been shown to significantly reduce volatility and maximum drawdowns, while providing consistent capital returns. Our unique algorithm represents the best in modern investment philosophy and delivers on cost, accessibility and performance.

At the heart of all our portfolios is both the desire to provide attractive performance and the pursuit of low-cost funds. We compare available funds to ensure that the selected funds have favourable returns and low fees. All our portfolios are created using a well-diversified, accredited, global asset allocation as the initial source of risk management.

Disrupt - V. to radically change

The greatest steps forward in business have often been initiated by thinking that has disrupted prescribed or accepted processes. The most successful corporate disruptors challenge on cost, delivery, convenience and performance. Some of the very best examples revolutionising our behaviours and perception include the likes of Amazon, Apple, Uber and Airbnb.

Tracker funds and exchange-traded funds were a market disruptor in their own right. Global tracker funds have grown at an exponential rate in recent years allowing retail investors effective and cheap access to markets that were once exclusive to institutional investors. However, their general use has been quite unsophisticated. Crossing Point has taken all the advantages of trackers and reinvented their use.

Challenge - V. to call (something) into question

Crossing Point's Guardian portfolios are based on accredited asset allocation models and use tracker-funds to gain full global asset class exposure. Our dynamic, technical rules-based analysis actively informs us when to hold equities and when to revert to the security of safer investments.

This process has been shown to significantly reduce volatility and maximum drawdowns, while providing consistent capital returns. Crossing Point is a positive disrupter in the world of investment management. Our unique algorithm represents the best in modern investment philosophy and delivers on cost, accessibility and performance.



Why Crossing Point?

Crossing Point is a discretionary investment management company bringing together the best of academic analysis and investment expertise to create innovative and unique investment solutions.



Unique Investment Strategies

Our distinctive strategies offer a diverse set of outcome focused solutions to suit your investment needs.



Attractive Returns

At the heart of all our portfolios is the desire to provide you with attractive long-term capital growth. Our portfolios perform very well when compared to their relevant national benchmarks and technical ratios.



Risk Control

All our portfolios are tactically managed using technical, trend-following indicators that help smooth your returns and reduce volatility and maximum drawdowns. These portfolios offer a double layer of risk control.



Diversified Global Asset Allocation

Our portfolios are well-diversified, based on accredited asset allocation models, to spread your investment across different assets.



Solution-Based Portfolios

Our portfolios are designed with your objective in mind. We provide strategies to meet your investment objectives whether that is risk-controlled decumulation, capital growth, or ethical ESG investing.



Low-Cost Service

You only pay an annual flat fee of 0.30%.



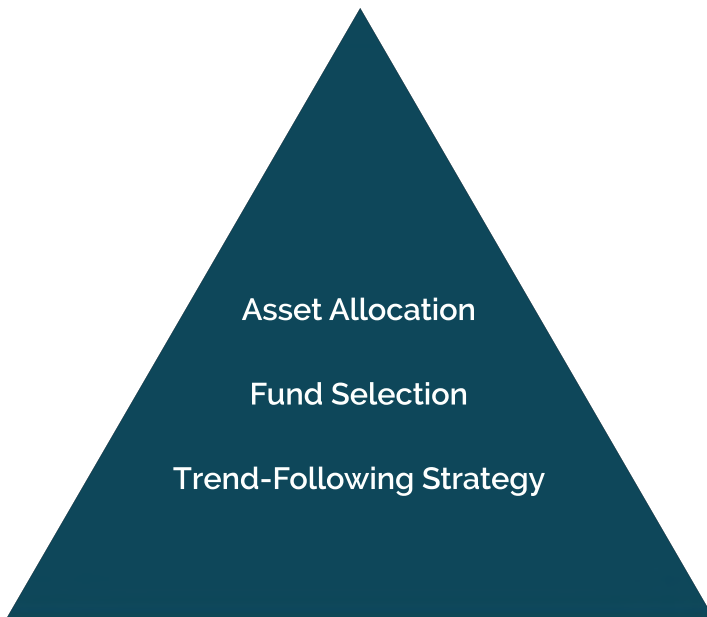
Defaqto – DFM MPS 5 Star Rating





Investment Management

Crossing Point moves away from opinion-based decision making to a proven set of investment rules and principles that are regularly updated and reviewed.



Asset Allocation

It is commonly agreed from established academic research that asset allocation provides the majority of long-term total returns for a managed investment portfolio. Similar to other investment managers, we adopt a full risk-related asset allocation strategy using a well-diversified, accredited, global asset allocation model. Our asset selections for all our strategies are reviewed at least semi-annually to ensure optimum performance. The equity allocation for each portfolio is matched to specific investor risk profiles.

Fund Selection

Each asset selected constitutes an important building block of our portfolios. We rigorously screen every asset contained within our strategies. All index tracking funds, ESG funds and investment trusts are filtered using ratings such as those by Morningstar, Rayner Spencer Mills Research and Financial Express Crown Fund Ratings. We also analyse all available assets on past performance, technical ratios and fees.

All Green Path investments are also screened for their environmental, social and governance (ESG) principles. Green Path fund providers are all signatories of the Principle of Responsible Investing and use either positive or negative screening, or a combination of both. We also utilise Morningstar and MSCI Sustainability Ratings where available.

Trend-Following Strategy

Due to the success of using trend-following strategies on our Guardian portfolios we have decided to use a trend-following overlay across all our portfolios.

Our unique algorithms are reviewed at least weekly in order to determine whether to be in or out of certain funds and markets. Trend-following strategies have been shown to significantly reduce volatility and maximum drawdowns and minimise sequence of returns risk whilst still providing consistent capital returns across market cycles.



Portfolio Range

We have created four distinct investment solutions each with a number of different risk-based portfolios to use either exclusively or as part of a larger asset allocation. In addition to traditional asset allocation for risk management, all of our portfolios use a trend-following overlay found to reduce volatility, maximum drawdowns, and sequence of returns risk without sacrificing investment returns.



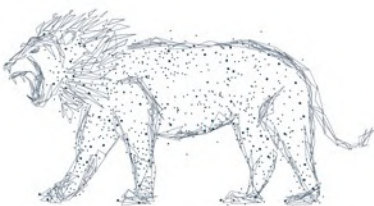
Guardian portfolios are designed to provide attractive and consistent returns, while aiming to reduce costs by mainly investing in low-cost passive funds.



Green Path ESG portfolios select investments that support the wellbeing of our environment and society.



Heritage portfolios use investment trusts with the aim to provide superior returns and consistent dividends over longer investment horizons. Heritage portfolios offer greater diversification and a broader range of holdings.



Fusion portfolios invest into a mix of active, passive and ESG funds to achieve greater exposure and diversification.



How Trend Following Works

Day	Price	Moving Average 1 (5 Days)	Moving Average 2 (10 Days)	
1	154.8			
2	156.4			
3	156.8			
4	156.6			
5	158.1	156.54		
6	157.4	157.06		
7	156.9	157.16		
8	157.9	157.38		
9	157.5	157.56		
10	157.4	157.42	156.98	→ Enter the Market
11	157.5	157.44	157.25	
12	157.2	157.5	157.33	
13	157.5	157.42	157.4	
14	156.5	157.22	157.39	→ Exit the Market
15	155.3	156.8	157.11	
16	157.6	156.82	157.13	
17	158.2	157.02	157.26	
18	160.1	157.54	157.48	→ Re-enter the Market
19	159	158.04	157.63	
20	158.8	158.74	157.77	
21	158.4	158.9	157.86	

Trend following uses moving averages and crossovers to determine underlying market trends. Moving averages smooth volatile price data and can reveal the underlying trend. The moving average is calculated by averaging the price over the previous 'x' number of days. This is updated every day with the new set of prices.

This very simplified illustration shows 2 simple moving averages (a 5-day moving average and a longer 10-day moving average) and the crossover which is created based on their comparison. In this example, from Day 10 the shorter moving average has a higher value than the longer moving average, signaling to invest or remain invested. After a few days, on Day 14, the shorter 5-day moving average moves below the 10-day moving average and therefore gives a signal to exit the fund. Finally on Day 18, a signal to re-enter the market occurs as the shorter moving average rises to again be above the longer moving average.



Commonly asked Questions

Crossing Point moves away from opinion-based decision making to a proven set of investment rules and principles that are regularly updated and reviewed.

What is trend following and how does it work?

We use trend-following strategies across all our portfolios. Using a combination of varying stock price movements can, when rising, signal a buy opportunity or, when falling, can be a signal to sell. Trend following strategies have been shown to significantly reduce volatility and maximum drawdowns whilst providing consistent capital returns. We have built moving average and crossover trend-following signals for all major stock markets, OEICS, unit trust, investment trusts, and fixed interest market funds in which we invest. We have back tested these strategies over the past 23 years and there are also numerous academic studies supporting trend following. We have been running live money since 2017. Dr Tomiko Evans has also completed an MSc dissertation and a PHD in trend following.

What are the objectives?

The key objectives of our tactically traded portfolios service are to grow and protect your investment and pension assets by smoothing long-term returns. We hold equity assets to capture growth but use a trend-following strategy overlay to protect your portfolio from downside losses and to minimise volatility with a focus on both growth and capital preservation. As the use of trend following has been found to reduce volatility and smooth long-term returns, this can support more accurate cash flow modelling.

What is the evidence?

Our investment strategies are based on exhaustive and robust research, back testing, and backed MSc & PHD papers. There are also a number of other academic papers published in support of trend following.

In [A Century of Evidence on Trend Following Investing](#) (2017), Brian Hurst, Yao Hua Ooi, and Lasse Heje Pedersen found time series momentum provided positive returns over 100 years, including through 8 of the 10 largest crisis periods and across a number of different asset types.

Mebane T. Faber in [A Quantitative Approach to Tactical Asset Allocation](#) (2013) also found that applying a simple moving average strategy to each asset in an internationally diversified portfolio of assets, an investor is able to increase risk adjusted returns in a diversified portfolio. In addition, the investor would have also been able to avoid many of the protracted bear markets in various asset classes.

Further academic articles are available on our webpage: <https://www.crossingpoint.co.uk/education-resource/>

How have you performed in through the 2008 Financial crisis, Covid 19, and the recent turbulent markets?

Our 2008 financial crisis document shows the success of our back testing to ensure that the trend-following algorithms which were selected were able to outperform the buy and hold of the same underlying portfolios. Using a gilt fund during this time, as a relatively safer asset in which to invest when out of equity funds, further improved returns and risk-adjusted returns. These results informed our decision to use a basket of safer assets when out of equity markets which are also reviewed weekly with a trend-following overlay.

Through Covid 19 and the recent turbulent markets through 2022, trend-following strategies were able to exit equity markets quickly and efficiently. Our modified re-entry approach has also allowed us to be nimble in an attempt to re-invest into equity markets in a timely fashion. See attached sales aids.

What are the advantages of trend following?

Trend following has been found to reduce volatility, smooth longer-term returns, limit sequence of return risk, and reduce maximum drawdowns to protect assets in times of stock market stress whilst capturing the upside in a rising market.

Do you charge more?

No, we charge 0.30% fee which includes all active trading and trend-following decisions.

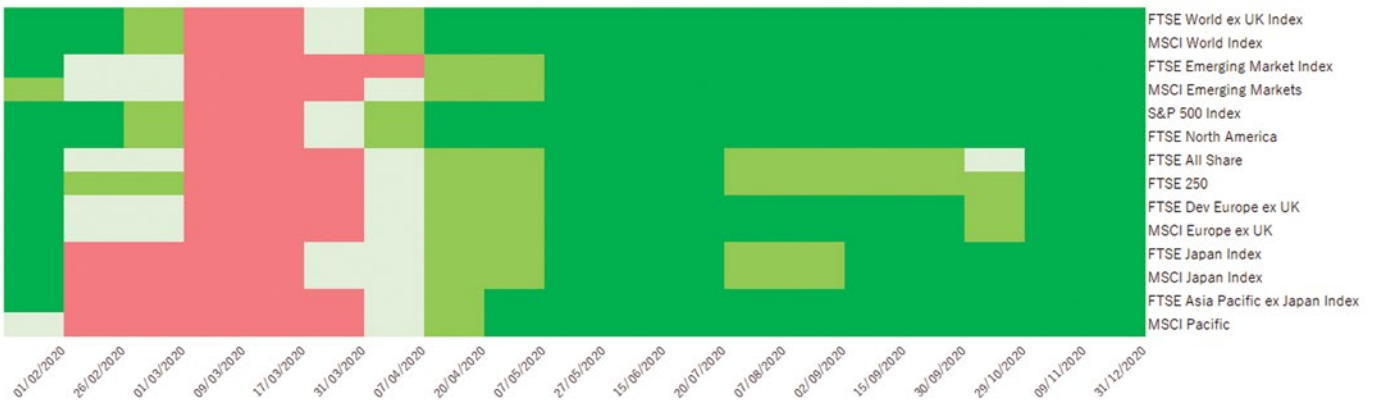
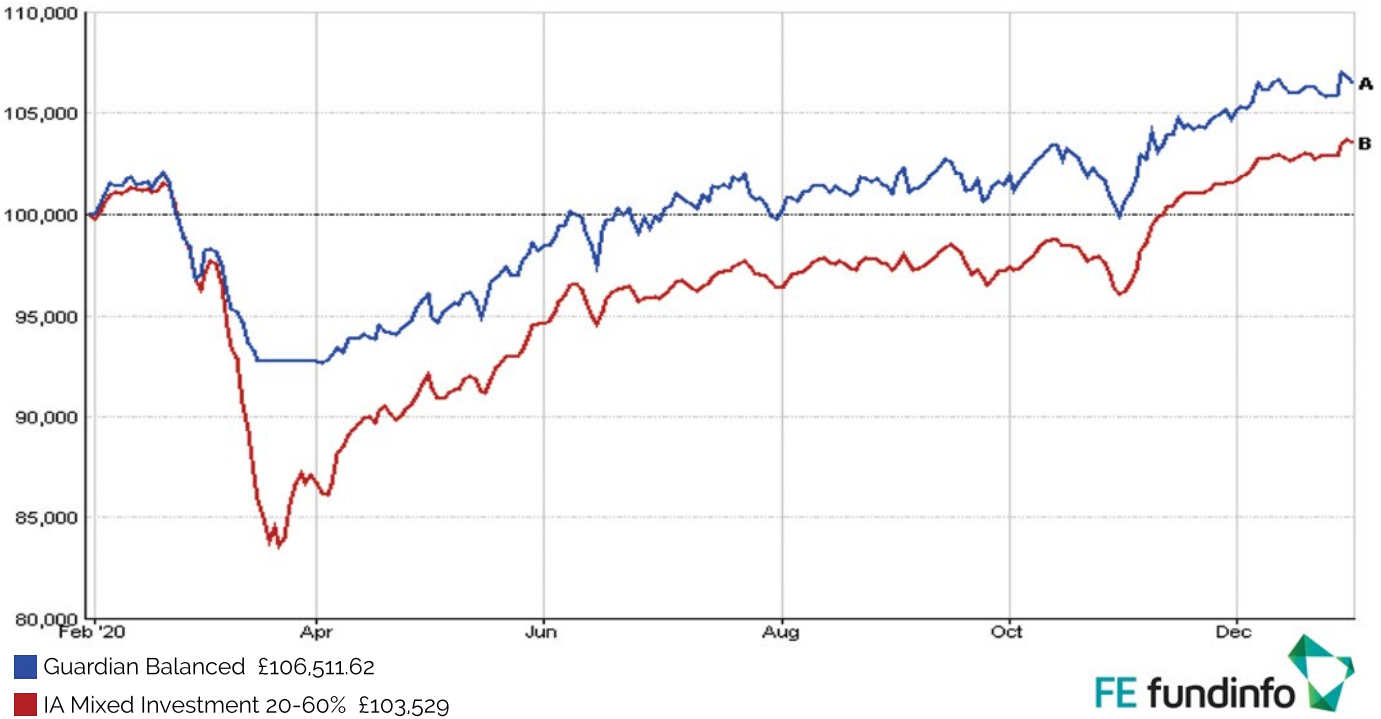
How often do you trade?

The trends are run daily, and our investment committee meets once a week to review the trend recommendations and make decisions based upon results.



Guardian Trend Following during the Coronavirus Crisis

£100,000 Investment, 31 Jan 2020 – 31 Dec 2020
Guardian Balanced vs. IA Mixed Investment 20-60%



Crossing Point's trend-following trading strategy minimises risk through international asset allocation and a mix of trend-following moving averages and crossovers for further volatility management. The above chart illustrates the Guardian portfolio trade decisions during the coronavirus crisis.

The graph illustrates the performance of £100,000 invested into the Crossing Point Guardian Balanced portfolio from January 31 to Dec 31 2020 using our trend-following strategy compared with its benchmark without any tactical trading.

Past performance is not a guarantee of future performance. The value of investments and any income from them can fall and you may get back less than you invested. The performance demonstrated takes into account fund charges within the portfolio only and excludes transactional, platform, IFA and Crossing Point fees, all of which will reduce the performance and eventual returns over the long term.

An investment into Guardian Balanced would have ended the period with £2,982.62 (2.88%) more than an investment in the benchmark.

The chart reflects the trade decisions for each international equity market and coincides with the months shown in the above graph. Each equity fund investment decision was decided individually and informed using trend-following signals. An equity investment of 0% is shown in red. Shades of green represent varying levels of equity investment with dark green indicating a 100% investment.



The Managers

Heading up the investment decisions for Crossing Point Investment Management are Managing Director and Chief Investment Officer, Dr. Tomiko Evans, and Investment Manager and Swansea University Professor Mike Buckle. Both have substantial qualifications and have analysed trend following for over 7 years through MSc and PhD research.

In addition to our management team, our executive board also includes professionals from accounting and compliance firms as well as independent financial investment advisors. Our investment committee meets weekly review market trends and investment decisions.



Dr. Tomiko Evans

CHIEF INVESTMENT OFFICER

Tomiko is a BSc graduate of the Wharton School of Business at the University of Pennsylvania. She holds an MSc in Financial Forecasting and Investment Management and a PhD in Finance from Swansea University. Tomiko has extensive experience in capital market analysis and investment management. She worked in International Prime Brokerage for Citigroup in Canary Wharf and was part of the technology team on the International Finance Desk with Salomon Smith Barney in London and Salomon Brothers in New York. Her extensive, validated research and analysis forms the basis of Crossing Point's unique investment strategy. Tomiko is Chief Investment Officer of Crossing Point and holds the IMC qualification for Investment Management.



Professor Mike Buckle

INVESTMENT MANAGER

Mike is a Professor of Finance at Swansea University. He has been a university academic for over 30 years having previously held senior academic posts at Liverpool University and Swansea University. He has published extensively in both academic and practitioner journals on a wide range of financial and economic issues. Mike has been an academic advisor to CFA UK for over 20 years and was involved in the development of the Investment Management Certificate (IMC). He is an author of the Official Training Manual for the IMC. Mike chairs Crossing Point's Investment Management Committee and holds the CII Certificate in Discretionary Investment Management. He is responsible for the due diligence and fund selection within our Green Path and Heritage portfolios.



Carl Hagger

BUSINESS DEVELOPMENT MANAGER

Carl graduated from Bournemouth University in 1988 where he gained an HND in Business and Finance. After university, Carl started his career in financial services originally with Sun Life Assurance and then AXA where he worked alongside small, medium, and national brokerages throughout Wales and the South West of England. In this role, Carl forged long lasting and mutually beneficial relationships with many IFAs. Carl enjoyed a successful 25-year career with AXA / Sun Life before joining Aegon in 2014 as a platform broker consultant, again working with IFA firms in South Wales. Carl has always prided himself in helping IFA firms build and grow their businesses through a focus on service. Carl has gained numerous financial services qualifications including the CII AF3 Advanced Diploma in pension planning, the CII Diploma, and (J11) Wrap and Platform services. He is currently studying for the CFA UK Investment Management Certificate (IMC).



Defaqto Rating and Risk Scores

Guardian Defaqto Risk Ratings

» Guardian Adventurous	
» Guardian Strategic	
» Guardian Balanced	
» Guardian Cautious	
» Guardian Defensive	



DFM MPS 5 Star Rating

Our Awards

2022

Worldwide Finance Awards 2022 by Acquisition International;

- Most Innovative Investment Management Firm – Wales
- Best In-House Capital Market Analysis Specialist (UK)

Wealth and Finance International, Ethical Finance Awards 2022:

- Best ESG Investment Management Firm – UK

2021

Wealth & Finance News, Fund Awards 2021

- Best Discretionary Investment Management Solutions 2021 – UK

SME News Finance Awards 2021

- Best ESG Investment Management Firm – Wales

Citywire Adviser Choice Awards 2021

- South West and Wales

2020

SME Finance Award

- Best Discretionary Investment Management Solutions – Wales

SME Welsh Enterprise Award

- Excellence in Multi-Asset Portfolio Management





IMPORTANT INFORMATION

The Crossing Point Portfolio Management Service is only available to investors who use the ongoing services of a financial adviser. For information purposes only, please contact a personal financial adviser for further information.

Independent financial advisers take no responsibility for the underlying investment strategy, the investment process and the choice of funds will be based purely on Crossing Point Discretionary Fund Managers' experience within the market. By the nature of tactical trading, holdings will be regularly bought and sold, but the investment manager will not seek your permission to do this. Investment decisions will be the responsibility of the Discretionary Fund Manager.

Guardian portfolios show actual performance data from September 2019 onwards. Before September 2019, the performance of the underlying funds is shown by applying the decisions made based on the rules-based trend-following signals that would have been applied over the period. The performance data is substantially the same as what would have been achieved if the portfolios had been 'live'.

Heritage portfolios show actual performance data from December 2019 onwards. Before December 2019, the performance of the underlying funds is shown. The performance data is substantially the same as what would have been achieved if the portfolios had been 'live'.

Performance Calculation: Performance is shown inclusive of ongoing fund charges but gross of transaction and incidental fund charges as well as Crossing Point's investment management charge. Deductions for these charges will have the result of reducing the illustrated performance. Platform and IFA charges are applicable. Please refer to your investment adviser for details.

Performance is quoted on an annualised basis and calculated through FE Analytics direct and provided for illustrative purposes only and should not be viewed as the performance of a specific client account.

Past performance is not a guide to future performance. The value of investments and any income from them can fall and you may get back less than you invested. If you invest in currencies other than your own, fluctuations in currency value will mean that the value of your investment will move independently of the underlying asset. The information contained in this documentation has been taken from sources stated and is believed to be reliable and accurate, but without further investigation cannot be warranted as to accuracy or completeness. Tax concessions are not guaranteed and may be charged at any time, their value will depend on individual circumstances.

The information provided by Financial Express Analytics (FE) is used at your own risk. FE takes care to ensure that the information provided is correct. Neither FE or Crossing Point Investment Management warrants or guarantee the content of the information, nor do we accept any responsibility for error, inaccuracies, omissions or any inconsistencies herein.

Detail of the nature of the investments, the commitment required, and the specific risk warnings are described in the Crossing Point Investment Management Terms of Business with a financial adviser. Reference to any particular fund or portfolio does not constitute a recommendation for investment purposes. Indices are used for comparative purposes only. Persons who do not have professional experience in matters relating to investments should speak with a financial adviser before making an investment decision.

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