

# BACK TO BASICS

Mulberry Bow firmly sticks to its five-point plan of investing and founder Simon Bullock is eager to get the team to focus on ethical issues

**S**imon Bullock does not trust market predictions. In the three years since he founded Mulberry Bow, there have been a lot of red herrings, he says.

'There have been so many false dawns,' he observes. 'People were diving into cash in 2015 because they thought China was going to take the world to hell in a handbasket. Our job is helping clients shut out the noise.'

With a lot of 'noise' in the world, Bullock says it is more important than ever to get the basics of investing right for clients. For him, this involves ignoring dogmatic arguments about active and passive. Instead, he firmly sticks to his five rules of investing:

1. Work out how much capital can be committed long term.
2. Diversify.
3. Rebalance consistently.
4. Manage tax liabilities.
5. Manage costs.

## OUTSOURCED OPTIONS

Mulberry Bow's investment proposition is entirely outsourced to discretionary fund managers (DFMs). Bullock does not think advisers can be top quality financial planners and investment managers at the same time.

For clients with between £500,000 and £5 million to invest, Mulberry Bow uses the DFMs Fusion Wealth, Investec, Rathbones, Dimensional, Seven Investment Management and Bordier.

For clients with between £2 million and £10 million, it uses Brown Advisory. And for anyone with more than £10 million, the business uses JP Morgan Asset Management and Saranac Partners.

40% of the firm's assets under advice are allocated to active funds, with the remainder to passive, including exchange-traded funds (ETFs). The asset allocation,

portfolio rebalancing, and diversification are all overseen by the DFM.

Bullock used to advise clients on renewable energy while working as head of wealth planning at Barclays Wealth. These days, he is finding himself having more and more conversations about sustainable investing.

Though it has only been running for a matter of months, Bullock rates the Foresight UK Infrastructure Income fund because it 'offers something a little bit different'.

'They've effectively put together a basket of mostly investment trusts and people like UK Wind PLC Asset Management, which is run by Greencoat Capital,' he says.

Once practice manager and compliance officer Jessica Tivey has attained chartered status, Bullock hopes she will take the lead on an investment proposition specifically aimed at social impact investing clients. Bullock even has his eye on educational events to map out the possibilities to potential investors.

Foresight's UK Infrastructure Income fund has had a rocky start since its inception at

the very end of 2017. However, at the time of writing it was in growth, having returned 5.41% on 19 July 2018. But this is still a very short time period in which to be measuring performance.

Bullock says FW Dimensional 5 is the firm's most representative portfolio.

## BACK-OFFICE GRIPE

Mulberry Bow uses the AJ Bell and Fusion platforms. Bullock is pleased by AJ Bell's plans to float this year, and says he 'likes the business.' However, an improvement he would request would be back-office functionality.

'We don't know [chief executive] Andy [Bell] personally. But we know people who know him, and they speak well of him,' he says.

'It doesn't have a back-office function, which is a shame in a way. The connectivity of investment platforms and back office is a big problem. It's one of the reasons we went with Enable [for back office] and Fusion because it's the only offering that's two sides of the same coin.' ■

**OLLIE SMITH**



**MULBERRY BOW [L-R]:** Gosia Rosa (partner), Simon Bullock (chartered financial planner and partner), Jessica Tivey (practice manager and compliance officer), Milica Bhutta (client service manager), Lee Davy-Martin (chartered accountant and partner) and Andrew Toll (chartered financial planner)