

## DID YOU SEE...?

In this section we highlight any developments at FEIFA over the last month or more, where relevant, which you may have missed - plus any potentially relevant and useful articles from our Associate Members and/or other appropriate sources. For articles in the Member's Hub, you will, of course, need your usual password.



### Masterclass Seminars & Webinars Q4 2022

- [Hub home page](#)
- [Webinar recordings and presentation slides](#)
- [CPD for the webinars](#)
- [Synopsis of the webinar presentations](#)

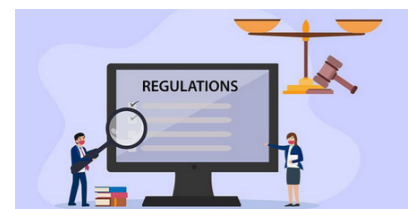


### ESG Platform

- [Impact investing must reside at the heart of a business](#)
- [Why there were so many SFDR fund downgrades in 2022](#)

### Media articles

- [Financial industry fears EU commission ban](#)
- [ESMA sets thresholds for ESG claims in fund names](#)
- [Why so many SFDR fund downgrades in 2022?](#)



# Is now a good time to invest?

## RBC Brewin Dolphin discusses.

When stock markets are volatile, it is easy to lose sight of the big picture and let your emotions get the better of you. Although this is perfectly natural, it is more important to focus on your long-term goals than attempt to work out the 'right' or 'wrong' time to invest.

No one knows whether a market downturn is around the corner. Yet history shows that, over time, markets tend to recover.

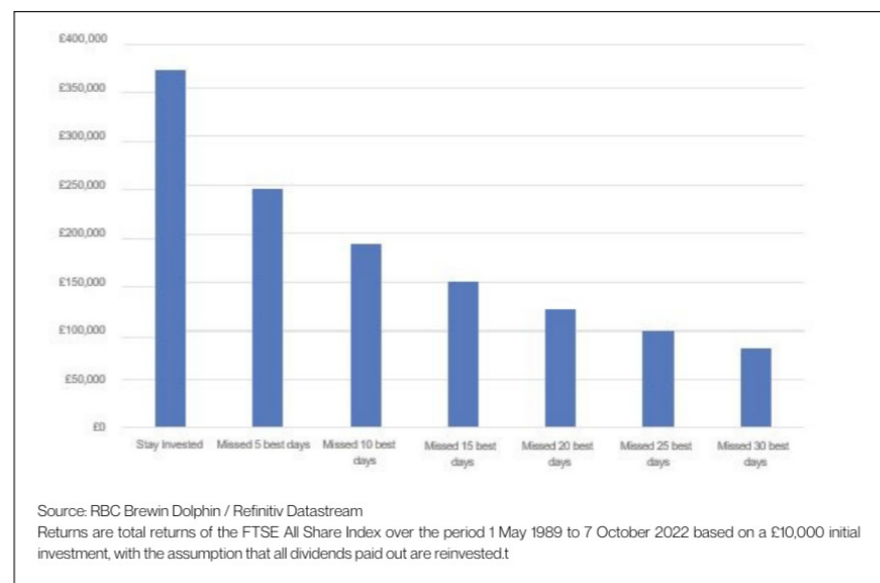
### Holding your nerve

When markets are falling, you might be tempted to cash in rather than endure more falls. But while this is a natural inclination, doing so only serves to crystallise losses.

Although periods of volatility are worrying, they can sometimes present opportunities for investors. For example, sell-offs could offer the chance to buy shares in businesses at cheaper valuations. And the sooner you start investing, the sooner you have time on your side to produce potential long-term returns.

### Time in the market

As the old investment adage goes, it's about time in the market – not timing the market. This means committing your money to the markets and leaving



it invested – for at least five years, ideally longer – rather than waiting for what you might perceive to be the best time to invest. The longer you invest, the greater your potential for making a profit. It doesn't typically pay to hold off on an investment decision if you've got time on your side.

After all, it's impossible to know when the bottom of the market will be reached. There are plenty of factors that will impact this, and there might be further short-term pain. Yet trying to time the market, or cashing in, risks missing out on some of the market's best days.

The effect of missing the market's best days on a £10,000 investment over three decades.

### Managing risk

Your returns will be subject to stock market movements. But you can reduce volatility by placing your money in a broad range of asset classes across the globe.

No matter when you invest, losses to one investment could be offset by gains to another because they won't react in the same way to economic shocks. Over time, this could reduce the impact of volatility on your investments' performance.

### Taking action

Periods of uncertainty are undoubtedly unsettling. Yet if you've no immediate need for your spare cash, and some set aside for emergencies, investing for your long-term goals could give you some sense of control over your financial future.

For further information contact **Ian Kloss** – [Ian.Kloss@brewin.co.uk](mailto:Ian.Kloss@brewin.co.uk) or tel: **+44 (0)1962 798 020**.

# A world of opportunity

## TAM Europe Asset Management considers the prospects within sustainable economies.

Global emissions must fall by 33% from 2010 levels by 2030 to limit climate change to the two degrees Centigrade limit agreed in the 2015 Paris Agreement. They are still increasing. Estimates of critically needed financing total \$3-6 trillion per year, all the way to 2050. The current investment is a fractional \$630 billion. A summer of extreme weather events brought the brutal reality to our doorsteps, with devastating consequences across the world. Climate change is here, today. We are dangerously close to a now or never moment to save our planet.

TAM's investable universe for our ESG portfolios are the funds which, we believe, are contributing the most to a sustainable future. The long-term tailwinds for these strategies have always been incredibly robust, but 2023 has supercharged the investment case to a point where it can no longer be ignored.

Soaring energy prices, as we discovered how insecure our energy mix is following Russia's invasion of Ukraine, has put the transition to renewables at the top of the world's agenda. This urgency has materialised through much needed legislation, with major powers like the US making strides in their climate financing agenda. Evidenced primarily by the Inflation Reduction Act, the single largest investment in climate and energy in American history. TAM are particularly bullish on this part of the market, with solar power expected to surpass coal by 2027 and renewable energy generation expected to increase 4x by 2050. There is a generational opportunity to invest in this transition across the supply chain, with TAM's ESG portfolios holding a wide selection of companies from renewable energy producers to those delivering infrastructure and storage. All of whom, TAM believe, are poised to lead in this transition.



Looking to 2023, the theme we are most excited about is the growing awareness, legislation and investment directed at the urgent need to protect our nature and biodiversity. The World-Wide Fund for Nature (WWF) found the studied population of wildlife has declined almost 70%, on average, since 1970. With the World Economic Forum finding more than half of the world's GDP (global output) is moderately or highly dependent on nature, the incredible species we share our planet with need to be protected for many reasons – but not all realise for our survival. We hope the current discussions in Montreal at COP15 will pave the way to reach the ambitious target of reversing biodiversity loss by 2030 and restoring

natural ecosystems by 2050.

The opportunities do not stop there. TAM have decided that all new funds in the portfolio must be SFDR Article 9 compliant, or equivalent as a minimum, as we transition to a dual mandate of financial returns and positive impact. In doing this, we have committed to only investing your money in the industry's most green and sustainable strategies. At a time where greenwashing is a real issue, we aim to separate ourselves by only investing in funds which have been accredited as sustainability leaders. To show our commitment, we have partnered with impact and sustainability specialists Clarity AI. This will take our impact reporting and ESG credentials to a new level, providing third party assessment and collation of how much good your money is doing. To provide a dual mandate, we must make impact as important as returns, and adding this tool exemplifies our commitment.

Despite sometimes feeling like a call to donate to a just cause, investing in a sustainable future is not a solely philanthropic pursuit. Evidence is mounting that today is an incredible opportunity to invest in this transition. The asset management industry has accelerated rapidly in the last decade in terms of how you can contribute to solving these critical issues. This innovation has been multi-faceted, with the growing array of funds available meaning we can invest for genuine positive impact while staying diversified and protected when short-term sentiment takes over corners of the market.

TAM believe that the companies driving and providing positive impact in building a sustainable economy may just be those companies that lead the next bull market. A wall of assets and rapidly growing awareness fuelling the notion that, with TAM's help, you can contribute to a sustainable future whilst making money.

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