# Why the 60/40 portfolio still makes sense

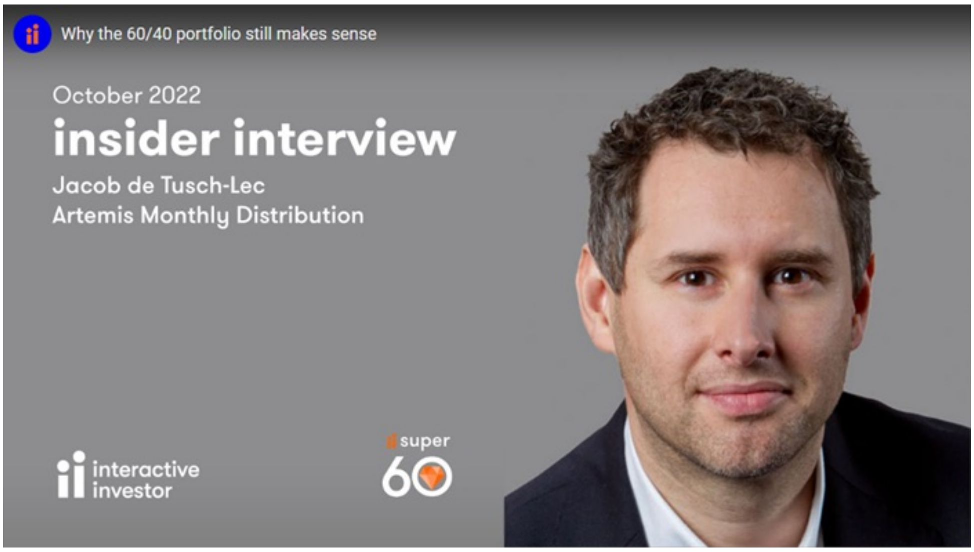
Jacob de Tusch-Lec, manager of the Artemis Monthly Distribution fund, explains why investing 60% in shares and 40% in bonds is still a good recipe for investment success, but how it doesn't solve all investors' problems.

**Jacob de Tusch-Lec**

**2 November 2022**

**FOR PROFESSIONAL INVESTORS AND/OR QUALIFIED INVESTORS AND/OR FINANCIAL INTERMEDIARIES ONLY. NOT FOR USE WITH OR BY PRIVATE INVESTORS. CAPITAL AT RISK. All financial investments involve taking risk which means investors may not get back the amount initially invested.**

In an interview with *Interactive Investor*, Jacob also talks about his approach to investing at a time of high inflation, explains why he prefers value shares over growth shares, and names a stock he's recently bought.




(https://www.ii.co.uk/analysis-commentary/why-6040-portfolio-still-makes-sense-ii525816)

**Watch the video** on *Interactive Investor* (https://www.ii.co.uk/analysis-commentary/why-6040-portfolio-still-makes-sense-ii525816)

## Jacob de Tusch-Lec

Manages:
'Global income' and 'monthly distribution' strategies

Jacob has managed Artemis' global income strategies since July 2010.

**FOR PROFESSIONAL INVESTORS AND/OR QUALIFIED INVESTORS AND/OR FINANCIAL INTERMEDIARIES ONLY. NOT FOR USE WITH OR BY PRIVATE INVESTORS. CAPITAL AT RISK. All financial investments involve taking risk which means investors may not get back the amount initially invested.**

**To ensure you understand whether a fund is suitable for you, please read its Key Investor Information Document or Key Information Document which are available, along with the fund's Prospectus (or in the case of investment trusts, Investor Disclosure Document and Articles of Association), in the literature library.**

**Risks specific to the Artemis High Income Fund**

- **Market volatility risk**: The value of the fund and any income from it can fall or rise because of movements in stockmarkets, currencies and interest rates, each of which can move irrationally and be affected unpredictably by diverse factors, including political and economic events.
- **Currency risk**: The fund's assets may be priced in currencies other than the fund base currency. Changes in currency exchange rates can therefore affect the fund's value.
- **Income risk**: Although the fund aims to pay a regular income, the payment of income and its level is not guaranteed.
- **Credit risk**: Investments in bonds are affected by interest rates, inflation and credit ratings. It is possible that bond issuers will not pay interest or return the capital. All of these events can reduce the value of bonds held by the fund.
- **Higher-yielding bonds risk**: The fund may invest in higher-yielding bonds, which may increase the risk to capital. Investing in these types of assets (which are also known as sub-investment grade bonds) can produce a higher yield but also brings an increased risk of default, which would affect the capital value of the fund.
- **Bond liquidity risk**: The fund holds bonds which could prove difficult to sell. As a result, the fund may have to lower the selling price, sell other investments or forego more appealing investment opportunities.
- **Charges from capital risk**: Where charges are taken wholly or partly out of a fund's capital, distributable income may be increased at the expense of capital, which may constrain or erode capital growth.

Investment in a fund concerns the acquisition of units/shares in the fund and not in the underlying assets of the fund.

Reference to specific shares or companies should not be taken as advice or a recommendation to invest in them.

For information on sustainability-related aspects of a fund, visit the relevant fund page on this website.

For information about Artemis' fund structures and registration status, visit artemisfunds.com/fund-structures

Any research and analysis in this communication has been obtained by Artemis for its own use. Although this communication is based on sources of information that Artemis believes to be reliable, no guarantee is given as to its accuracy or completeness.

Any forward-looking statements are based on Artemis' current expectations and projections and are subject to change without notice.

Third parties (including FTSE and Morningstar) whose data may be included in this document do not accept any liability for errors or omissions. For information, visit artemisfunds.com/third-party-data.