



Aspen Passive Plus MPS – Strategy Review – March 2026

This review provides a comparative assessment of the Aspen Passive Plus Strategy, based on the information supplied, supporting documentation, and publicly available materials at the time of writing.

The analysis focuses on key areas including investment philosophy, portfolio construction, asset allocation, performance characteristics, and the potential role of each solution within a structured Centralised Investment Proposition (CIP).

Where relevant, observations have been made in the context of how the solution may support financial planning outcomes, rather than purely investment-led comparisons.

Strategy & Objective

The Aspen Passive Plus range is a suite of low-cost, multi-asset model portfolios designed to deliver broad market returns through predominantly passive investments.

The range spans multiple risk profiles:

- Defensive (c.20% growth assets)
- Conservative (c.40%)
- Balanced (c.60%)
- Growth (c.80%)
- Equity Focus (c.90–100%)

Each portfolio aims to deliver long-term real (inflation-adjusted) returns, with varying degrees of volatility depending on the equity allocation.

At its core, the proposition is simple:

- Keep costs low
- Diversify globally
- Stay invested over the long term

Investment Philosophy & Edge

The Passive Plus range reflects a cost-led, market-return philosophy, built around three core beliefs:

1. Markets are broadly efficient → passive exposure is appropriate for core allocations
2. Costs matter significantly over time → strong emphasis on minimising drag
3. Diversification is the primary risk control tool

This is not a “clever alpha” proposition. Instead, the edge is:

- Simplicity and discipline
- Low-cost implementation (c.0.32% total portfolio cost)
- Consistent structure across risk profiles

The “Plus” element comes from:

- Tactical tilts (e.g. emerging markets, value bias)
- Inclusion of inflation-linked assets and infrastructure
- Some portfolio-level positioning decisions

Portfolio Construction & Process

Core Structure

Across the range, portfolios typically hold:

- 15–25 underlying funds
- Primarily index funds (Vanguard, HSBC, iShares, L&G, etc.)
- Global exposure across:
 - Equities
 - Fixed income
 - Real assets

Example building blocks include:

- Global equity indices (FTSE All World, MSCI World)
- Emerging markets trackers
- Government and corporate bonds
- Inflation-linked bonds
- Infrastructure and REITs

Asset Allocation Framework

- Strategic asset allocation aligned to risk profile
- Defined growth vs defensive ranges (e.g. Growth portfolio 70–90% equities)
- Ongoing monitoring with select tactical adjustments

Key Portfolio Characteristics

- Broad global diversification
- No single dominant theme
- Exposure to:
 - Value tilt (via equal weight / EM exposure)
 - Minimum volatility factors
 - Inflation hedging assets

Performance Overview

Performance is presented relative to IA sectors, and across the range there is a consistent pattern:

Balanced Passive Plus (example)

- 1 year: 13.93% vs 12.31% (IA Mixed 20–60%)
- 5 year: 43.75% vs 26.64%

Growth Passive Plus (example)

- 1 year: 10.70% vs 9.76% (IA Mixed 40–85%)
- 5 year: 52.33% vs 33.67%

Defensive Passive Plus

- 1 year: 8.04% vs 8.97% (IA 0–35%)
- 5 year: 16.44% vs 14.06%

Observations

- Consistent outperformance vs IA sectors (net of fees)
- Returns largely driven by:
 - Asset allocation
 - Cost advantage
- Limited dispersion vs peers → expected for passive-led approach

Important caveat:

- Part of the longer-term data includes simulated returns, not purely live track record

Strengths

Cost Efficiency (Key Differentiator)

- Total cost c. 0.30–0.32% all-in
- Significantly lower than many MPS / multi-asset peers

Simplicity & Transparency

- Easy to explain to clients
- Clear asset allocation structure
- No hidden complexity

Diversification Done Properly

- Global exposure across regions and asset classes
- Inclusion of inflation-sensitive assets

Consistency Across Risk Profiles

- Clean mapping from Defensive → Equity Focus
- Useful for adviser segmentation and suitability

Strong Relative Performance vs IA Sectors

- Particularly notable over 3–5 year periods

Key Risks & Considerations

Limited Alpha Potential

- This is market return minus low cost
- Will not materially outperform strong active managers

Reliance on Asset Allocation

- Outperformance driven by:
 - Strategic allocation
 - Tactical tilts
- Less scope for manager skill at fund level

Simulated Track Record

- Some performance based on backtested SAA
- Real-world implementation risk still relevant

Behavioural Risk (Client Perception)

- In strong active markets, may appear “average”
- Requires good client communication

Not Fully Passive in Practice

- Some tactical decisions (e.g. EM overweight, US reduction)
- Therefore sits between:
 - Pure passive
 - Active asset allocation

Role in a Portfolio / CRP® Context

This is where the Aspen Passive Plus range becomes particularly interesting.

Core Use Cases

1. Central CIP / Default Solution

- Clean, scalable core portfolio
- Suitable for firms prioritising:
 - Cost control
 - Consistency
 - Governance simplicity

2. Retirement Accumulation Portfolios

- Particularly Balanced / Growth variants
- Align well with long-term compounding

3. Decumulation (Selective Use)

- Useful as a core growth engine
- But typically needs:
 - Cashflow overlay
 - Income layering strategy

4. Platform-Based Scalable Advice

- Easy to implement across:
 - ISAs
 - SIPP
 - GIA

Peer Context (Positioning)

Within the MPS / multi-asset space:

Category	Positioning
Passive MPS (e.g. Vanguard, HSBC)	Similar philosophy
Active MPS (e.g. Tatton, Quilter)	Lower cost, less alpha
Multi-asset funds (e.g. Vanguard LifeStrategy)	More flexible, slightly more complex

In simple terms:

- Not a “high-conviction active MPS”
- Not a pure static passive allocation
- A low-cost, diversified core solution with light active tilts

Money Wise UK View

The Aspen Passive Plus MPS range is a well-constructed, cost-efficient multi-asset solution that does exactly what it sets out to do.

There is no attempt to overcomplicate the proposition. Instead, it leans into:

- Low costs
- Broad diversification
- Sensible asset allocation

From a financial planning perspective, this is often exactly what is needed.

Where this fits best is as a core building block within a Centralised Investment Proposition, particularly for firms that:

- Want to reduce cost drag for clients
- Prefer structure and consistency over fund selection risk
- Are comfortable delivering market returns rather than chasing outperformance

A few balanced reflections:

1. The cost advantage is meaningful and should not be underestimated over time.
2. This is unlikely to outperform strong active solutions in all environments but equally avoids significant underperformance risk.
3. The inclusion of inflation-sensitive assets and modest tactical tilts adds a layer of robustness beyond a simple passive blend.
4. For retirement planning, this works best as part of a broader framework rather than a standalone solution.

Overall:

This is a clean, scalable, and defensible core MPS solution.

Not exciting. Not trying to be.

But in many cases, that is exactly the point.

Disclaimer

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Review Completed: March 2026