Growing together, with integrity and respect

Rathbones Multi-Asset Range: Strategy Review – August 2026

This review covers the Rathbone Multi-Asset Portfolios range, using the supplied factsheets, investor brochure, due diligence report, July 2026 adviser presentation and additional notes from the Rathbones team.

The range is made up of six risk-targeted multi-asset funds:

- Rathbone Multi-Asset Total Return Portfolio
- Rathbone Multi-Asset Defensive Growth Portfolio
- Rathbone Multi-Asset Strategic Growth Portfolio
- Rathbone Multi-Asset Strategic Income Portfolio
- Rathbone Multi-Asset Dynamic Growth Portfolio
- Rathbone Multi-Asset Enhanced Growth Portfolio

Strategy Overview

The Rathbone Multi-Asset range is designed to provide complete portfolios across different risk levels.

The range is not built as a passive multi-asset solution.

It is not a fund-of-funds model.

It is not simply a tactical asset allocation overlay using third-party funds.

The key point is that the Rathbones team invests directly across equities, bonds, currencies and diversifying assets. This gives the team more control over what is owned, why it is owned, and how it is managed.

The due diligence report describes the range as six funds designed to be complete portfolios for investors across most time horizons and risk tolerances. It highlights truly active management, direct investment across equities and fixed income, global diversification and the proprietary Liquidity, Equity-type risk and Diversifiers framework.

In simple terms:

This is a genuinely active, directly invested multi-asset range, built around defined client outcomes and risk budgets.

Range at a Glance

Fund	Target Return	Risk Budget	Time Horizon	OCF	Fund Size
Total Return	Bank of England Base Rate +2%	One-third equity risk	3 years+	0.56%	£745.68m
Defensive Growth	UK CPI +2%	Half equity risk	5 years+	0.56%	£1,622.40m
Strategic Growth	UK CPI +3%	Two-thirds equity risk	5 years+	0.57%	£3,564.43m
Strategic Income	UK CPI +3%, with target yield of 3%+	Two-thirds equity risk	5 years+	0.56%	£324.24m
Dynamic Growth	UK CPI +4%	Five-sixths equity risk	5 years+	0.57%	£1,074.04m
Enhanced Growth	UK CPI +5%	Full equity risk	5 years+	0.57%	£506.21m

The range structure is clear: the lower-risk funds have greater liquidity and diversification, while the higher-risk funds have greater equity-type risk. The brochure sets out the risk ladder from Total Return at one-third equity risk through to Enhanced Growth at 100% equity risk.

The OCF is a strength. For a genuinely active, directly invested multi-asset range, costs of around 0.56%–0.57% are competitive, particularly when compared with many active multi-manager or fund-of-funds solutions.

What Makes the Range Different?

The key differentiator is control.

Many multi-asset funds use third-party funds.

That can work, but it adds an extra layer between the manager and the underlying investment.

Rathbones takes a different route.

The team owns direct equities, direct bonds, structured products, currencies, commodities and other diversifying assets.

The adviser presentation makes the point clearly: being directly invested should provide greater precision, flexibility of choice, lower costs, and better transparency and clarity.

This matters because active management is only valuable if it is genuinely active.

The team can:

- Add to positions
- Trim positions
- Hedge currency exposure
- Adjust duration
- Use structured protection
- Reduce or increase risk
- Own individual businesses
- Avoid areas they do not like

The Nvidia example in the July presentation is useful. Rathbones uses it to show that active management is not just holding a stock, but trading around it, adding and trimming depending on market conditions.

This is important.

A passive multi-asset strategy will largely follow the market.

A fund-of-funds strategy may be active, but much of the implementation is delegated.

Rathbones is taking direct responsibility.

That is a strength.

It is also a responsibility.

Investment Philosophy

The philosophy is simple in words, but active in practice.

The Rathbones team starts with risk.

Not return.

Their view is that you first identify the risk you are taking, and only then ask what return is required to justify that risk.

The due diligence report clearly sets out the philosophy. It includes identifying risk first; focusing on future correlations rather than historic volatility; not predicting but anticipating impact and acting proportionately; taking responsibility for every investment; assuming what can go wrong will go wrong; and investing in durable businesses with strong cash flow and low debt.

This feels very consistent with a sensible multi-asset approach.

Multi-asset should not be about chasing returns alone.

It should be about managing the journey.

The philosophy can be summarised as:

Own enough risk to meet the objective, but not more risk than necessary.

That is easy to say.

It is hard to do.

The LED Framework

The range is built around Rathbones' LED framework:

- Liquidity
- Equity-type risk
- Diversifiers

This is one of the strongest parts of the proposition because it gives advisers a simple way to explain the portfolio.

Liquidity – the airbags

These are assets that can be sold easily and are expected to provide liquidity in more difficult markets.

This includes:

- Cash
- Government bonds
- High-quality investment-grade bonds
- Currency exposure

Equity-type risk – the engine

These are the assets expected to drive long-term returns and to behave like equities during stress.

This includes:

- Equities
- Corporate bonds
- High-yield bonds
- REITs
- Private equity

Diversifiers – the shock absorbers

These are assets expected to have lower correlation to equities and to help manage drawdowns.
This includes:

- Structured products
- Put options
- Yield curve steepeners
- Gold
- Other systematic or relative value strategies

The brochure describes the LED framework as a way to focus on liquidity and forward-looking correlations during stressed markets, rather than relying solely on historical volatility.

This is useful.

Traditional asset allocation can sometimes label assets as “low risk” because they have had low volatility in the past.

The problem is that in a crisis, correlations can change.

Rathbones is thinking about how assets behave when clients need diversification most.

Investment Process

The investment process has three stages:

1. Asset Allocation

This stage aims to allocate capital efficiently across the range.

The team considers macroeconomic and market factors, including geopolitics, growth expectations, central bank policy, interest rates, inflation, liquidity, credit spreads, earnings growth, cash flow, dividend growth and valuations.

This is not benchmark-led.

The team is not trying to mirror a strategic asset allocation model.

They are trying to decide where capital is best used.

2. Investment Selection

The funds invest predominantly in individual securities.

This includes direct equities and direct fixed income.

The team looks for investments that can either generate real returns or hedge risks. The process emphasises quality, durability, due diligence and continuous monitoring.

This is where the range differs from many competitors.

A fund-of-funds approach may select external managers.

Rathbones is selecting the assets itself.

3. Portfolio Construction

The final stage is building the portfolio so that each holding has a job.

That job might be:

- To generate long-term return
- To provide liquidity
- To hedge a specific risk
- To diversify equity exposure
- To manage downside risk
- To provide income

This is an important point.

Every position should justify its place.

That is a good discipline.

Team & Resources

The team is led by David Coombs, Head of Multi-Asset Investments, and Will McIntosh-Whyte, Fund Manager.

David joined Rathbones in 2007 after 19 years at Baring Asset Management, where he managed multi-asset funds and segregated mandates. Will joined Rathbones in 2007, has been part of the multi-asset team since 2015, and became a fund manager in 2019.

The wider team includes:

- Tom Whitfield – Senior Multi-Asset Investment Specialist
- Rahab Paracha – Sustainable Multi-Asset Investment Specialist
- Sally Hoang – Fixed Income Research Analyst
- Emma Letheren – Equity Research Analyst
- Hannah Kennedy – Assistant Portfolio Manager

The due diligence report states that the funds are managed by David Coombs and Will McIntosh-Whyte, supported by the broader multi-asset team, and that the team uses the wider Rathbones Asset Management business, including fund managers and research professionals.

The team depth has improved.

Historically, one obvious question would have been about key-person risk around David Coombs.

That remains a fair question.

However, Will McIntosh-Whyte has been involved for many years, and the wider team has grown. The team's succession-planning point is also helpful: there is no immediate expectation that David Coombs will retire, but Will McIntosh-Whyte and James Ayre provide experienced continuity, while the investment process is designed to be repeatable rather than dependent on any one individual.

This does not completely eliminate key-person risk.

But it reduces it.

Portfolio Overview

The range is best understood through the Strategic Growth fund, which is the largest.

As at 30 June 2026, the Strategic Growth Portfolio had:

- Liquidity: 20.65%
- Equity-type risk: 69.56%
- Diversifiers: 9.78%

Within the same factsheet, the asset class split included 68.39% equities, 14.59% government bonds, 7.62% uncorrelated strategies, 6.06% cash, 2.17% commodities, and smaller allocations to corporate bonds and emerging market debt.

This gives a good feel for the range.

The funds are not just equity and bond blends.

They include:

- Direct equities
- Government bonds
- Cash
- Systematic strategies
- Commodities
- Structured products
- Autocalls
- Currency exposure
- Volatility strategies

This helps explain why the funds may behave differently from passive multi-asset strategies.

It also means advisers need to understand what sits under the bonnet.

Performance Overview

The performance picture is mixed but improving.

The range had a difficult period in 2022, as did most multi-asset strategies. The inflation shock created one of the most challenging environments for diversified portfolios, as both equities and bonds came under pressure.

This matters because multi-asset funds are often expected to smooth the journey. In 2022, achieving that was hard.

Since inflation started to normalise, performance has improved.

Strategic Growth

Strategic Growth is the flagship fund by size.

As of 30 June 2026, the Strategic Growth Portfolio had returned:

- 2.96% year-to-date
- 11.13% over 1 year
- 27.78% over 3 years
- 26.02% over 5 years
- 146.66% since inception

The fund was ahead of its CPI +3% target over 1 year, 3 years and since inception, but behind over 5 years.

This is the key point.

The five-year number still carries the impact of 2022.

But the more recent performance has improved.

Total Return

The Total Return fund is lower risk, targeting Bank of England Base Rate +2% with one-third equity risk. It returned 7.61% over 1 year and 21.93% over 3 years, broadly in line with the three-year target, but behind over 5 years.

Defensive Growth

Defensive Growth returned 9.49% over 1 year and 24.47% over 3 years, but remained behind its CPI +2% target over 5 years and since launch.

Dynamic Growth

Dynamic Growth returned 12.17% over 1 year and 30.45% over 3 years, but remains behind its CPI +4% target over 5 years and since launch.

Enhanced Growth

Enhanced Growth returned 13.11% over 1 year and 31.52% over 3 years, but also remains behind its CPI +5% target over 5 years. Since its inception, however, it has been ahead of target.

Strategic Income

Strategic Income returned 13.66% over 1 year and 32.33% over 3 years. It has a historic yield of 3.30% and targets an income of 3% or more each year, alongside CPI +3% over rolling five-year periods.

What Has Driven the Recent Improvement?

The recovery since late 2022 appears to have been driven by:

- Normalising inflation
- Improved bond markets
- Better performance from equities
- More balanced market conditions
- Active positioning
- Exposure to technology and quality growth
- Diversifiers adding value in certain periods
- Direct stock selection

The funds hold some of the dominant technology names and related themes, including NVIDIA, Alphabet, Taiwan Semiconductor, ASML, Microsoft and semiconductor ETFs across several portfolios.

So, it would be wrong to say the team has avoided technology or AI-related growth.

They have not.

The difference is that they have not wanted to match the extreme concentration seen in global indices.

That is an important distinction.

The funds may participate in growth themes, but they are not designed to be momentum strategies.

When Should the Range Perform Well?

The range should perform best when markets reward:

- Diversification
- Fundamentals
- Stock selection
- Valuation discipline
- Quality companies
- Broader market leadership
- Active asset allocation
- Risk management

The team's own comments are helpful here. They believe the funds should do well when market returns are broad-based and driven by company fundamentals rather than a narrow group of stocks.

This is logical.

A diversified active multi-asset fund should benefit when multiple parts of the market work.

It may not keep up when one narrow part of the market dominates.

When Might the Range Struggle?

The range may struggle when markets are:

- Very narrow
- Momentum-led
- Driven by a small number of mega-cap stocks
- Dominated by passive index concentration
- Punishing diversification
- Punishing bonds and equities at the same time
- Experiencing sudden inflation or rate shocks

The recent AI-led rally is a good example.

If a small number of large technology and semiconductor companies dominate returns, a diversified active portfolio is unlikely to keep pace with a market-cap-weighted global equity index.

This is not necessarily a failure.

It is a feature of the approach.

The important thing is that advisers understand this before using the funds.

Downside Protection

This is a key part of the Rathbones proposition.

The team places strong emphasis on downside protection and capital preservation. This is not achieved simply by holding bonds.

The range can also use:

- Cash
- Government bonds
- Currency exposure
- Gold
- Commodities
- Structured products
- Volatility strategies
- Put options
- Yield curve positions

The brochure states that the team can use tools such as put options and currency hedging to manage risk and drawdowns.

The presentation also describes "vanilla alone won't cut it", referencing put options, US rates volatility notes, dispersion notes and other tools used to protect or diversify portfolios.

The drawdown data supplied is useful.

For Strategic Growth, the presentation compares the ten worst months for the FTSE Developed Index since fund inception with the fund's performance in those same months. The FTSE Developed average fall across those ten months was 6.43%, while the Strategic Growth fund's average fall was materially lower, consistent with the team's point that the fund seeks around two-thirds equity risk.

This is a positive.

However, downside protection is not a guarantee.

The funds can and did fall in 2022.

The better way to frame it is:

The team is trying to reduce downside participation, not eliminate downside risk.

Costs

The cost position is strong.

The main funds have OCFs of around 0.56% to 0.57%, with an annual management charge of 0.50% across the range.

For a direct, active, multi-asset range, that is reasonable.

This does not mean it is cheap compared with passive.

It is not.

Passive multi-asset solutions will usually be cheaper.

The question is whether Rathbones can justify the additional cost through:

- Active asset allocation
- Direct security selection
- Risk management
- Downside control
- Differentiated diversification
- Avoidance of expensive underlying funds
- Better client outcomes over time

The cost is not the concern.

The outcome is the question.

Strengths

1. Clear Philosophy

The philosophy is clear and repeatable.

Identify risk first.

Use capital efficiently.

Own assets for a reason.

2. Direct Investment Approach

This is a genuine differentiator.

It gives the team more control and reduces reliance on external managers.

3. Strong Brand and Resource

Rathbones is a large, established investment business. Rathbones Group had £113.6bn of assets under management and administration as of 31 March 2026, and Rathbones Asset Management had £16.3bn of AUM as of 30 June 2026.

4. Experienced Lead Managers

David Coombs has long experience in multi-asset investing, and Will McIntosh-Whyte provides continuity.

5. Improved Team Depth

The team now includes dedicated equity, fixed income, sustainable investment, portfolio management and investment specialist resources.

6. LED Framework

The LED framework is simple to explain and useful for advisers.

Liquidity, equity-type risk and diversifiers are clearer than a long list of asset classes.

7. Competitive Cost for Active Management

OCFs around 0.56%–0.57% are competitive for an active, directly invested multi-asset solution.

8. Risk Targeting

The funds have clear risk budgets based on fractions of global equity volatility.

This helps with client suitability and portfolio mapping.

9. Downside Focus

The range is designed with capital preservation and drawdown management in mind.

10. Broad Range

The six funds allow advisers to choose different risk levels and objectives, including an income-focused option.

Key Risks & Considerations

1. Active Management Risk

The range is genuinely active.

That means it can underperform passive or peer alternatives.

2. Key-Person Risk

The David Coombs brand remains important.

Succession planning appears to be developing, but advisers should continue to monitor team structure and decision-making responsibilities.

3. Narrow Market Risk

The funds may lag when markets are driven by a small number of mega-cap stocks.

This has been relevant during the AI-led rally.

4. 2022 Scar Tissue

The inflation shock was difficult for diversified multi-asset funds.

The five-year numbers for several funds remain behind target.

5. Complexity

The funds are straightforward in philosophy, but not simple in holdings.

Structured products, derivatives, currency hedges and volatility strategies require due diligence.

6. Derivatives and Structured Product Risk

The factsheets state that derivatives may increase volatility and risk. Structured products introduce counterparty, liquidity and complexity risks.

7. Objective Risk

CPI-plus targets sound client-friendly, but they can be hard to achieve when inflation spikes sharply.

8. Fund Size

Strategic Growth is large, at more than £3.5bn. Size is not currently a red flag, but it should be monitored where the team uses more specialist diversifying assets.

9. Cost Versus Passive

The range is competitively priced for active management, but it still needs to justify the higher costs compared to passive multi-asset alternatives.

10. Client Understanding

Advisers need to explain that these funds are not passive, not benchmark-tracking, and not guaranteed to meet their CPI-plus targets.

Role in a Diversified Portfolio

The Rathbones Multi-Asset range could be used as:

Core Multi-Asset Holding

The funds are designed to be complete portfolios and could sit as a core solution for clients who want active management.

Active Alternative to Passive Multi-Asset

For firms that do not want a purely passive multi-asset solution, Rathbones provides a clear active alternative.

Risk-Rated Centralised Investment Proposition Option

The range maps well to different client risk profiles.

Retirement Planning Component

The Strategic Income fund may be relevant where natural income is required, while the growth funds could be used for total return portfolios.

Blended Portfolio Component

The range could be blended with passive funds, MPS solutions or specialist satellites.

It is less suitable for:

- Clients who want purely passive exposure
- Clients who want very low cost at all costs
- Clients who do not understand active risk
- Clients expecting guaranteed inflation-plus returns
- Firms uncomfortable with derivatives and structured products
- Advisers wanting complete transparency without explaining complexity

Key Monitoring Points

The range should be monitored against:

1. Rolling Performance Against Objectives

Are the funds achieving their CPI-plus or cash-plus objectives over the correct time periods?

2. Peer Group Performance

How are they performing versus comparable active and passive multi-asset ranges?

3. Downside Capture

Are they continuing to protect capital in difficult markets?

4. LED Positioning

Is the allocation between liquidity, equity-type risk and diversifiers consistent with the stated risk budget?

5. Diversifier Effectiveness

Are structured products, commodities, volatility strategies and other diversifiers adding value?

6. Team Stability

How much responsibility is held by David Coombs versus the wider team?

7. Fund Size

Is scale helping or restricting implementation?

8. Costs

Are costs remaining competitive?

9. Use of Derivatives and Structured Products

Are the risks still proportionate and well explained?

10. Client Communication

Can advisers explain why the funds may lag in narrow markets and why 2022 was so difficult?

Money Wise UK View

The Rathbones Multi-Asset range is a credible and differentiated active multi-asset proposition.

There is a lot to like.

The range has:

- A clear investment philosophy
- A well-known and experienced lead manager
- Improved team depth
- Direct investment rather than heavy reliance on third-party funds
- Competitive pricing for active management
- A clear LED risk framework
- A genuine focus on downside protection
- A broad set of tools beyond equities and bonds
- A full range of risk profiles
- A sensible role within a centralised investment proposition

The direct investment point is important.

Many multi-asset funds claim to be active.

Rathbones appears to be genuinely active.

They own securities directly.

They adjust positions.

They think about risk.

They use diversifiers.

They take responsibility for the portfolio.

That is a strength.

The LED framework is also useful. It gives advisers a simple way to explain what is otherwise a complex portfolio.

Liquidity are the airbags.

Equity-type risk is the engine.

Diversifiers are the shock absorbers.

That works.

However, this is not a perfect proposition.

The risks are clear:

- 2022 was painful
- Several funds remain behind their five-year CPI-plus targets
- Narrow AI-led markets can make diversified active portfolios look ordinary
- The strategy depends on the team getting active decisions right
- Structured products and derivatives require proper due diligence
- Key-person risk around David Coombs still needs monitoring
- Passive alternatives are cheaper

The range is probably best understood as a high-quality active core solution.

It is not trying to be the cheapest.

It is not trying to hug an index.

It is not trying to win every quarter.

It is trying to deliver real returns over time with a clear focus on risk and capital preservation.

That means advisers need to judge it over the right time period.

A balanced conclusion:

- Strong active multi-asset proposition
- Clear philosophy and process
- Good cost position for active management
- Useful risk-targeted range
- Stronger when fundamentals and diversification matter

- More challenged when markets are narrow and momentum-led
- Five-year performance needs monitoring
- Team succession and implementation complexity should remain on the due diligence agenda

In simple terms:

Rathbones Multi-Asset is not a passive multi-asset range with an active label.

It is genuinely active.

That makes it more interesting.

But it also means advisers must be comfortable with active judgement, periods of underperformance and a more complex toolkit than a traditional equity/bond blend. For firms wanting a core active multi-asset solution, Rathbones deserves serious consideration.

For firms wanting the lowest-cost, market-tracking solution, it is not the right fit.

For firms wanting a blended centralised investment proposition, the range could sit well alongside passive or factor-based solutions, giving clients access to a genuinely active, risk-managed approach.

Disclaimer

Past performance is not a reliable guide to future returns. The value of investments and the income from them can fall as well as rise and investors may get back less than they invested.

Multi-asset funds can invest across equities, bonds, cash, currencies, commodities, derivatives, structured products and other assets. These investments may be affected by market movements, interest rates, inflation, currency movements, credit risk, liquidity risk, counterparty risk and changes in investor sentiment.

Inflation-plus or cash-plus targets are not guaranteed and may not be achieved over any time period.

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