



Navigate International Cautious Growth GBP

April 2025

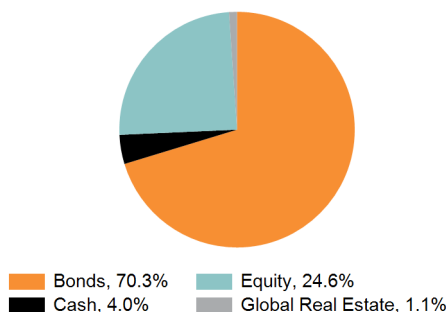
Fund Details

Currency	GBP(£)
Risk profile	Cautious
Investment period	5 years
Launch date	01 September 2013

Fund Objectives

This portfolio will allocate equally between funds included in the Navigate Cautious Growth profile offered by Glacier International. The funds included aim to produce positive returns over the longer term at relatively steady rates with relatively low volatility. Preserving capital is a key feature of funds in this portfolio. Returns from this type of portfolio are not guaranteed and can be negative, but when equity markets fall this portfolio should not necessarily fall as much as portfolios with higher equity weightings. Due to the typically low allocation to equities or equity-type (and higher risk) assets, when equity markets are producing good returns, the returns from these funds may be more muted. Funds in this portfolio will typically follow actively managed global strategies, and the over-all equity exposure will be relatively low, but the funds may vary in approach from moderated, low equity balanced funds, to fixed income only strategies, to highly diversified multi-asset strategies or other strategies at the discretion of the manager. Where possible, funds of the same currency as that selected for the portfolio reporting currency will be utilised, but funds of other currencies can be included. The portfolio will typically be rebalanced on an annual basis but this can differ at the discretion of the manager.

Global Asset Allocation



Holdings as at Month End

	%
BlackRock Global Funds - Global Multi Asset Income	20.00
Coronation - Global Capital Plus	20.00
Nedgroup Investments - Global Cautious	20.00
Ninety One GSF Global Multi-Asset Income	20.00
Royal London Sustainable Managed Growth Trust	20.00

Key Information

%

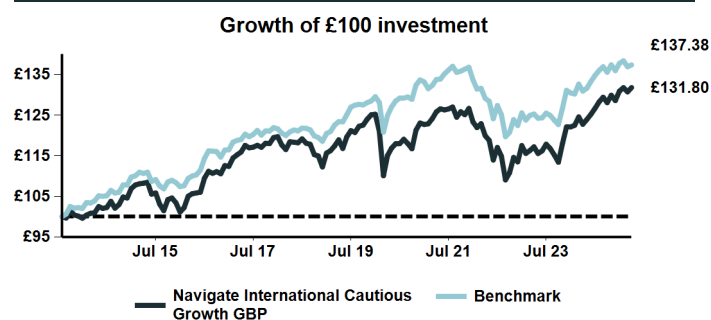
Benchmark

EAA OE GBP Cautious Allocation	100.00
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Fees (incl. VAT)

Annual Wrap fee	0.12
Underlying Manager TER's	1.16

Cumulative performance since launch*



Performance (%)

	Fund*	Benchmark
1 Month	0.81	0.33
3 Months	0.68	-0.28
6 Months	2.90	1.33
YTD	2.49	1.04
1 Year	7.37	4.93
2 Years (annualised)	6.05	4.71
3 Years (annualised)	3.19	2.08
5 Years (annualised)	2.75	1.92
10 Years (annualised)	1.99	2.19
Since Launch (annualised)	2.39	2.76

Risk statistics (since launch)

	Fund*	Benchmark
Returns (annualised)	2.39%	2.76%
Standard deviation (annualised)	6.11%	4.52%
% Positive months	60.71%	62.14%
Maximum drawdown	-14.14%	-12.66%
Sharpe ratio	-0.03	0.04

* The investor is liable for CGT on any transactions in the units of the underlying unit trusts within the wrap funds. Compulsory investments are not subject to CGT. Performance is calculated using net returns (after fees) of the underlying unit trusts, and quoted excluding wrap fund fees. Performance quoted is pre-tax. Fund performance numbers shown are for a notional portfolio and do not reflect the actual performance of the client invested in the wrap fund due to timing differences of investments or disinvestments of the client. Dual-listed wraps will reflect combined fund sizes and will reflect primary platform performance information. Benchmark returns for CPI are based on actual published returns and an estimated one month return for the month of the report date. ASISA Benchmark returns are the ASISA returns available as at the time of reporting.



Commentary

Market Review

Developed market (DM) equities recorded their second consecutive fall in March, with the MSCI World Index ending the month down 6.79% in pound sterling, pushing them into negative territory for the first quarter of 2025. US megacap tech stocks were among the worst performers, resulting in a significant drop in the Bloomberg Magnificent 7 Total Return Index. Tariffs continued to weigh on investor sentiment, as March started with confirmation that US President Trump would push ahead with tariffs on Canada, Mexico and China. Emerging market (EM) equities performed better in the month than DM equities, ending negative at 1.83% month-on-month (m/m) in pound sterling. Global property was in negative territory down 4.55% m/m, as well as global bonds down 1.85% m/m, both in pound sterling. The FTSE 100 Index dropped 2.04% m/m in pound sterling from a previous monthly gain. The Euro Stoxx 50 Index ended in negative territory for the month, down 2.57% m/m, and the S&P 500 was the biggest detractor for the month, down 7.95% m/m. The Dow Jones Index ended the month in negative territory in pound sterling terms, along with the Nikkei down 4.98%.

Positioning and Outlook

Consensus on MSCI World earnings growth is about 8% for the next 12 months and 12% the following year, while EM earnings are expected to grow by 15% this year and 13% the following year. In view of the expected strong earnings growth, an overweight position is retained in global equities. The current business cycle can hardly be described as normal due to the uncertainty about Trump's policies. A neutral weighting is retained in global bonds as a hedge against a bad economic outcome/recession later in the year. In the case of inflation-linked bonds (ILBs), a neutral weighting is retained as a hedge against a negative inflation outcome and a higher neutral rate of interest. If inflation re-accelerates, the inflation carry is expected to underpin returns from this asset class. In the second half of the year, however, ILBs are underweighted as real yields are expected to normalise back to their mean.

Chinese consumption and growth remain a key concern for global growth. The quantum of stimulus packages in the near term, along with the extent to which China can weather the impact of a trade war with the US, will be key. In the euro area, activity has improved in the short term, but generally soft economic data remain a concern. Emerging economies continue to show resilience, and with the potential for easier monetary policy, growth could accelerate pending global trade speedbumps.

We therefore remain constructive to growth assets (such as equities). Similarly, while we retain a constructive approach to fixed income, we recognise that the risks and rewards for duration assets are finely balanced, and a measured outlook is warranted.

