

#### Risk Profile Description

The portfolio aims to have 50% exposure to equity and property assets and 50% exposure to Fixed Interest securities. Over the medium to longer term, the 50% exposure to risks and expected rewards of equity ownership should help to deliver moderate, inflation-plus returns. The equity exposure is invested in both UK equities and overseas equity in both developed and emerging markets. The equity risk is balanced by a 50% allocation to high-quality bonds and investment grade bonds.

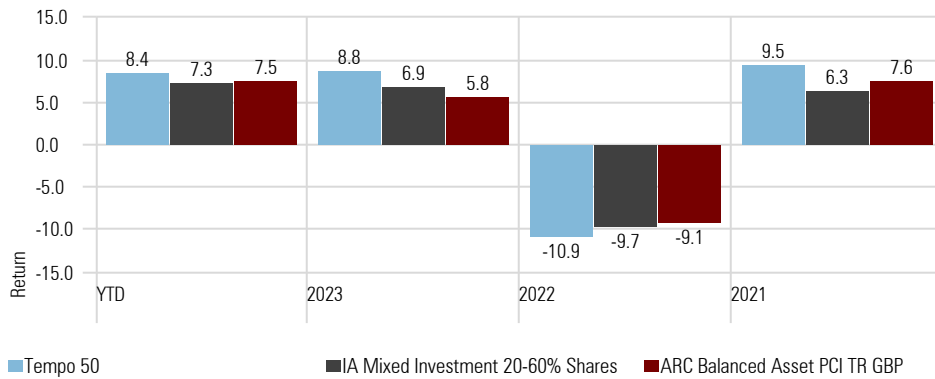
#### Cumulative Tempo 50 returns of £100k invested

Time Period: Since Common Inception (01/10/2016) to 30/11/2024



#### Calendar Year Returns

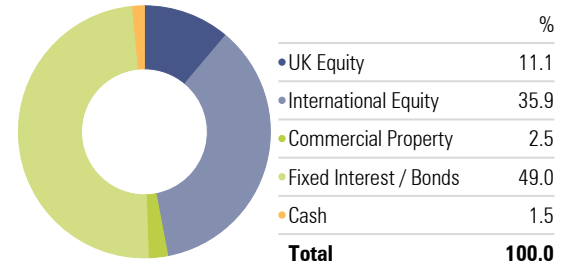
Calculation Benchmark: IA Mixed Investment 20-60% Shares



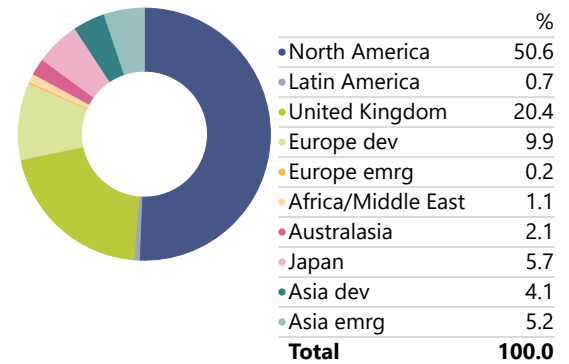
#### Tempo 50 - Portfolio Information

|                           |  |
|---------------------------|--|
| Yield                     | 2.00%  |
| OCF                       | 0.32%  |
| Transaction Charge        | 0.06%  |
| Investment Management Fee | 0.05% + VAT  |
| Rebalance                 | Quarterly  |
| Benchmarks                | IA Mixed Investment 20-60% Shares<br>ARC Balanced Asset PCI TR GBP |

#### Asset Allocation - Tempo 50

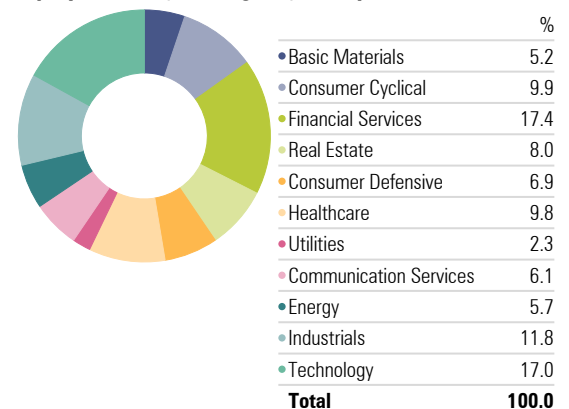


#### Equity Regional Exposure - Tempo 50



| Tempo 50 Performance Metrics | Portfolio | Benchmark (IA) | Benchmark (ARC) |
|------------------------------|-----------|----------------|-----------------|
| Max Drawdown                 | -15.95    | -14.07         | -11.13          |
| Best Month %                 | 4.43      | 3.82           | 3.32            |
| Worst Month %                | -7.21     | -4.98          | -4.39           |
| Best Quarter                 | 6.53      | 5.68           | 4.71            |
| Worst Quarter %              | -6.17     | -6.43          | -6.20           |

#### Equity Sectors (Morningstar) - Tempo 50



## Portfolio Comments

Financial markets in November were dominated by the outcome of the US presidential election. The Republican party has gained control of both chambers of Congress and Donald Trump was elected as the 47<sup>th</sup> president. World markets had mixed reactions to this news, with US growth assets performing strongly on the back of an expectation of a more nationalist trade policy, further tax cuts and an expansionary fiscal policy. However, China and Emerging markets were far more wary of the news, and this was reflected in their returns over the month.

This rally in the US was also helped by positive economic data, as October saw retail sales increase by 0.4%, which was greater than expected. More widely, central banks continued to lower rates during the month. The Federal Reserve (Fed) voted to lower rates by 25 basis points to a target range of 4.50%-4.75%. This was driven by an improvement on disinflation (a temporary slowing of the pace of price inflation) and recent employment data. In the UK, the Bank of England also cut its policy rate by 25 basis points to 4.75%. However, financial markets remain focussed on the fact the Bank has increased its inflation projections for the next two years following October's UK budget.

October inflation data experienced a slight headwind. In the UK, headline inflation increased from 1.7% to 2.3% and core inflation was up from 3.2% to 3.3% year-on-year. The eurozone Consumer Price Index (CPI) climbed back to the 2% target in October, with energy and food inflation the drivers. Looking to 2025, there are concerns that Trump's policy proposals could reignite inflation and is likely to temper US rate cut expectations in the next 12 months.

Turning to growth assets, US equities ended the month of November sharply higher with the major US equity indices at, or close to, record highs. Expectations for de-regulation following the Trump win benefitted financials and the energy sector in particular. This positive momentum was helped by the Q3 earnings season, with earnings per share growth ahead of expectations at 9% year-on-year. Emerging markets lost ground in comparison as a strengthening US dollar and fears of a less supportive US monetary environment, negatively impacted.

In terms of factor performance, small cap companies were the stand-out performer, as domestically exposed US small caps were seen as beneficiaries of the US election result and this drove wider global small cap returns.

With defensive assets, Japanese government bonds continued to decline due to expectations of ongoing Bank of Japan interest rate hikes and an accelerated pace of balance sheet reduction in 2025. In contrast, both UK and US 10-year treasuries strengthened over the month.

In summary, heading into the festive season, global equity markets have benefitted from a spate of good news. The world economy looks well placed to grow steadily into 2025, whilst the extent of the Trump victory opens the door to a major shift towards tax cuts and deregulation. Threats aplenty, such as a trade war or much higher bond issuance, are seen as far away. As we look ahead, successful asset allocation in 2025 will partly depend on how different governments and industries respond to such threats.

### Benchmark Disclaimers

The IA (Investment Association) sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is made up of funds with a similar asset allocation as defined by the IA. The sector is not constructed as an index, therefore as funds enter or leave, the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

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The model was rebalanced into the MGTS Progeny funds on the 07/03/22 and re-branded at the same time. The risk and objectives of the model have been preserved throughout.

## Tempo 50 - Holdings

| Holdings                               | Equity Style Box | Portfolio Weighting % |
|--|------------------|-----------------------|
| MGTS Progeny Systematic Bond GBP Acc   |                  | 50.00                 |
| MGTS Progeny Systematic Equity GBP Acc |                  | 50.00                 |

## Tempo 50 - Underlying Holdings

| Holdings                                 | Equity Style Box | Portfolio Weighting % |
|--|------------------|-----------------------|
| Vanguard Glb Bd Idx Ins Pl £ H Acc       |                  | 14.62                 |
| iShares Up to 10YrsIdxLnkdGltIdx(UK)SAcc |                  | 8.79                  |
| Fidelity Index UK Gilt S GBP Acc         |                  | 8.10                  |
| HSBC Global Corporate Bond ETF S2CHGBP   |                  | 7.55                  |
| Fidelity Idx Sterling Corp Bd P GBP Acc  |                  | 6.24                  |
| Vanguard Glb Small-Cp Idx Ins Pl £ Acc   |                  | 4.77                  |
| Dimensional Global Value GBP Acc         |                  | 4.70                  |
| Vanguard U.S. Eq Idx Ins Pl £ Acc        |                  | 4.49                  |
| Fidelity Index US P Acc                  |                  | 4.47                  |
| Fidelity Index UK P Acc                  |                  | 4.36                  |
| Schroder QEP US Core I Acc               |                  | 3.93                  |
| HSBC US Multi-Factor Eq Instl A Acc      |                  | 3.90                  |
| Invesco UK Enhanced Index UK Z Acc       |                  | 3.81                  |
| L&G Global Real Estate Div Index C Acc   |                  | 2.51                  |
| Vanguard Glb Corp Bd Idx Ins Pl £ H Acc  |                  | 2.43                  |
| Vanguard Em Mkts Stk Idx Ins Pl £ Acc    |                  | 2.28                  |
| Dimensional EM Core Equity Acc           |                  | 2.01                  |
| Fidelity Index Europe ex UK P Acc        |                  | 1.72                  |
| abrdn European Equity Enhanced Idx NAcc  |                  | 1.50                  |
| Dimensional UK Value GBP Acc             |                  | 1.37                  |
| Dimensional UK Smrl Coms Acc             |                  | 1.31                  |
| GBP Cash                                 |                  | 0.98                  |
| Fidelity Index Japan P Acc               |                  | 0.97                  |
| abrdn Japan Equity Enhanced Index N Acc  |                  | 0.85                  |
| Vanguard Pac exJpn Stk Idx Ins Pl £ Acc  |                  | 0.84                  |
| GBP Cash                                 |                  | 0.81                  |
| abrdn Asia Pacific Eq Enh Idx N Acc      |                  | 0.72                  |

## Morningstar Style Box - Tempo 50

Portfolio Date: 30/11/2024

|       |  | Value | Blend | Growth | Market Cap         | %    |
|-------|--|-------|-------|--------|--------------------|------|
| Large |  |       |       |        | Market Cap Giant % | 35.3 |
|       |  |       |       |        | Market Cap Large % | 28.9 |
|       |  |       |       |        | Market Cap Mid %   | 24.5 |
| Mid   |  |       |       |        | Market Cap Small % | 9.0  |
|       |  |       |       |        | Market Cap Micro % | 2.2  |
| Small |  |       |       |        |                    |      |