



MPS Strategy Update, October 2024

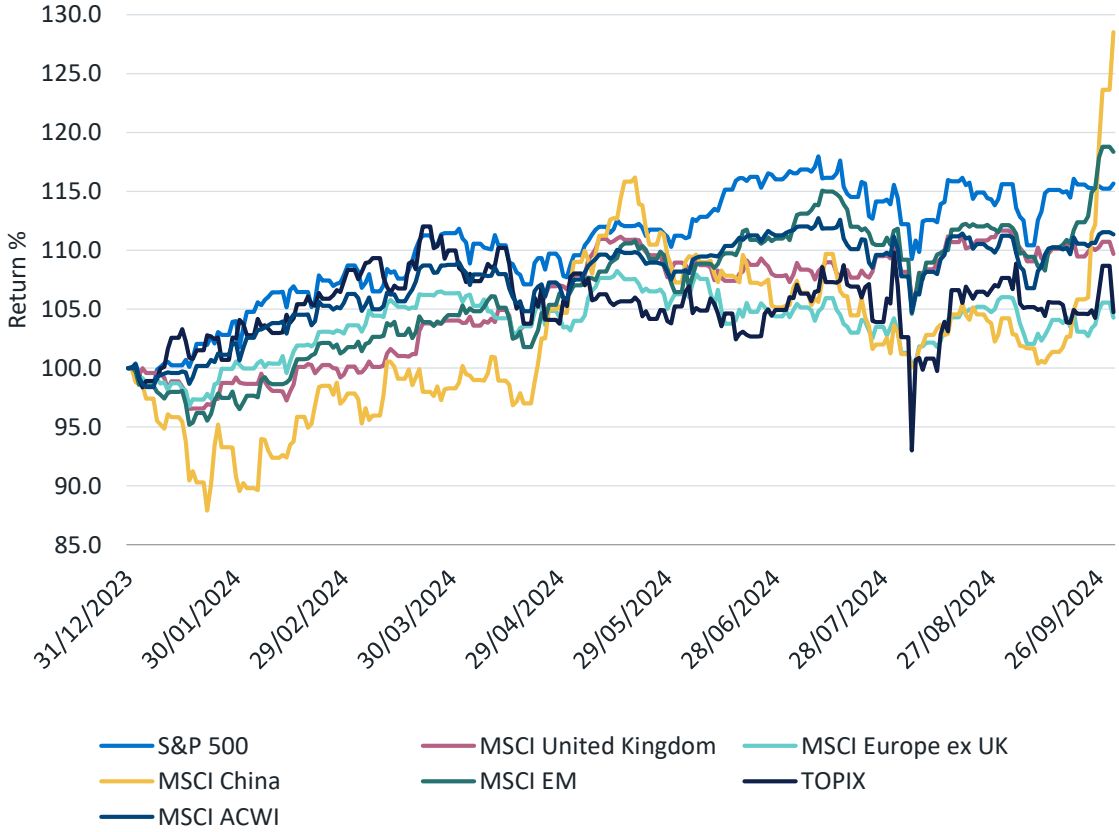
Ben Gilbert, Business Partner
Ed Lloyd, Senior Investment Manager MPS

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Market performance

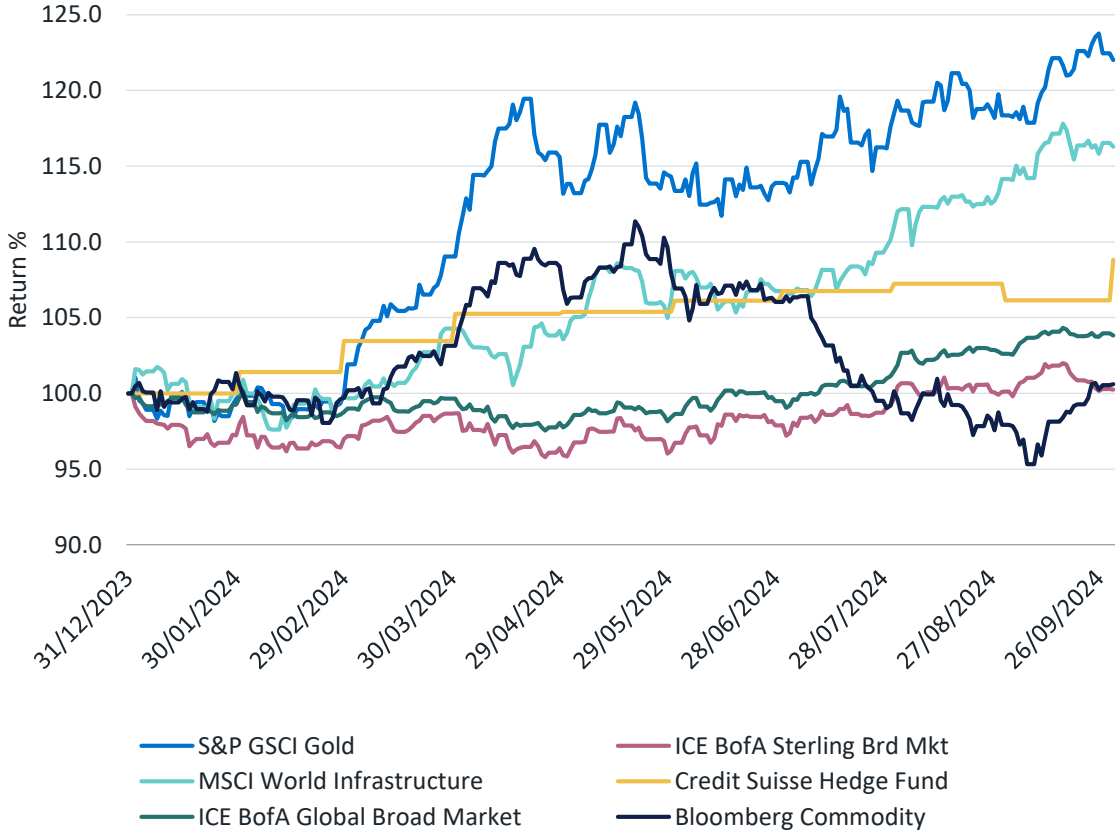
Equity markets YTD



Past performance is not a reliable indicator of future results and may not be repeated.

Source: Morningstar, 18.10.24

Diversifying markets YTD

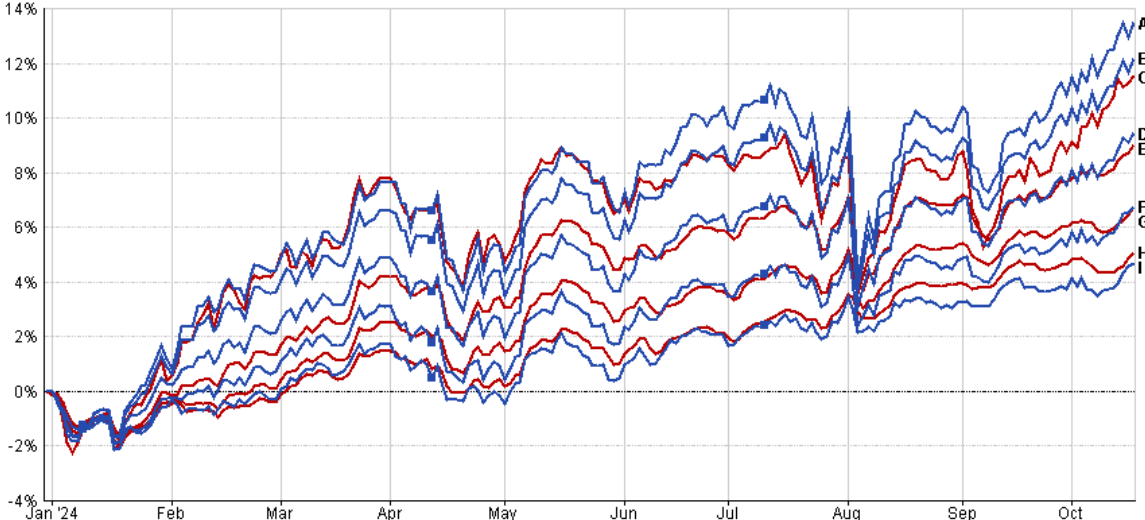


Source: Morningstar, 18.10.24

Portfolio Performance YTD



Core portfolios YTD performance



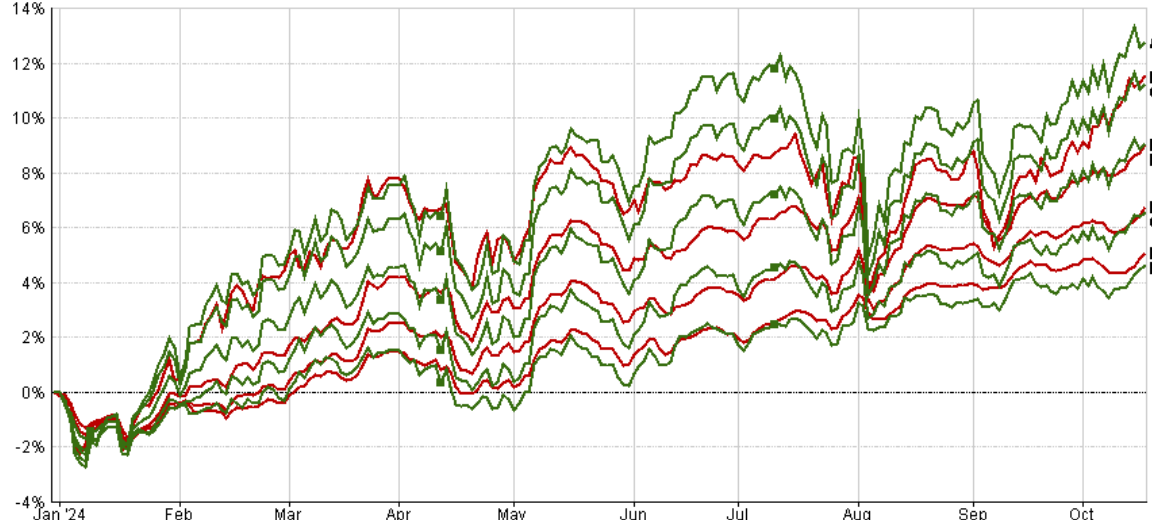
- A - Sarasin & Partners Model Portfolio Sarasin Equity Model 10/07/2024 TR in GB [13.50%]
- B - Sarasin & Partners Model Portfolio Sarasin Growth Model 10/07/2024 TR in GB [12.16%]
- C - IA Global TR in GB [11.56%]
- D - Sarasin & Partners Model Portfolio Sarasin Balanced Model 10/07/2024 TR in GB [9.46%]
- E - IA Mixed Investment 40-85% Shares TR in GB [9.00%]
- F - Sarasin & Partners Model Portfolio Sarasin Cautious Model 10/07/2024 TR in GB [6.75%]
- G - IA Mixed Investment 20-60% Shares TR in GB [6.73%]
- H - IA Mixed Investment 0-35% Shares TR in GB [5.08%]
- I - Sarasin & Partners Model Portfolio Sarasin Defensive Model 10/07/2024 TR in GB [4.67%]

Past performance is not a reliable indicator of future results and may not be repeated.

Source: FE Analytics 18.10.24



Responsible portfolios YTD performance



- A - Sarasin & Partners Model Portfolio Sarasin Responsible Equity Portfolio 10/07/2024 TR in GB [12.75%]
- B - IA Global TR in GB [11.56%]
- C - Sarasin & Partners Model Portfolio Sarasin Responsible Growth Portfolio 10/07/2024 TR in GB [11.23%]
- D - Sarasin & Partners Model Portfolio Sarasin Responsible Balanced Portfolio 10/07/2024 TR in GB [9.06%]
- E - IA Mixed Investment 40-85% Shares TR in GB [9.00%]
- F - IA Mixed Investment 20-60% Shares TR in GB [6.73%]
- G - Sarasin & Partners Model Portfolio Sarasin Responsible Cautious Portfolio 10/07/2024 TR in GB [6.56%]
- H - IA Mixed Investment 0-35% Shares TR in GB [5.08%]
- I - Sarasin & Partners Model Portfolio Sarasin Responsible Defensive Portfolio 10/07/2024 TR in GB [4.63%]

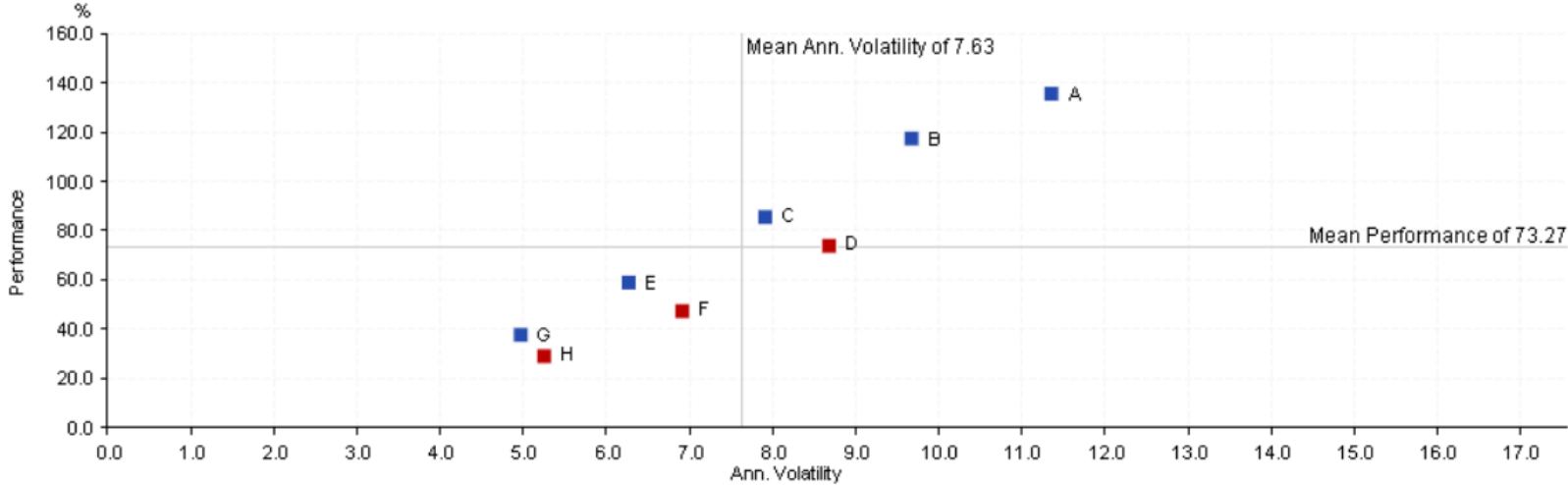
Source: FE Analytics 18.10.24

Proven track record

Strong risk-adjusted performance



Sarasin Model Portfolios risk and return versus IA Mixed Investment sectors 30.09.14 to 30.09.24 (10yr)



30/09/2014 - 30/09/2024 ©FE fundinfo 2024

Key	Name	Performance	Annualised Volatility
■ A	Sarasin & Partners Model Portfolio Sarasin Equity Model TR in GB	135.60	11.35
■ B	Sarasin & Partners Model Portfolio Sarasin Growth Model TR in GB	117.44	9.67
■ C	Sarasin & Partners Model Portfolio Sarasin Balanced Model TR in GB	85.57	7.91
■ D	IA Mixed Investment 40-85% Shares TR in GB	73.97	8.68
■ E	Sarasin & Partners Model Portfolio Sarasin Cautious Model TR in GB	59.05	6.27
■ F	IA Mixed Investment 20-60% Shares TR in GB	47.43	6.91
■ G	Sarasin & Partners Model Portfolio Sarasin Defensive Model TR in GB	37.88	4.97
■ H	IA Mixed Investment 0-35% Shares TR in GB	29.22	5.25

Performance is provided net of fees. Past performance is not a reliable indicator of future results and may not be repeated.

The past performance was calculated in GBP on a net asset value basis with distributable income reinvested.

Source: FE Analytics, 30.09.19 to 30.09.24

YTD 2024

Sarasin Balanced Model Portfolio and Responsible Balanced Model Portfolio

Activity over the course of the year



Past performance is not a reliable indicator of future results and may not be repeated.

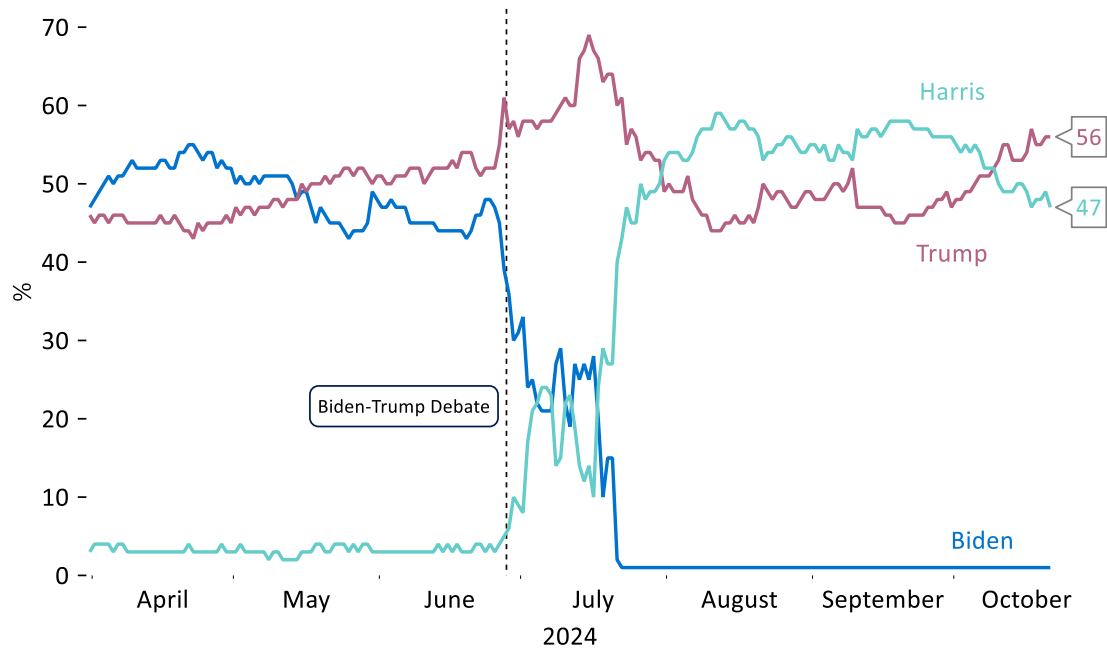
Source: Sarasin & Partners 18.10.24

Geopolitical risk is elevated

Odds market moving against Harris – bond market ‘vigilantes’ might yet challenge US treasuries



US, PredictIt 2024, Presidential election probabilities



Source: Macrobond, 21.10.24

	Republican		Democrat	
	Change in GDP	Increase in Debt	Change in GDP	Increase in Debt
10 year change	-0.4%	+9.3%	-1.3%	+4.4%



US deficit still forecast to climb under either candidate

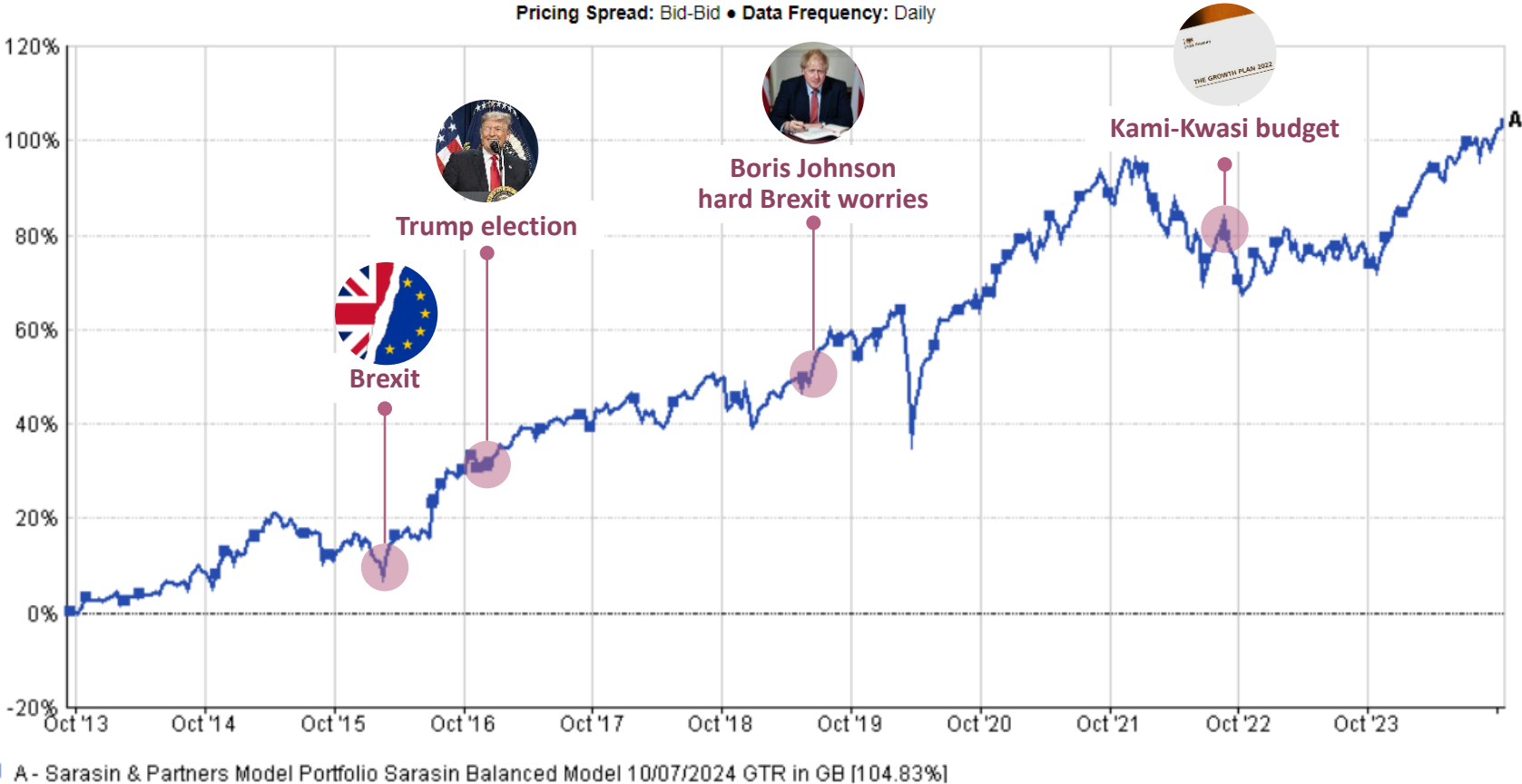
Geopolitical risk	Action
Israel-Hamas conflict	<ul style="list-style-type: none"> Dramatic escalation across region Limited global economic cost Human cost terrible
Russia-Ukraine	<ul style="list-style-type: none"> Ukraine risks losing key cities Russia, China, N. Korea and Iran alliance strengthening
Taiwan/China	<ul style="list-style-type: none"> Chinese military exercises increasingly intrusive
Europe	<ul style="list-style-type: none"> Far-right gains in state and national elections French parliamentary leadership weak in the face of extremists
US	<ul style="list-style-type: none"> Trump: Massive tariffs risk trade-war Neither VP Harris or Trump are confronting US deficit
UK	<ul style="list-style-type: none"> Comparative safe-haven with centrist govt. and growth agenda Sterling appreciates

Portfolio hedges: Gold, thematic ‘quality’ equities, ESG aware, portfolio-insurance, emphasis on liquidity across equities and bonds.

Political risk is the hardest kind of risk to model



Performance of Sarasin Balanced Model Portfolio since inception



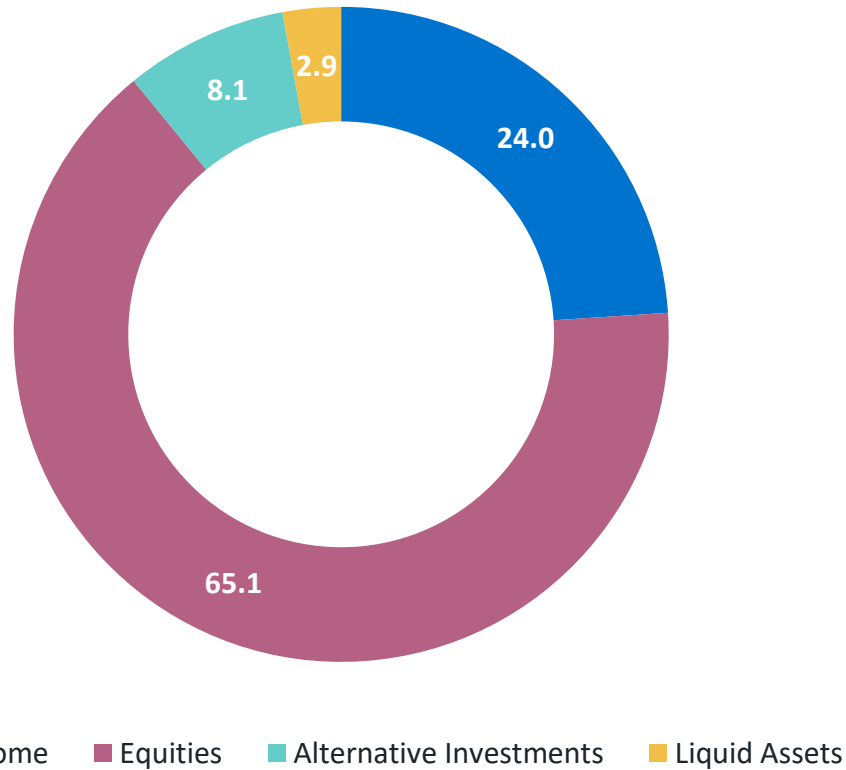
Past performance is not a reliable indicator of future results and may not be repeated.

Source: FE Analytics, 13 September 2013 to 17 October 2024

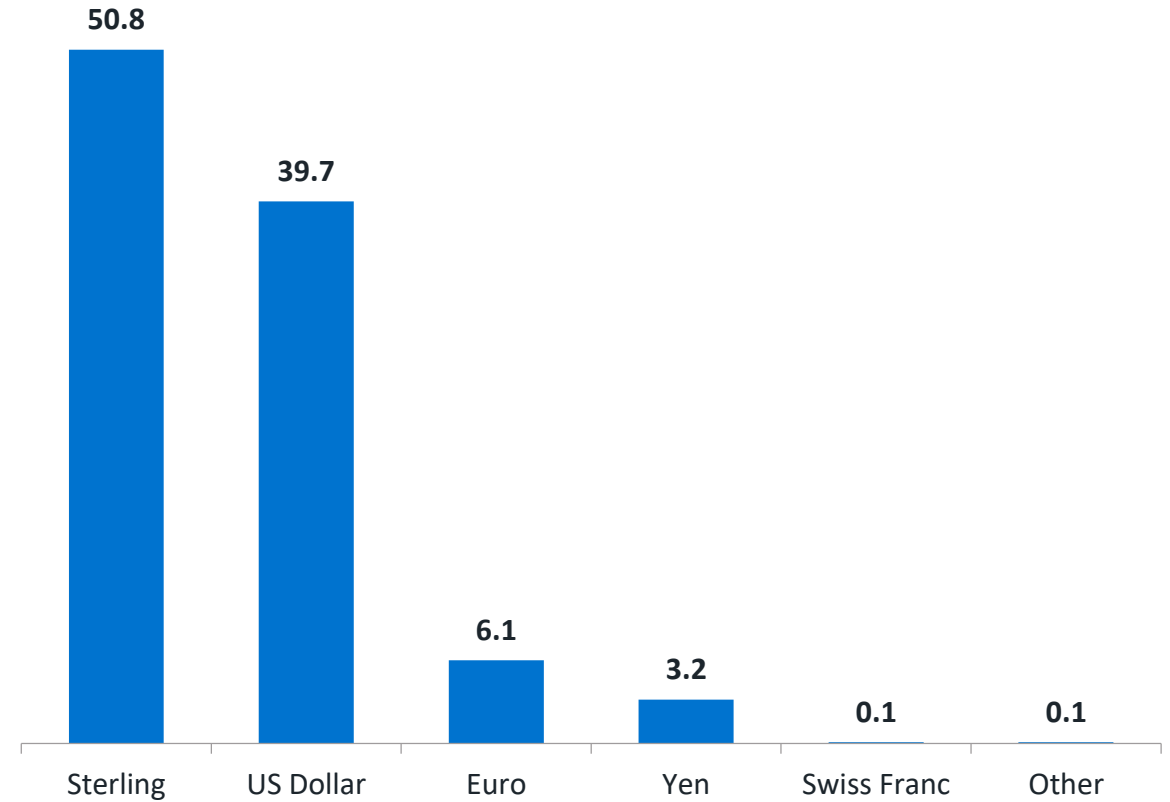
Sarasin Balanced Model



Asset allocation



Net currency exposure %



Source: Sarasin & Partners, 16 October 2024

Source: Sarasin & Partners, 16 October 2024

Policy summary

Global Strategy October 2024

Bonds	<p>Underweight/Neutral</p> <ul style="list-style-type: none">• Underweight Govt: Long term yields close to our estimate of fair value• Neutral Inv. Grade Credit: Spreads are tight but UK yields are still attractive with pension fund purchases strong• Duration: Neutral
Equities	<p>Overweight</p> <ul style="list-style-type: none">• Equity: Market leadership broadening from AI-linked ‘Super-Caps’ – Global earnings improving
Alternatives	<p>Neutral</p> <ul style="list-style-type: none">• Neutral Alternatives: Dividend income from renewables and infrastructure attractive as interest rates fall
Cash	<p>Underweight</p> <ul style="list-style-type: none">• Interest rates have peaked across Western markets – Sterling continues to appreciate
Risks	<ol style="list-style-type: none">1. US election – neither presidential candidate is addressing the deficit2. Inflation – pricing pressures re-emerge in housing and services3. Geopolitics – rising risks in a multi-polar world, Israel/Iran escalation, Ukrainian defeat4. China deflation worsens – Japan-style property correction despite government stimulus

Source: Sarasin & Partners, October 2024

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