

SARASIN  
& PARTNERS

# MPS update webinar

April 2025

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# Sarasin Model Portfolio Service

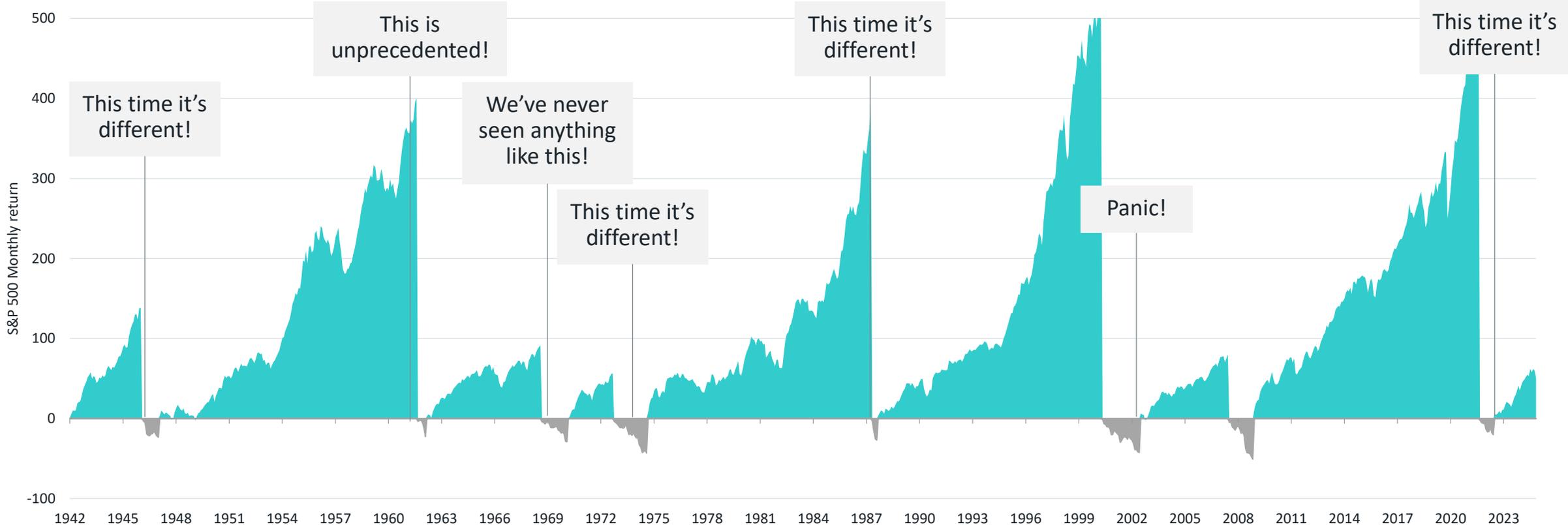
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and exceptional client service

**Ben Gilbert**, Model Portfolio Manager  
**Edward Lloyd CFA**, Co-Manager



# Financial markets: a triumph of experience over despair

## Bull and Bear markets since the 1940s

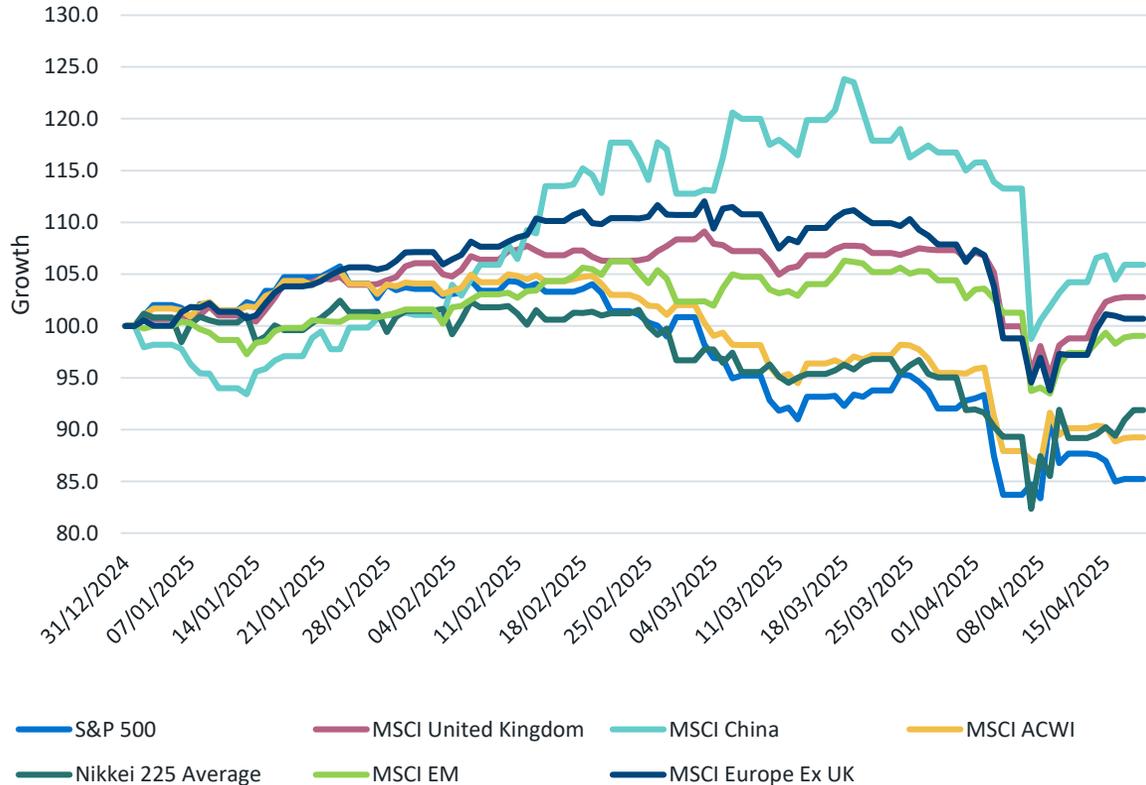


Notes: Calculations are based on S&P 500 Index (USD) and data aggregated by Sarasin & Partners. A bear (bull) market is defined as a price decrease (increase) of more than 20%. The plotted areas depict the losses / gains ranging from the minimum following a 20% loss to the respective maximum following a 20% appreciation in the underlying index. Time period: 31/05/1942 to 31/03/2025. Calculations based on monthly data. Source: Vanguard, Global Financial Data, Bloomberg (2024). **Past performance is not a reliable indicator of future results and may not be repeated.**

# Performance update

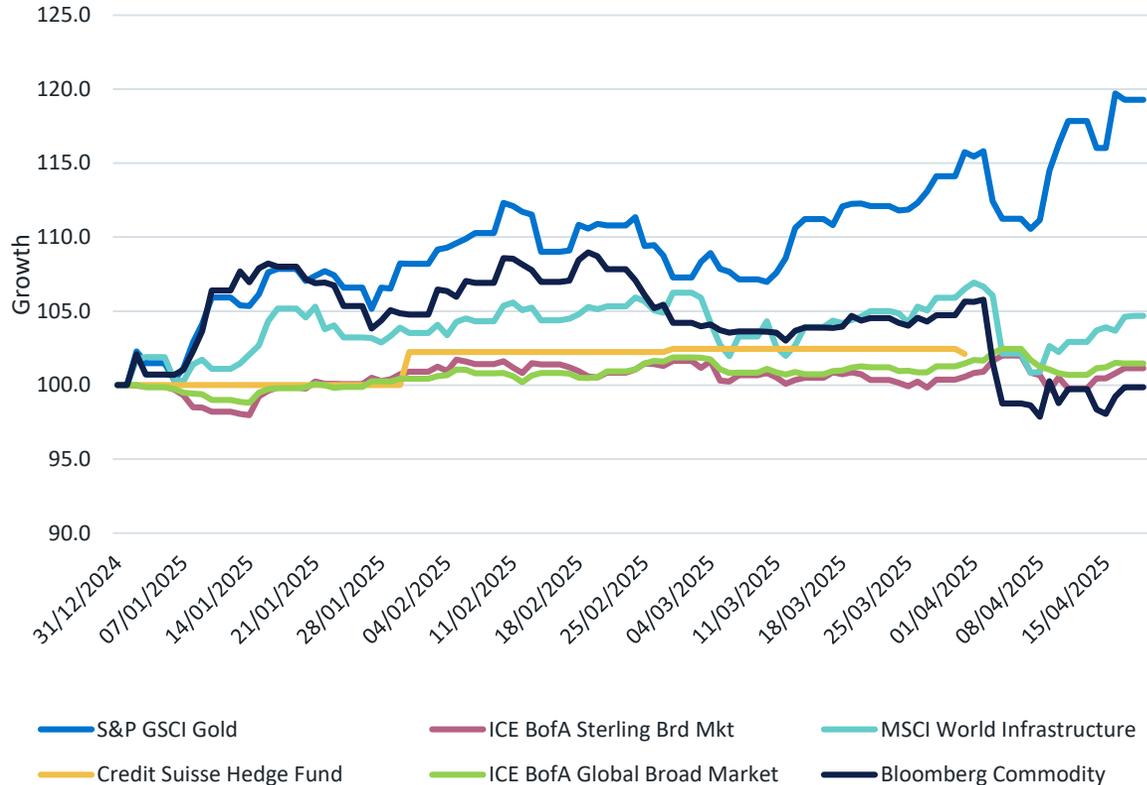
# Market performance

## Equity performance year-to-date



Source: Morningstar, April 2025  
**Past performance is not a reliable indicator of future results and may not be repeated.**

## Diversifying assets performance year-to-date



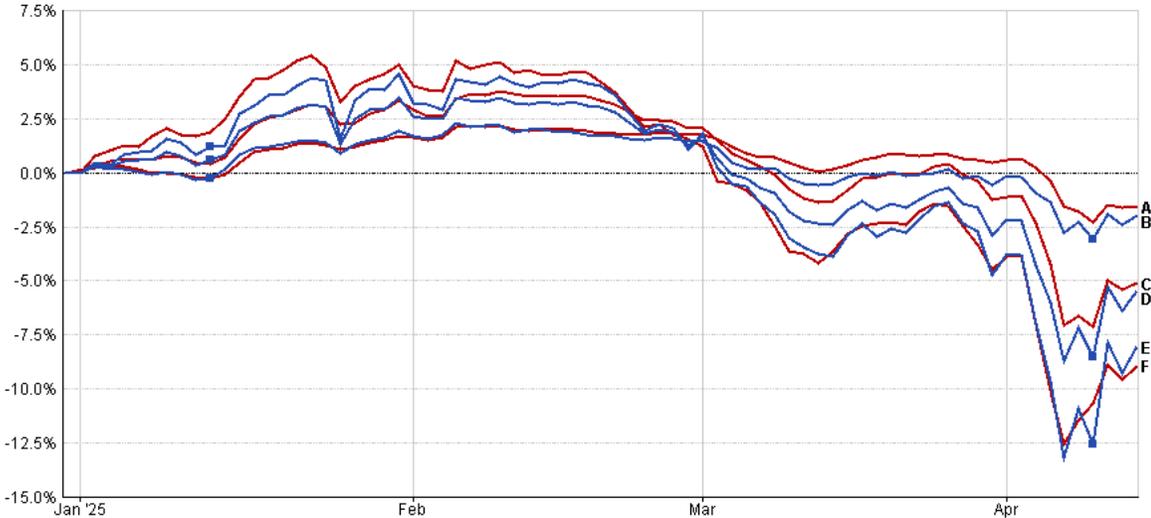
Source: Morningstar, April 2025  
**Past performance is not a reliable indicator of future results and may not be repeated.**

# Relative performance



## Relative Sarasin MPS performance year-to-date

Pricing Spread: Bid-Bid • Data Frequency: Daily • Currency: Pounds Sterling



- A - IA Mixed Investment 0-35% Shares TR in GB [-1.55%]
- B - Sarasin & Partners Model Portfolio Sarasin Defensive Model 09/04/2025 TR in GB [-1.95%]
- C - IA Mixed Investment 40-85% Shares TR in GB [-5.11%]
- D - Sarasin & Partners Model Portfolio Sarasin Balanced Model 09/04/2025 TR in GB [-5.44%]
- E - Sarasin & Partners Model Portfolio Sarasin Equity Model 09/04/2025 TR in GB [-8.02%]
- F - IA Global TR in GB [-8.96%]

Source: FE Analytics, 31 December 2024 to 14 April 2025

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



## Relative Sarasin MPS performance since start of 2024

Pricing Spread: Bid-Bid • Data Frequency: Daily • Currency: Pounds Sterling



- A - Sarasin & Partners Model Portfolio Sarasin Equity Model 09/04/2025 TR in GB [6.20%]
- B - Sarasin & Partners Model Portfolio Sarasin Balanced Model 09/04/2025 TR in GB [4.49%]
- C - IA Mixed Investment 40-85% Shares TR in GB [3.40%]
- D - IA Mixed Investment 0-35% Shares TR in GB [2.80%]
- E - Sarasin & Partners Model Portfolio Sarasin Defensive Model 09/04/2025 TR in GB [2.66%]
- F - IA Global TR in GB [2.50%]

Source: FE Analytics, 31 December 2023 to 14 April 2025

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

# Global equity approach remains attractive based on the fundamentals



## Comparison of UK vs. global equities

|                             | MSCI United Kingdom | MSCI ACWI |
|-----------------------------|---------------------|-----------|
| P/E                         | 17.0                | 20.7      |
| Forecast Sales Growth (12m) | -3.2                | 3.8       |
| ROIC                        | 11.1                | 17.1      |

Source: Sarasin & Partners, FactSet, 31 March 2025

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

# Portfolio analysis and attribution

# Sarasin Balanced Model Portfolio

Objective: To balance capital protection and participation in equity market growth.

This specific portfolio has a neutral equity allocation of 60% and a returns objective of CPI +3%



## Summary of Sarasin Balanced Model Portfolio

|                                       |              |
|---------------------------------------|--------------|
| Strategy (Equity neutral)             | 60%          |
| Model Portfolios                      | Balanced     |
| Long term return objective            | CPI +3.0%    |
| defaqto risk ratings                  |              |
| eValue risk ratings                   |              |
| Dynamic Planner risk ratings          |              |
| DFM Fee                               | 0.25%        |
| Weighted cost of underlying positions | 0.41%        |
| <b>= Total Portfolio OCF</b>          | <b>0.66%</b> |
| Transaction and other costs           | 0.07%        |



## Balanced Strategy Summary

| Asset Class                | Benchmark %  | Typical Operating Parameters |             |
|----------------------------|--------------|------------------------------|-------------|
|                            |              | Low %                        | High %      |
| Cash                       | 5            | 2.0                          | 20.0        |
| UK Government Bonds        | 10.75        | 0.0                          | 30.75       |
| UK Corporate Bonds         | 10.75        | 0.0                          | 30.75       |
| Global Bonds               | 8.5          | 0.0                          | 28.5        |
| <b>Total Bonds</b>         | <b>30.0</b>  | <b>10.0</b>                  | <b>50.0</b> |
| Global Equities (£ Hedged) | 15.0         | 40.0                         | 80.0        |
| Global Equities            | 45.0         |                              |             |
| <b>Total Equities</b>      | <b>60.0</b>  | <b>40.0</b>                  | <b>80.0</b> |
| <b>Alternatives</b>        | <b>5.0</b>   | <b>0.0</b>                   | <b>25.0</b> |
| <b>Total</b>               | <b>100.0</b> |                              |             |
| <b>Sterling Weighting</b>  | <b>50.0</b>  | <b>30.0</b>                  | <b>80.0</b> |

Source: Sarasin & Partners as at 31.12.24, Morningstar (Quarterly) as at 31.12.24.

Please note that the risk rating range will restrict the overall risk profile of your portfolio, but not the risk rating of individual securities held within it. Your portfolio may include investments from the full spectrum of asset types.

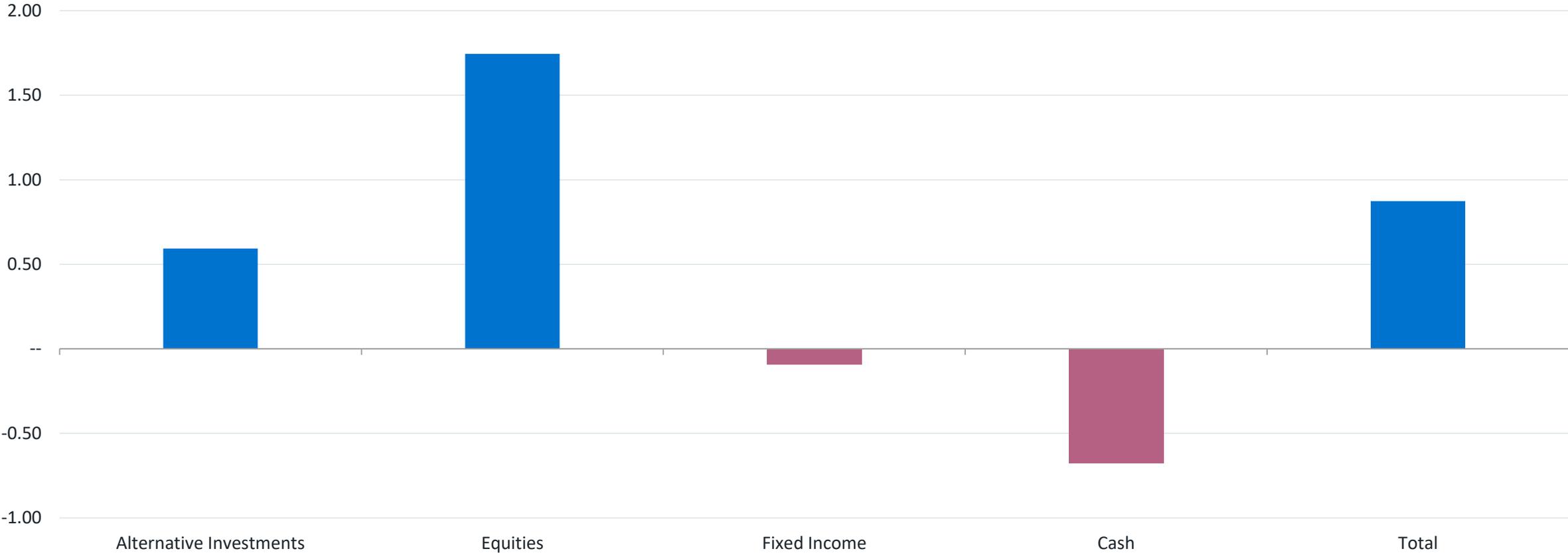
eValue risk tolerance scores are based on a 10-year time horizon.

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

# Portfolio attribution and analysis

## Attribution analysis

 Attribution vs. composite benchmark

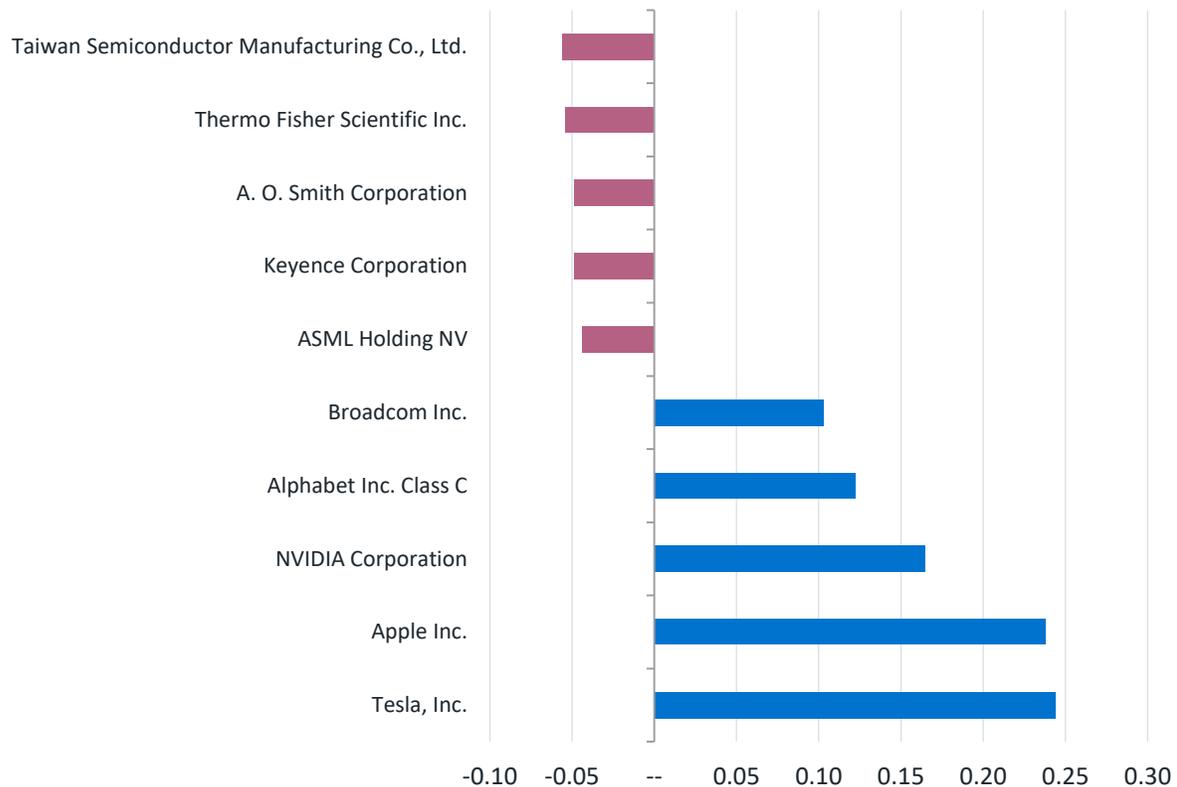


Source: FactSet, 31 December 2024 to 21 April 2025

# Focus on equity attribution



## Largest contributors / detractors to relative performance – segregated equities



Source: FactSet, 31 December 2024 to 4 April 2025



## Geographical region attribution

### Attribution analysis

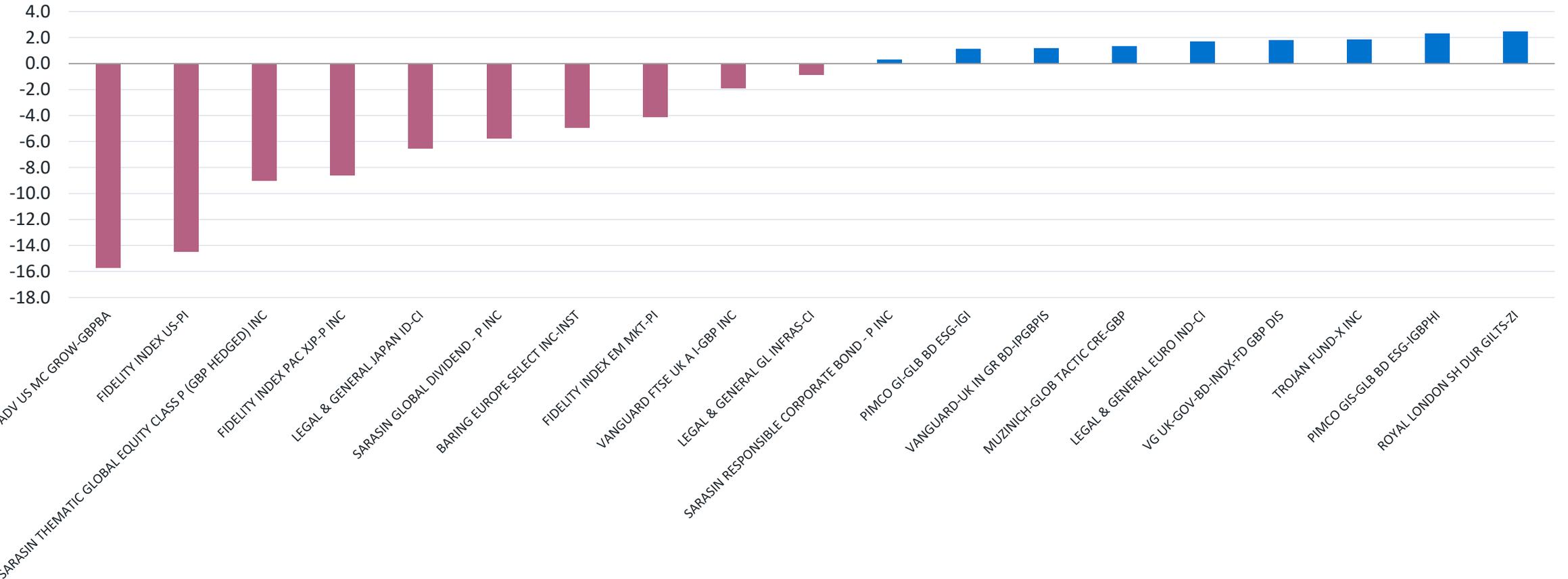
|                              | Allocation effect | Selection effect | Total effect |
|------------------------------|-------------------|------------------|--------------|
| <b>Total</b>                 | <b>0.52</b>       | <b>1.45</b>      | <b>1.97</b>  |
| <b>Asia Pacific ex Japan</b> | -0.09             | -0.02            | -0.11        |
| <b>EM</b>                    | -0.12             | -0.06            | -0.18        |
| <b>Europe ex UK</b>          | 0.06              | 0.10             | 0.15         |
| <b>Japan</b>                 | 0.06              | 0.08             | 0.14         |
| <b>North America</b>         | 0.16              | 0.36             | 0.51         |
| <b>United Kingdom</b>        | 0.46              | 0.99             | 1.45         |

Source: FactSet, 31 December 2024 to 4 April 2025

# Performance of underlying funds



## Underlying performance of funds in Balanced Model



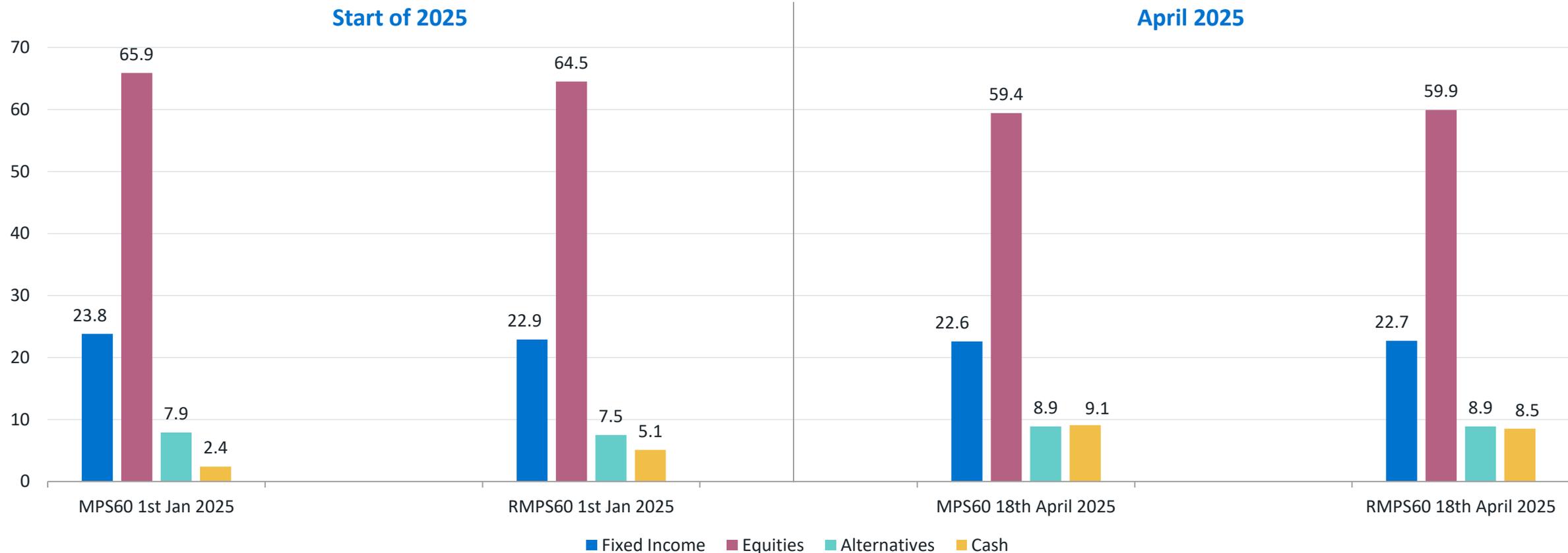
Source: Sarasin & Partners, April 2025

**Past performance is not a reliable indicator of future results and may not be repeated. Performance is gross of Sarasin DFM Fee, net of fund charges.**

# Portfolio positioning year-to-date



## Evolution of portfolios over 2025



Source: Sarasin & Partners, 01.01.25 to 11.04.25

# Outlook

# Policy summary

Global Strategy April 2025

|              |  |
|--------------|--|
| Bonds        | <p><b>Underweight</b></p> <ul style="list-style-type: none"><li>• <b>Neutral gilts:</b> Yields offer value as a hedge against UK and global slowdown</li><li>• <b>Underweight credit:</b> Spreads remain historically tight as economic risks rise</li></ul>   |
| Equities     | <p><b>Underweight</b></p> <ul style="list-style-type: none"><li>• <b>Equity:</b> Tariff and China shock are still a material risk for corporate earnings despite market rally</li><li>• <b>Valuation:</b> After record breaking global rally, equity valuations and market concentration remain elevated</li></ul>   |
| Alternatives | <p><b>Neutral</b></p> <ul style="list-style-type: none"><li>• <b>Neutral alternatives:</b> Dividend income from renewables and infrastructure attractive</li><li>• <b>Overweight defensive:</b> Debt fears across Western economies – EM central bank reserve buying supports demand</li></ul>   |
| Cash         | <p><b>Overweight</b></p> <ul style="list-style-type: none"><li>• White House tariff shock and geopolitical uncertainty still elevated</li></ul>  |
| Risks        | <ol style="list-style-type: none"><li>1. <b>Global trade war</b> – Trump tariff agenda invites global retaliation</li><li>2. <b>Disorderly bond markets</b> – Stickier inflation and large fiscal deficits trigger higher yields (bond market ‘vigilantes’)</li><li>3. <b>Major AI/Tech profit warning</b> – US equity valuations contract on long-term earnings fears</li></ol> |

Source: Sarasin & Partners, April 2025

# Important information

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