

Six Minute Strategy

The rise of Security as a theme: How MAGA can be good for your portfolio

19 May 2025



Themes anchor our entire investment process

- **Six themes** based on long-term societal trends

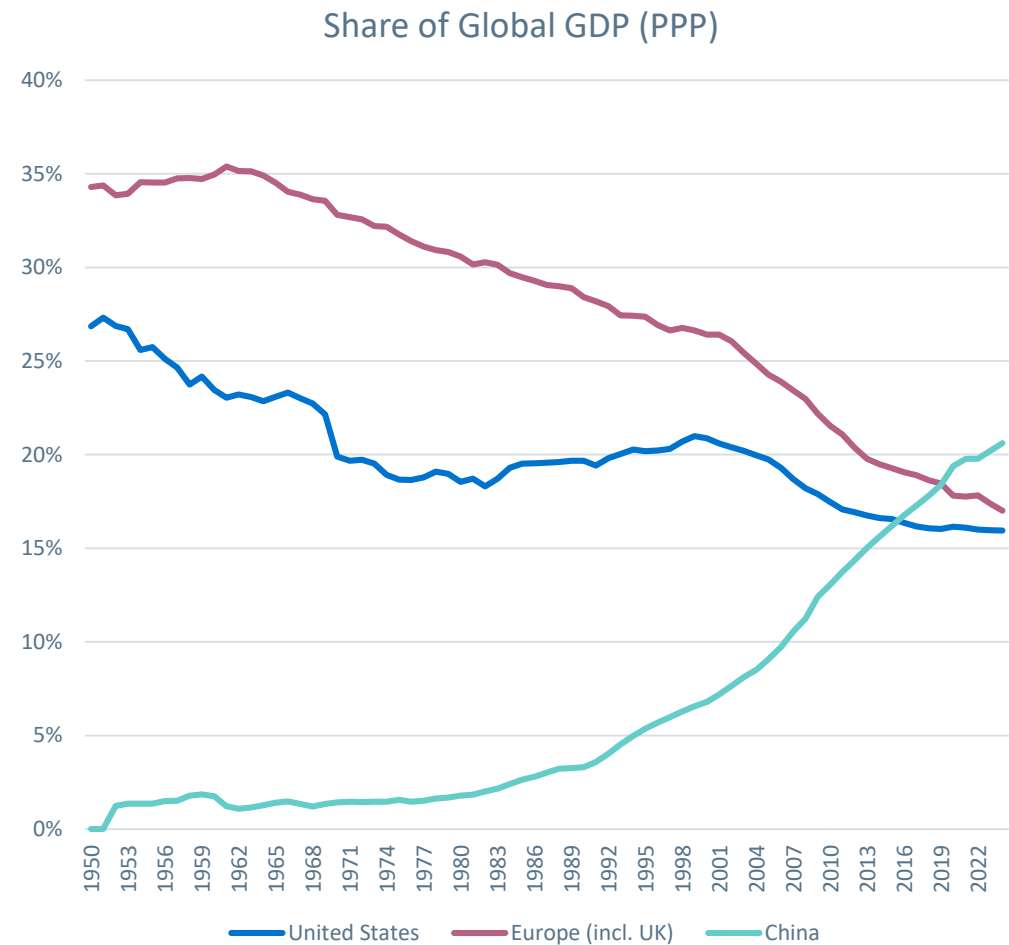
- **Stock selection:** Companies best placed to benefit from long-term themes and sustainable growth

- **New theme – Security:** As global politics and economics fragment, security is becoming a key driver of investment risks and opportunities.



A multipolar world

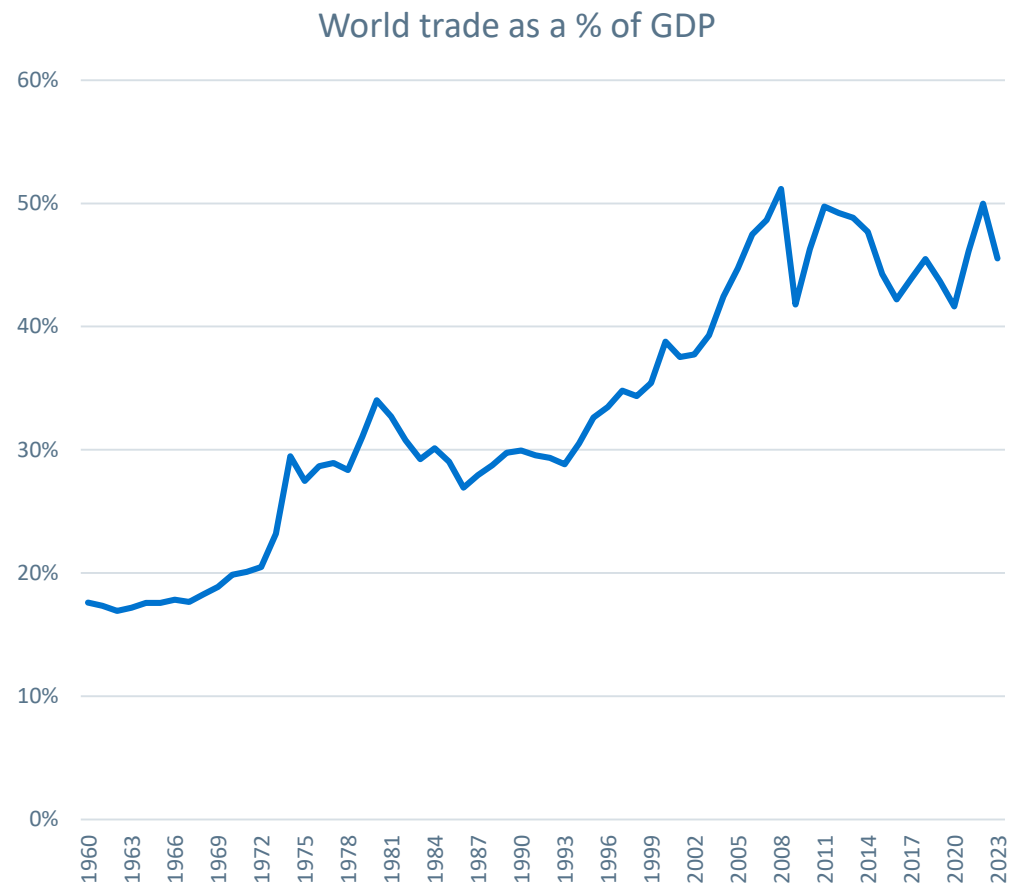
A multipolar world



Source: Macrobond, 12.05.2025

PPP = Purchasing Power Parity

While globalisation looks to have stalled



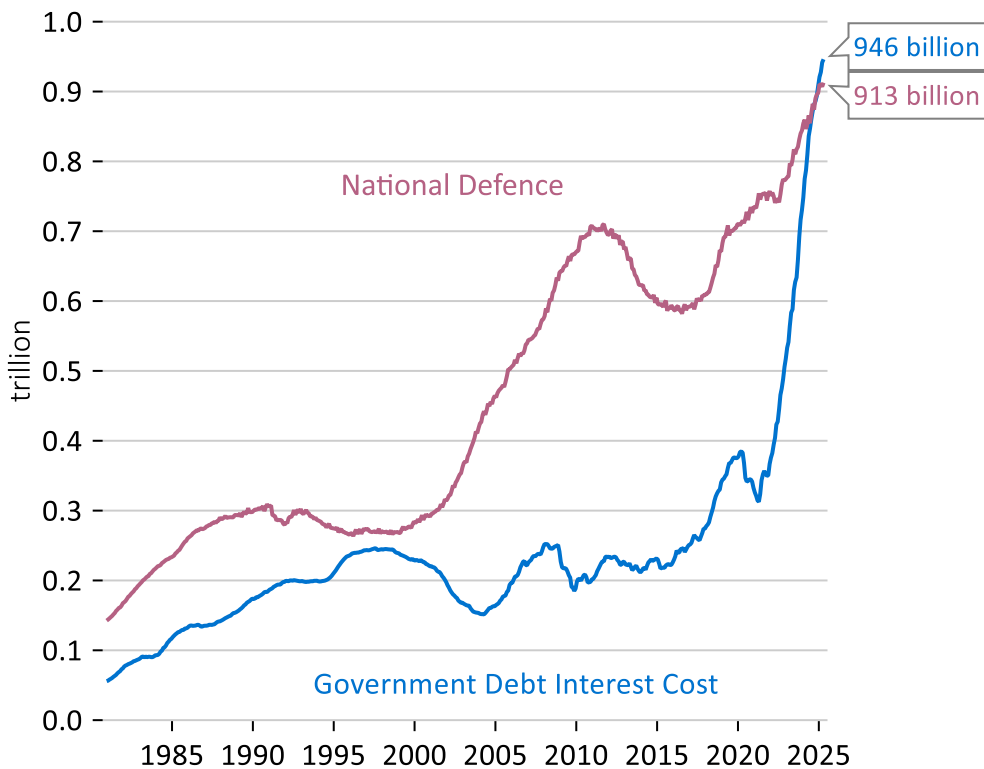
Source: Macrobond, 12.05.2025

It's not going to be easy to fund security

 US defence spending increasingly swamped by interest bill

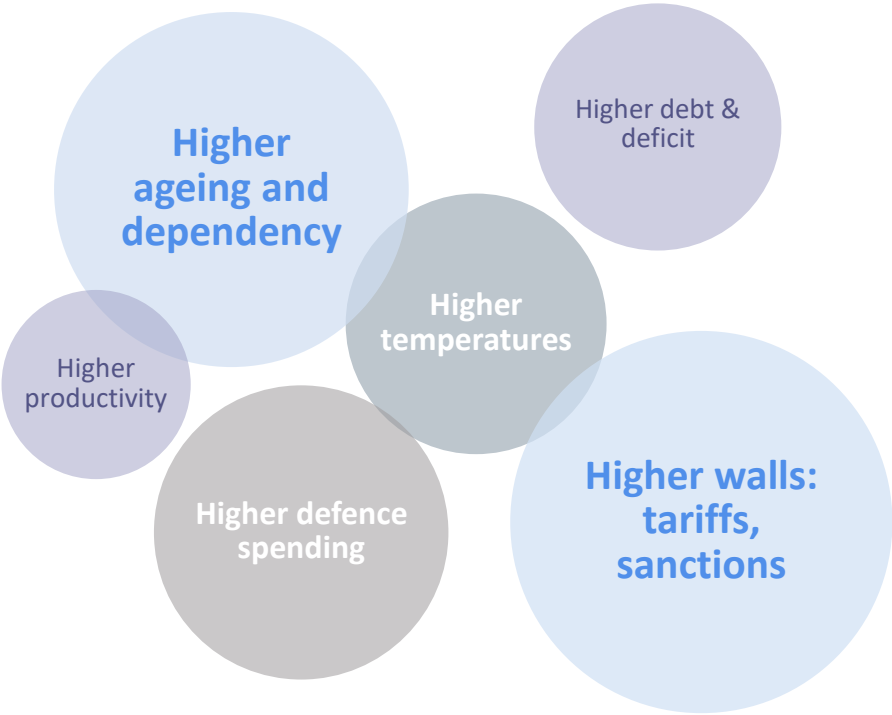
 Security priorities will squeeze public spending

National Defence Spending and Debt Interest Payments



Source: Macrobond, 15.05.25

Structural trends

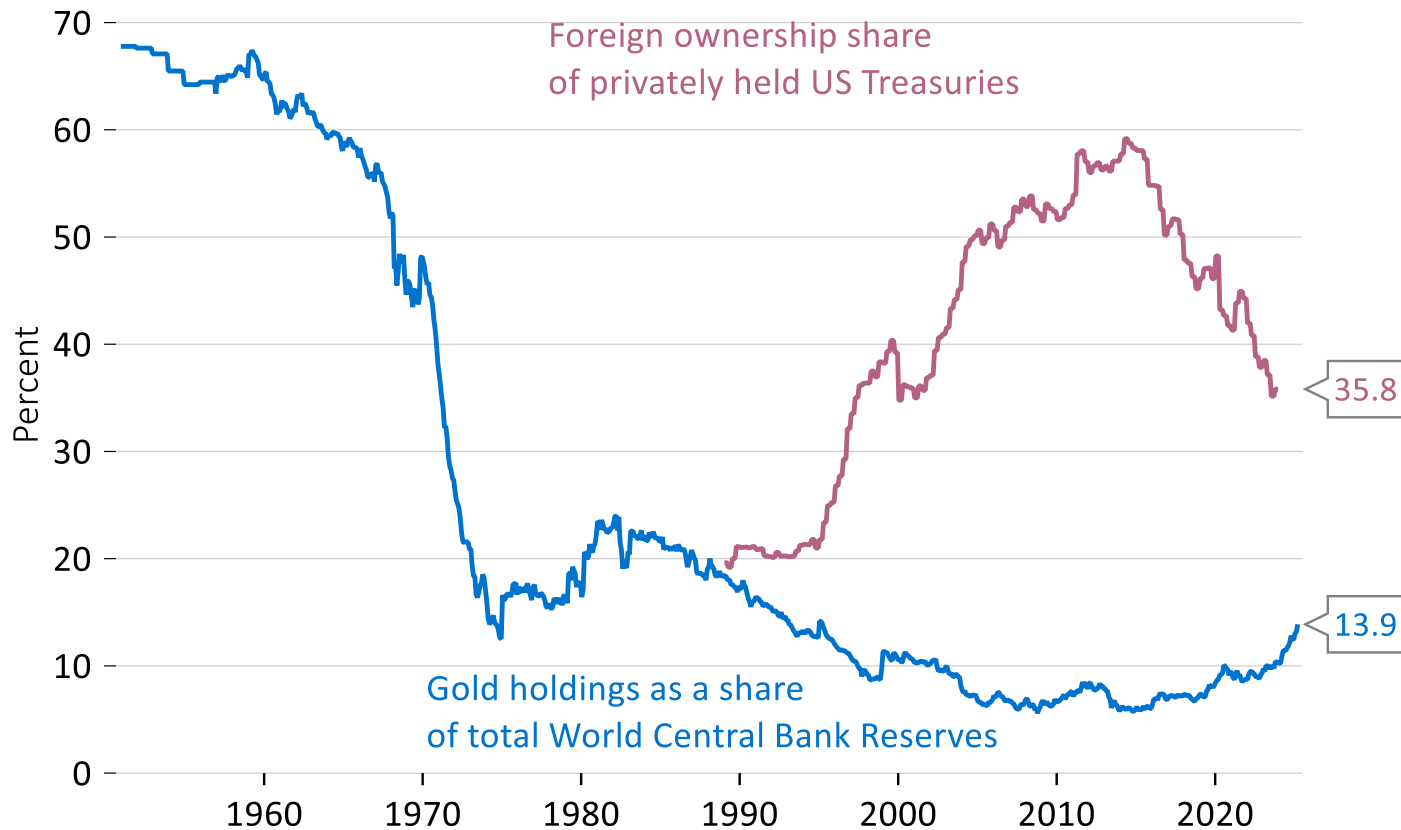


Dollar reserve status starting to erode



The decline in US assets held in global central bank reserves already reflect a fragmentation of the world economy

Holdings of reserve assets



Source: Macrobond, 15.05.25

Opportunity: Security needed as global alliances fragment

Security of:

Energy and resources

Food supply

National champions

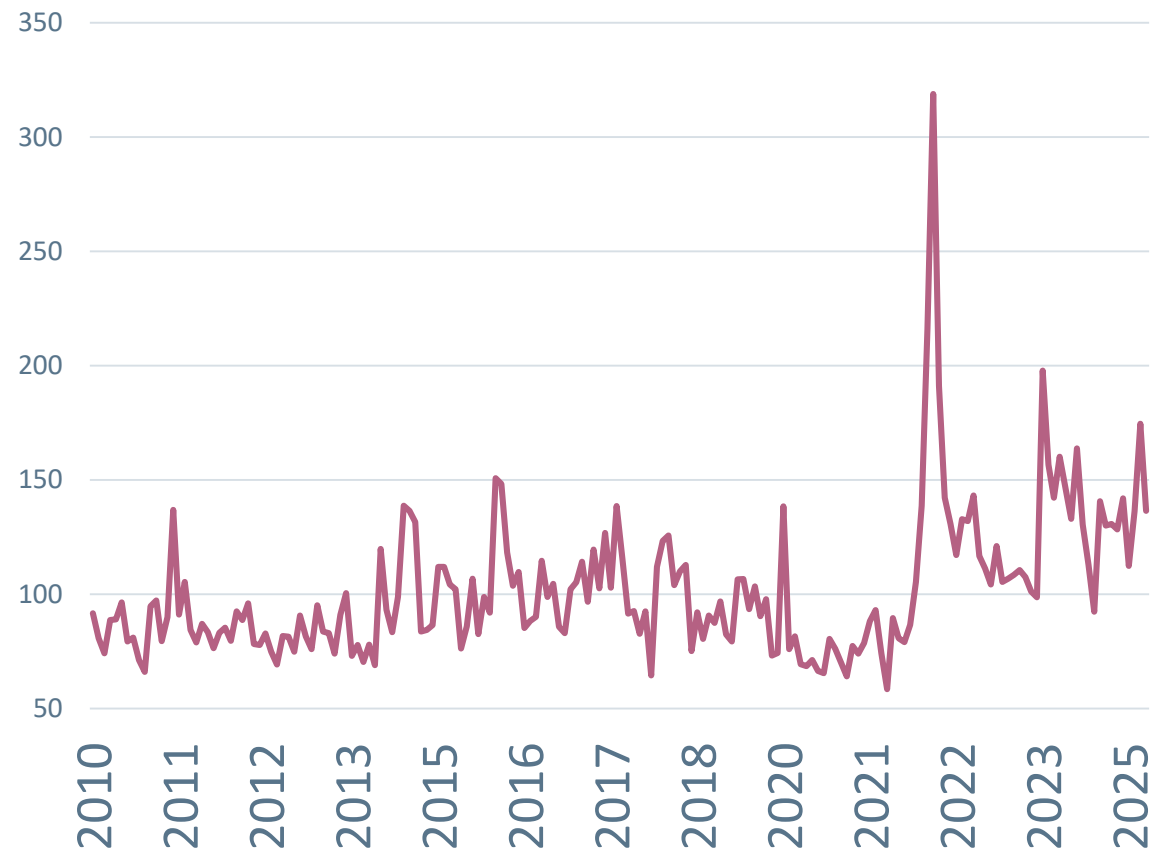
Protection against:

Tariff disruption

Cyber crime

Climate disruption

Geopolitical Risk Index



Source: <https://www.policyuncertainty.com/gpr.html>

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