

SARASIN  
& PARTNERS

# Sarasin Model Portfolio Service and Managed Funds

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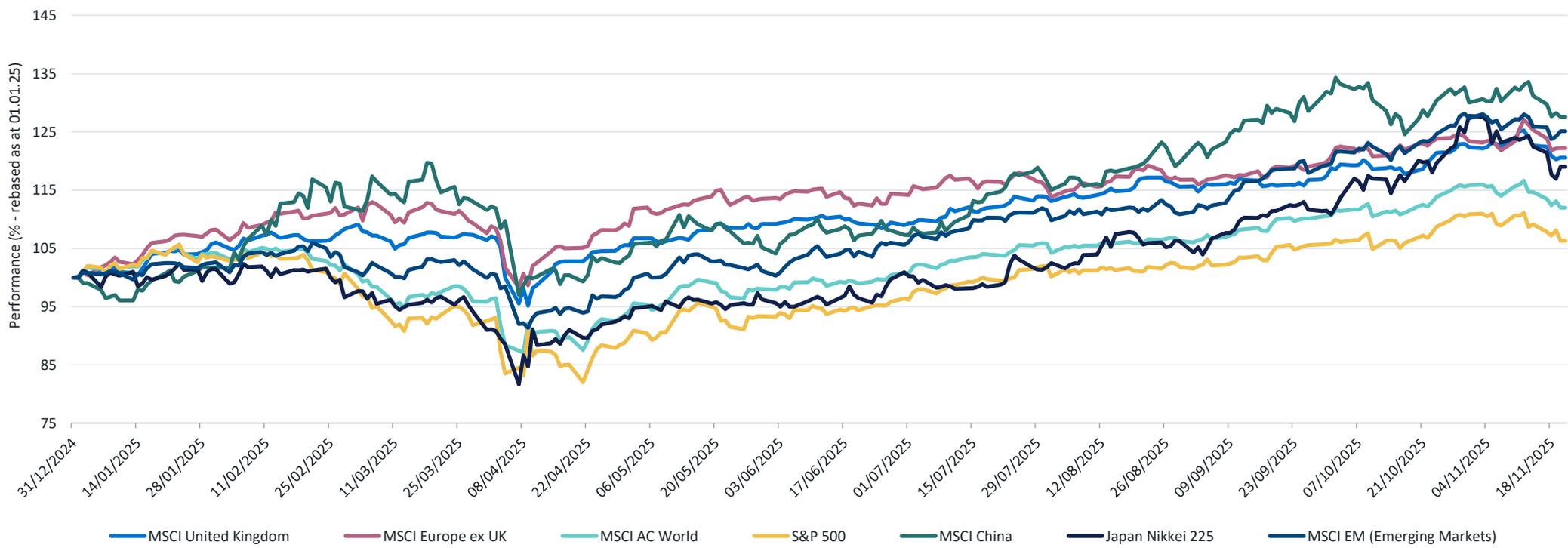


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# Global equity performance 2025

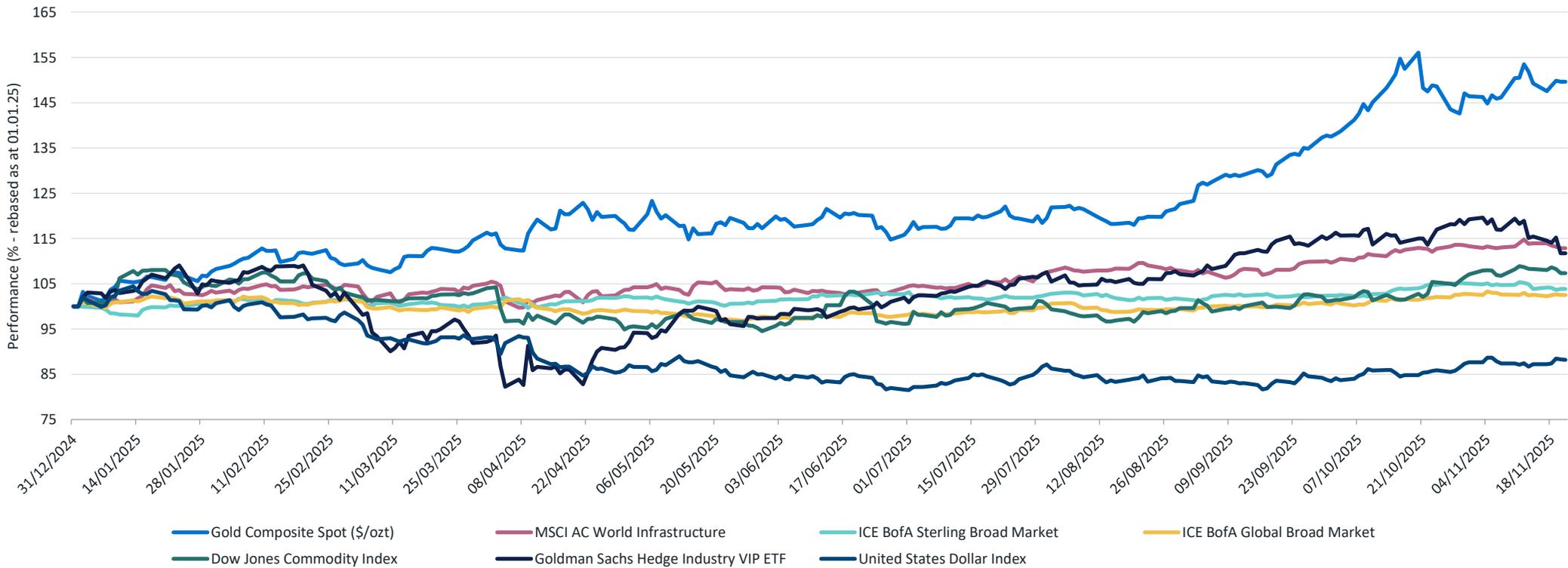
## Performance of global equity markets 2025



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

# Bonds and alternatives performance 2025

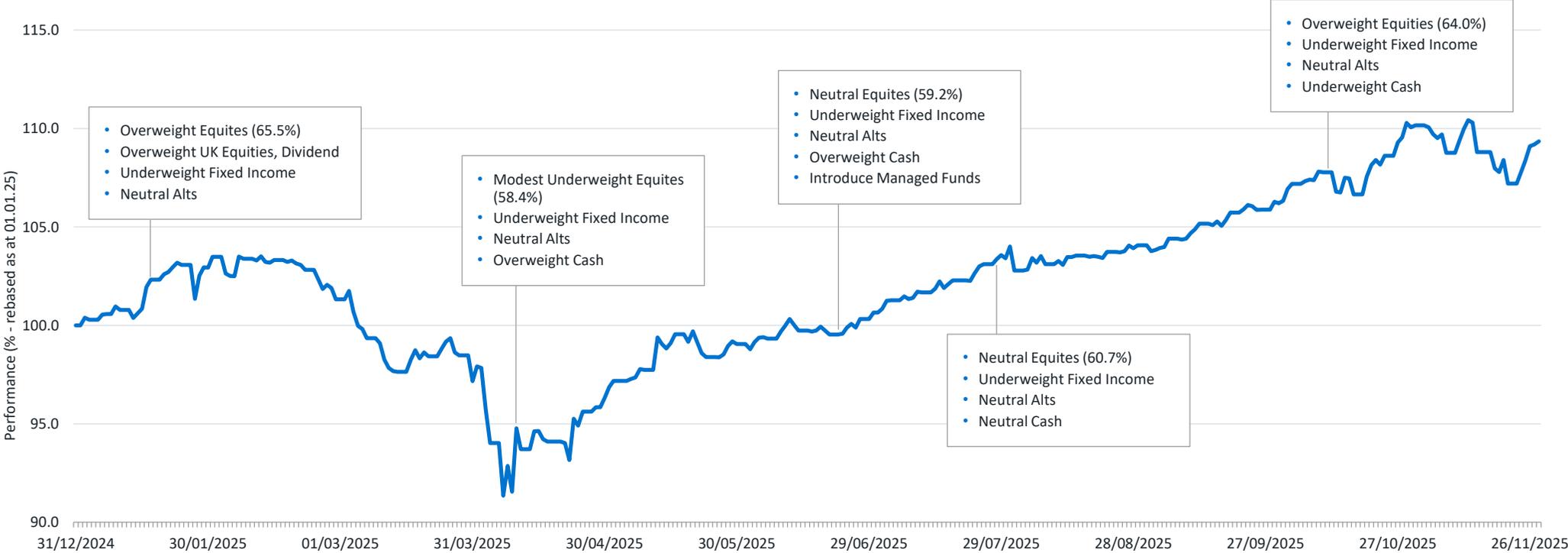
## Diversifying assets performance 2025



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

# MPS performance year-to-date

## Sarasin Balanced Model Portfolio performance YTD



Source: Sarasin & Partners, November 2025  
**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.

# Investing in the current regime

Expected market outcomes (5–7 years)



**Nominal growth**

Structural bias to risk assets: **Equities**



**Inflation**

Caution around nominal assets: **Fixed income**



**Interest rates**

Mindful of duration



**Bond yields**

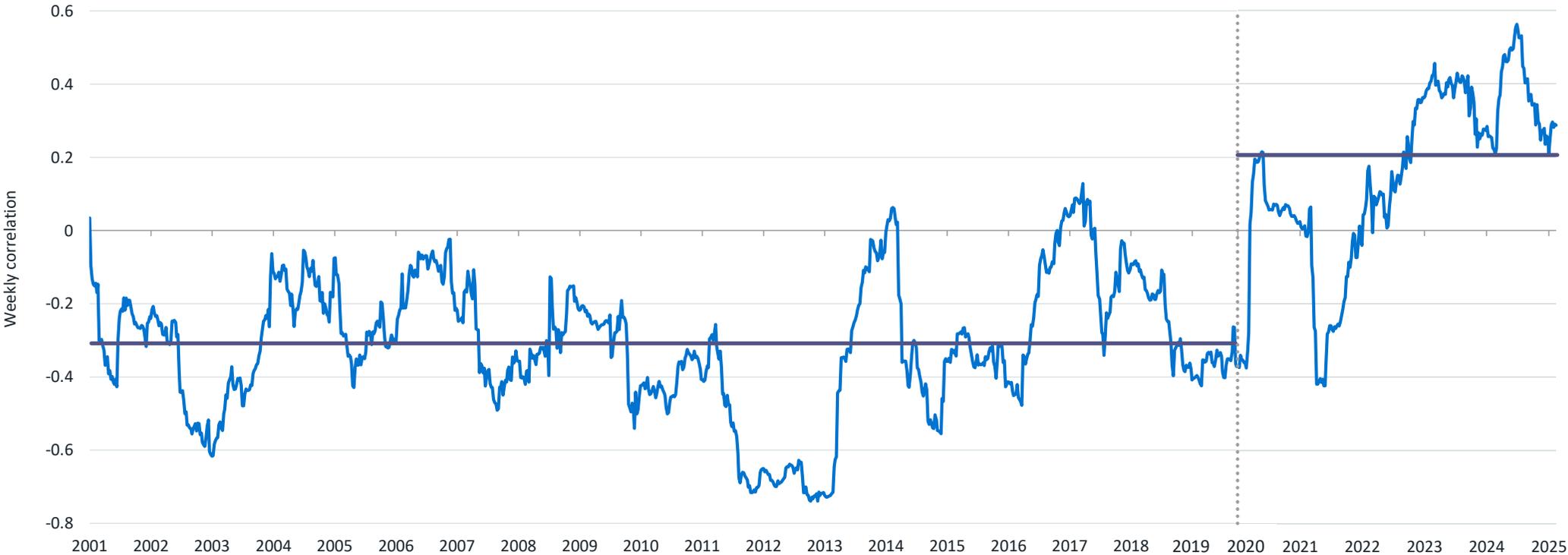
Structural allocation to gold



**Volatility**

# Increasing correlation argues for a wider toolkit

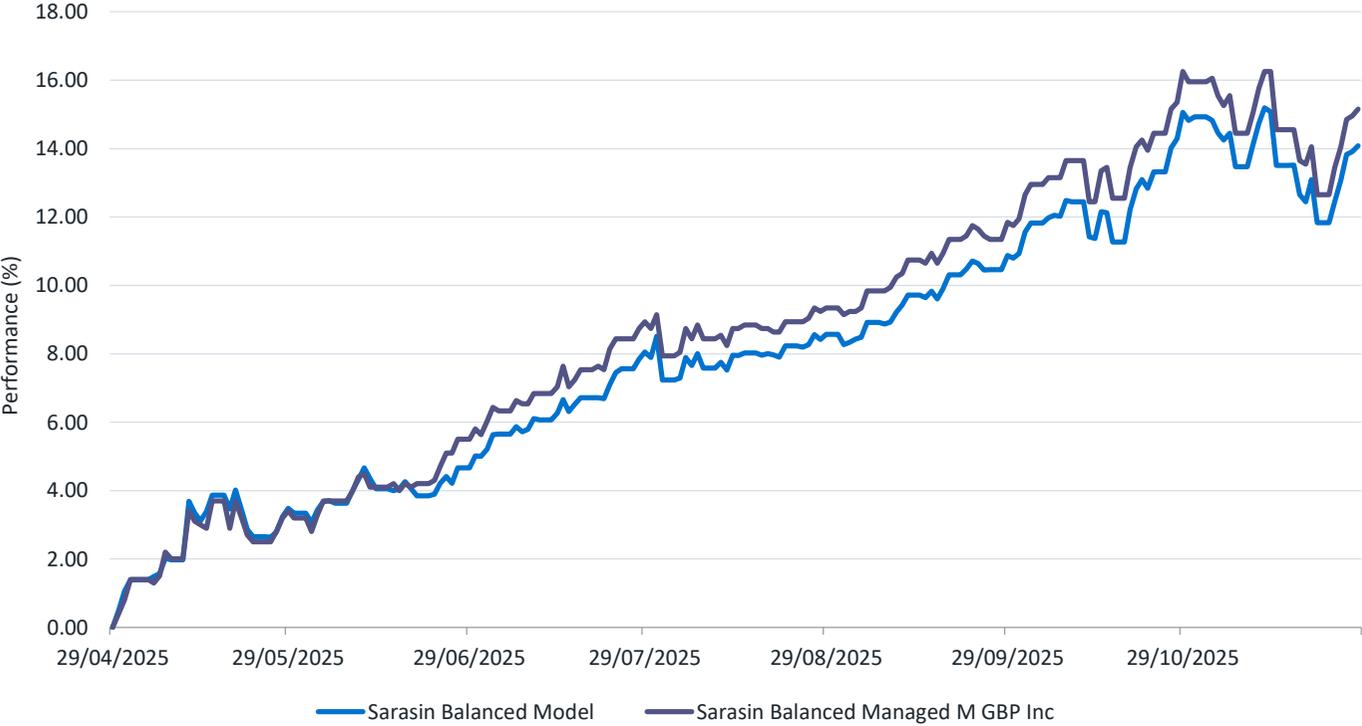
 Correlation of bond and equity markets since 2001



Source: Sarasin & Partners, Bloomberg. Data as of February 2025. Correlation is measured using a rolling 1 year window of weekly returns.

# Launch of Sarasin Balanced Managed Fund

 Performance of Sarasin Balanced Managed Fund vs Sarasin Balanced MPS since launch on 29 April 2025



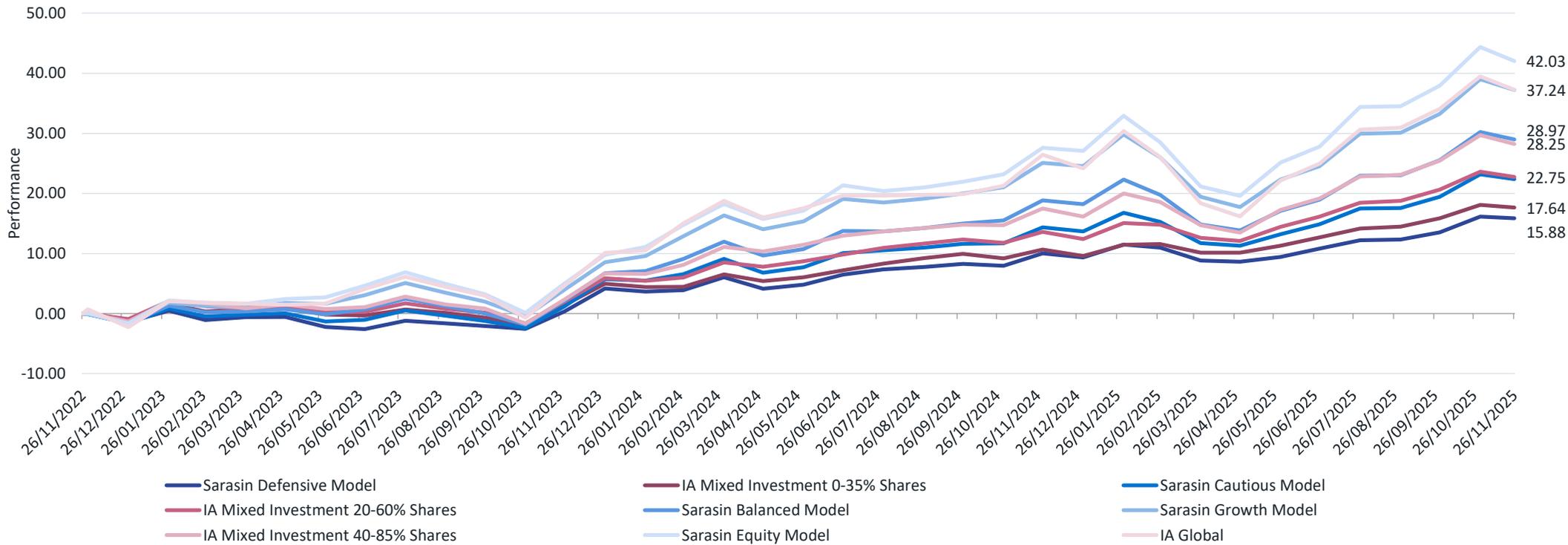
Top 10 Managed Fund Contributors	
Holding	Attribution performance
SPDR RUSSELL 2000 US	24.7
Vanguard FTSE Asia Pacific ex-Japan	22.9
SPDR S&P 500 UCITS ETF	22.9
X Trackers MSCI Emerging Markets	22.8
iShares S&P 500 GBP	22.3
iShares MSCI ACWI	21.7
Fidelity Global Quality Income ETF	19.1
X Trackers S&P 500 GBP Hedged	18.1
Invesco Physical Gold ETC (GBP Hedged)	16.1

Source: Morningstar, Sarasin & Partners, 29.04.25 to 02.11.25  
**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.

# Performance

## Sarasin Core Models (Defensive, Cautious, Balanced, Growth, Equity)

 3 year performance vs IA Sectors



Source: Morningstar 26.11.22 to 26.11.25

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# Policy summary

## Global strategy – December 2025

<p><b>Bonds:</b> Underweight</p>	<ul style="list-style-type: none"> <li>• <b>Neutral on government bonds:</b> Yields offer fair value, with further interest rate cuts likely across most major economies.</li> <li>• <b>Underweight credit:</b> Spreads remain historically tight, making the risk–reward balance unfavourable.</li> </ul>
<p><b>Equities:</b> Overweight</p>	<ul style="list-style-type: none"> <li>• <b>Equity outlook:</b> Global equity earnings remain robust, with strong buybacks and dividend growth. High quality companies continue to look attractive.</li> <li>• <b>Valuation:</b> US equities are expensive, but AI-linked cash flows are still climbing.</li> </ul>
<p><b>Alternatives:</b> Neutral</p>	<ul style="list-style-type: none"> <li>• <b>Alternatives exposure:</b> Diversified exposure to absolute return funds, private equity and infrastructure.</li> <li>• <b>Overweight gold:</b> Ongoing emerging-market central bank buying continues to support demand. Gold held in official reserves now exceeds holdings in euros.</li> </ul>
<p><b>Cash:</b> Underweight</p>	<ul style="list-style-type: none"> <li>• We expect the US dollar to depreciate over the long term against a broad basket of currencies, with Asian and European currencies likely to be the main beneficiaries.</li> </ul>
<p><b>Risks</b></p>	<ol style="list-style-type: none"> <li>1. <b>Stagflation:</b> Tariffs are keeping inflation elevated, while high debt levels continue to constrain growth.</li> <li>2. <b>Climate risks:</b> 2024 was the hottest year on record, with 2025 likely to be worse. Greenhouse gas emissions remain stubbornly high.</li> <li>3. <b>Valuation:</b> Equity valuations are vulnerable as long-term rates rise, with some signs of excess now evident.</li> </ol>

Source: Sarasin & Partners, November 2025

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