

Multi-Asset Conservative MPS Portfolio GBP (£)

TEAM

December 2025 Monthly Report

(All data as at 31 December 2025)

Information

Portfolio Facts

Manager **Craig Farley**

Launch **Aug-15**

Annual Management Charge **0.30% - 0.50%**

Ongoing Charge Fee* **0.21%**

Currencies available **GBP, EUR, USD**

Dealing Frequency **Daily, Market Hours**

Custodian **Multiple Platforms**

Benchmark **MPI Low**

*Estimated, may vary depending on platform provider.

3Y Volatility

Portfolio **6.49**

Benchmark **3.98**



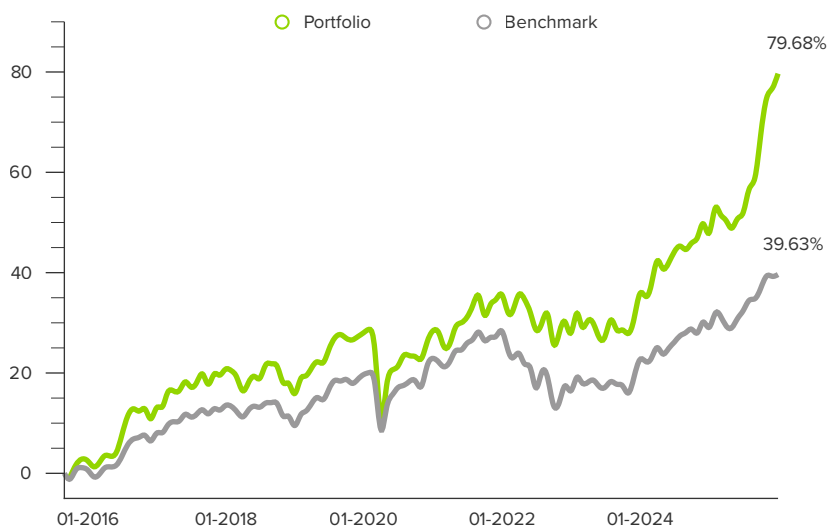
Objective

We aim to provide capital growth and income over the longer-term from an actively managed portfolio of different asset classes and markets worldwide.

The main asset classes in which the portfolio will invest are global equities, global high yield bonds, absolute return strategies, alternative income-producing securities and real assets including gold, commodities, infrastructure and property.

Underpinning this objective is the constant search for genuine diversification. Average portfolio equity risk is approximately 25% through market cycles. There is no guarantee that a positive return will be delivered.

Return (since launch)



The benchmark used is the Managed Portfolio Indices (MPI) representing the median average return of a peer group of approximately 50 wealth managers and investment managers across the UK and Channel Islands.

Calendar Performance (%)

(*YTD)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
Multi-Asset Conservative Portfolio GBP (£)	10.26%	6.82%	-4.03%	10.46%	0.28%	5.62%	-5.62%	6.09%	8.94%	21.47%
MPI Low	12.92%	5.13%	-3.52%	9.27%	2.69%	4.42%	-9.25%	5.32%	5.26%	8.15%

Cumulative Performance (%)

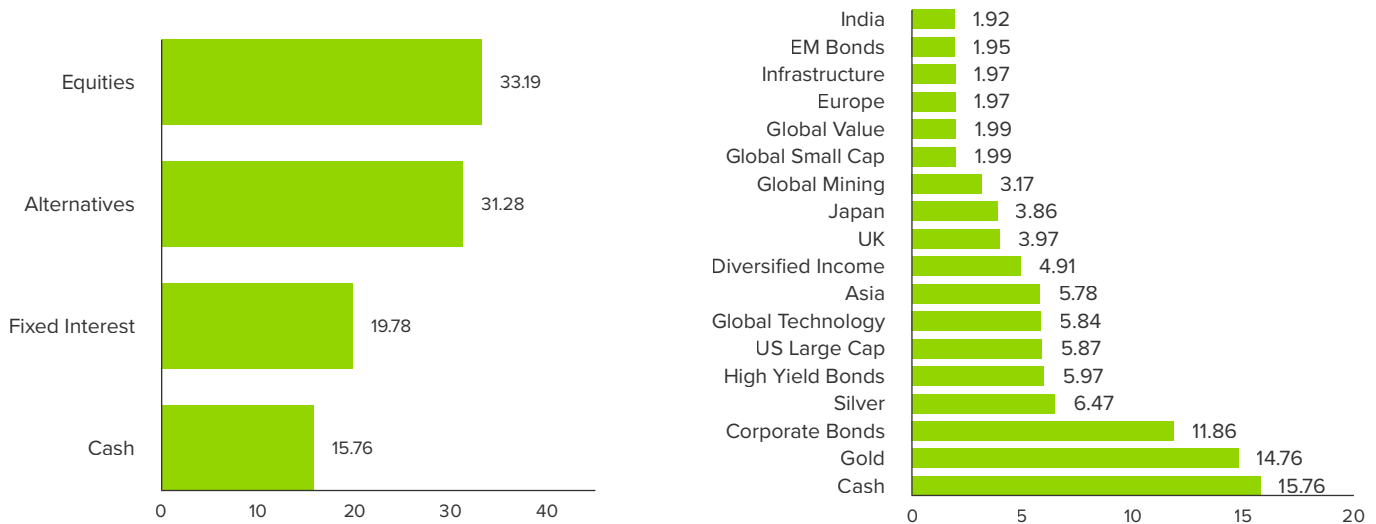
	1m	3m	6m	1Y	3Y	5Y	SL
Multi-Asset Conservative Portfolio GBP (£)	1.68%	7.35%	18.18%	21.47%	40.38%	39.94%	79.68%
MPI Low	0.26%	2.03%	5.41%	8.15%	19.90%	13.61%	39.63%

Multi-Asset Conservative MPS Portfolio GBP (£)

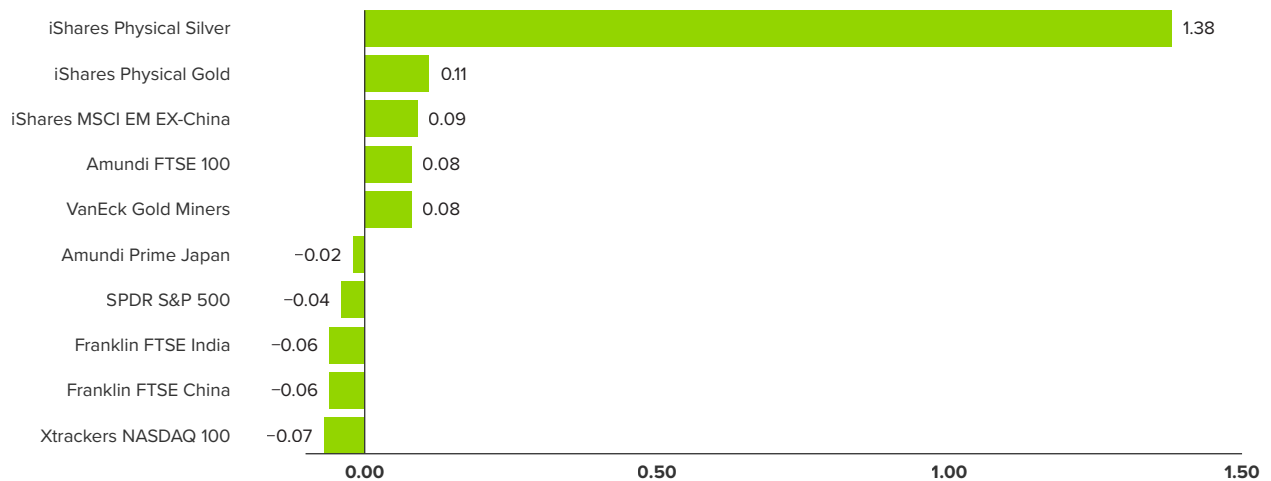
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Asset Allocation (% NAV)



Return Contribution (% NAV)



Top 10 Holdings

Cash	15.76%
iShares Physical Gold	14.76%
iShares Core GBP Corp Bond	11.86%
iShares Physical Silver	6.47%
JP Morgan Global High Yield Corporate Bond	5.97%
SPDR S&P 500	5.87%
Xtrackers NASDAQ 100	5.84%
WisdomTree Global Quality Dividend Growth	4.91%
Amundi FTSE 100	3.97%
iShares MSCI EM ex-China	3.96%

Important

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Market Commentary

December 2025 concluded a year characterised by remarkable stock market resilience in the face of significant macroeconomic 'fog'. High-flying US markets moved lower, snapping a seven-month winning streak, as Magnificent 7 tech dominance continued to show signs of fatigue. Lofty valuations combined with increasing scepticism over the scale of planned AI-related capital expenditure (close to \$500 billion in 2026 alone), how these AI capex plans are being financed (not just through operational cash flow anymore), and whether meaningful profits can ultimately be achieved for shareholders, weighed on sentiment.

Concentration risk in major US equity indices remain elevated, driven largely by the AI-led rally since the launch of ChatGPT in November 2022. According to the Centre for Research in Security Prices (CRSP), the top 10% of US stocks now represent almost 80% of total market capitalisation, the highest level in a century. For reference, this eclipses even the peak seen during the Dot.com technology bubble of 2000.

Conversely, international ex-US markets outperformed in December, posting positive returns to round off a strong year. More attractive valuations, improving earnings expectations in the UK and Europe, and a perceived stabilisation in trade relations provided support, while an "AI second wave" boosted Asia, particularly South Korea and Taiwan as investors rotated toward global infrastructure and hardware providers.

Turning to monetary policy, synchronised global central bank activity that defined the pre-COVID era, specifically an extended period of low-to-negative interest rates across regions, has been turned on its head. December's central bank meetings involving the US Federal Reserve and our own Bank of

England both revealed an extraordinary level of internal friction over the potential path for interest rates and whether to prioritise a weakening jobs market or high inflation.

After plenty of flip-flopping in betting markets, markets ultimately priced in a 0.25% US rate cut, which the Federal Reserve delivered. However, policymakers were sharply divided, with Stephen Miran favouring a larger cut, whilst Austan Goolsbee (Chicago Fed) and Jeffery Schmid (Kansas City) argued for no change. President Trump later criticised the decision, labelling Chair Powell "a stiff" and insisting the cut should have been at least double.

Closer to home, the Bank of England cut its benchmark rate by 0.25% to 3.75% at its December meeting following a narrow 5-4 vote. The majority, including Governor Andrew Bailey, cited easing inflation, rising unemployment and a sluggish economy as justification, while dissenters warned of the risk of more persistent inflation in the year ahead.

Commodities once again stole the show, with physical gold and silver touching new all-time highs as the ongoing factors of geopolitical instability, currency debasement, and physical supply shortages kept a strong bid under prices. Gold and silver ended 2025 with gains of 65% and 148% respectively, their best calendar year in decades. Relentless accumulation of the yellow metal by central banks (another 1,000+ tonnes of physical gold was collectively acquired in 2025) powered gold, whilst silver continues to face a structural supply deficit on massive industrial demand emanating from the solar cell build out across Africa and China.

Portfolio Positioning

We are pleased to report that performance across the TEAM range was respectable in December, particularly as global equity markets (represented by the MSCI World Index) were down in sterling terms on the month. Technology related companies weighed heavy, with the Nasdaq 100 Index finishing the month at -2.3%.

To recap, the modus operandi of our investment framework and process is to capture strong trends across global asset markets whilst always pursuing genuine diversification. We are conscious that the AI trade has spread its tentacles to many sectors and industries, in essence becoming one highly connected 'bet'. One of the core themes permeating through our equity exposure throughout 2025 has been a barbell approach that blends US leadership, specifically Big Tech, with leadership across ex-US markets.

Our framework identified global value equities, emerging markets ex-China (specifically South Korea and Taiwan), Europe ex-UK, and UK equities several quarters ago as attractive in this regard. All four allocations delivered solid returns in December of over 2% and, pleasingly, additional diversification benefits to the overall portfolio. Furthermore, all four allocations delivered

outperformance relative to the world equity market index in 2025.

Alongside our equity exposure, high quality investment grade corporate bonds and high yield corporate bonds delivered positive returns during the month.

Finally, it continues to be the commodities space, specifically precious metals, that delivers the heavy lifting in terms of portfolio performance. As per our commentary last month, we re-entered physical gold, physical silver, and precious metal mining stocks in meaningful size following a technical price correction and a healthy reset of prevailing sentiment from euphoric levels. Silver's astonishing monthly move of +26% is causing consternation for those that are not participating, but we remain confident that higher prices are ahead of us for the entire precious metals space based on a range of fundamental and technical factors.

Craig Farley

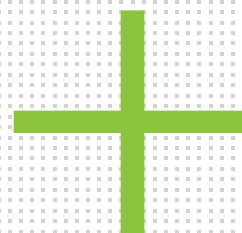
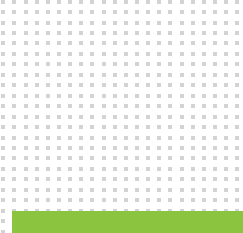
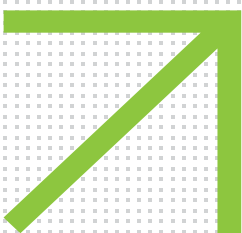
Chief Investment Officer

Craig is an experienced capital markets professional with 20+ years buy-side experience as a PM and strategist across asset classes. He is responsible for setting the optimal global asset allocation mix across TEAM's multi asset investment range. He provides frequent commentary, analysis, and insights for clients on the important issues impacting markets.

Andrew Gillham

Head of Fixed Income

Andrew graduated with a BA (Hons) Economics degree and started his finance industry career with HSBC Private Bank's graduate programme. Thereafter, Andrew joined Insinger de Beaufort as a dealer on their bond trading desk before embarking on a career in investment management, focussed on overseeing dedicated fixed income mandates.



Get in touch