



Multi-Asset Diversified Income MPS Portfolio GBP (£)

TEAM

September 2025 Monthly Report

(All data as at 30 September 2025)

Information

Portfolio Facts

Manager **Andrew Gillham**

Launch **Jun-16**

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

Ongoing Charge Fee* **0.60%**

Currencies available **GBP, EUR**

Dealing Frequency **Daily, Market Hours**

Custodian **Multiple Platforms**

Benchmark **SONIA + 1.5%**

*Estimated, may vary depending on platform.

3Y Volatility

Portfolio **9.71**

Benchmark **0.27**

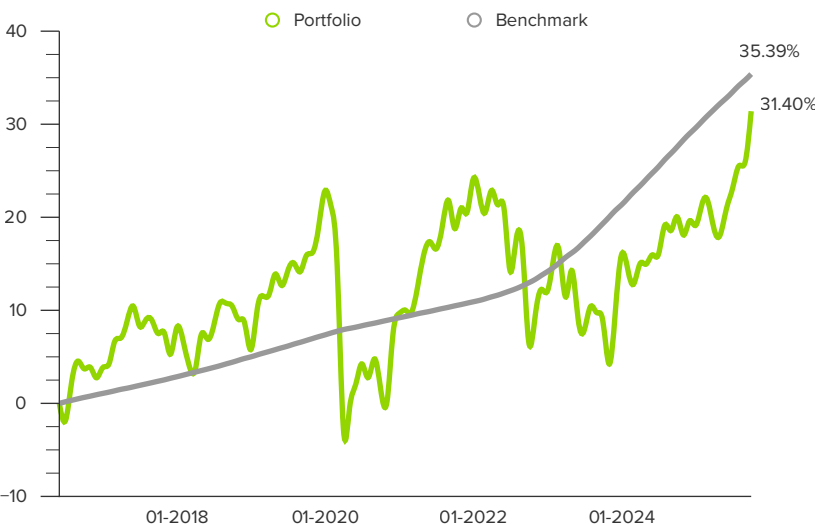
Objective

The portfolio is invested with the aim of achieving a high level of income in the portfolio's base currency.

The portfolio will be invested in a range of collective investment schemes, direct equities and fixed interest related instruments on a consistent basis.

TEAM consider the risk level of the model to be moderate and investors should be prepared to see moderate changes in the value of the investment over short term time periods. There is no guarantee that a positive return will be delivered.

Return (since launch)



The benchmark used is comprised of 35% FTSE UK Dividend Plus / 40% iBoxx GBP Corporate Bonds 5-7YR / 10% FTSE NA UK REITS / 15% SONIA +2%.

Calendar Performance (%)

(*YTD)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
Diversified Income Portfolio GBP (£)	3.84%	4.16%	-2.20%	16.13%	-10.71%	13.19%	-9.73%	3.50%	2.72%	10.30%
Income Benchmark	1.07%	1.77%	2.09%	2.24%	1.72%	1.57%	2.92%	6.28%	6.83%	4.45%

Cumulative Performance (%)

	1m	3m	6m	1Y	3Y	5Y	SL
Diversified Income Portfolio GBP (£)	4.35%	6.77%	10.67%	9.46%	23.28%	29.37%	31.40%
Income Benchmark	0.48%	1.45%	2.89%	6.14%	19.86%	24.47%	35.39%

Quilter

7IM

MORNINGSTAR



BNY MELLON

PERSHING

CAPITAL
INTERNATIONAL GROUP

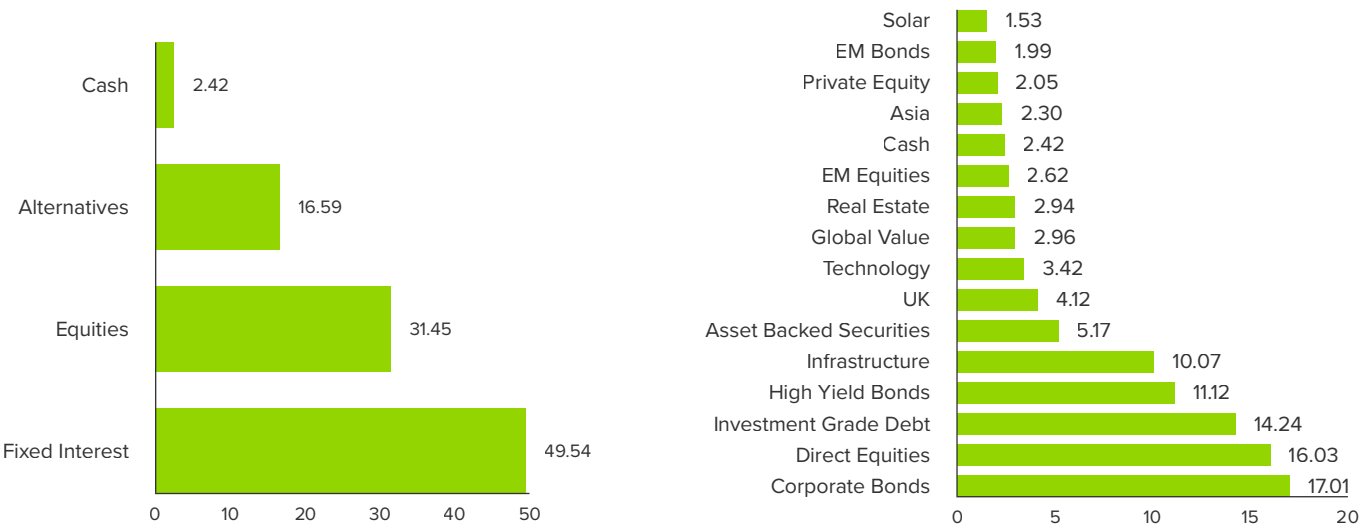


Multi-Asset Diversified Income MPS Portfolio GBP (£)

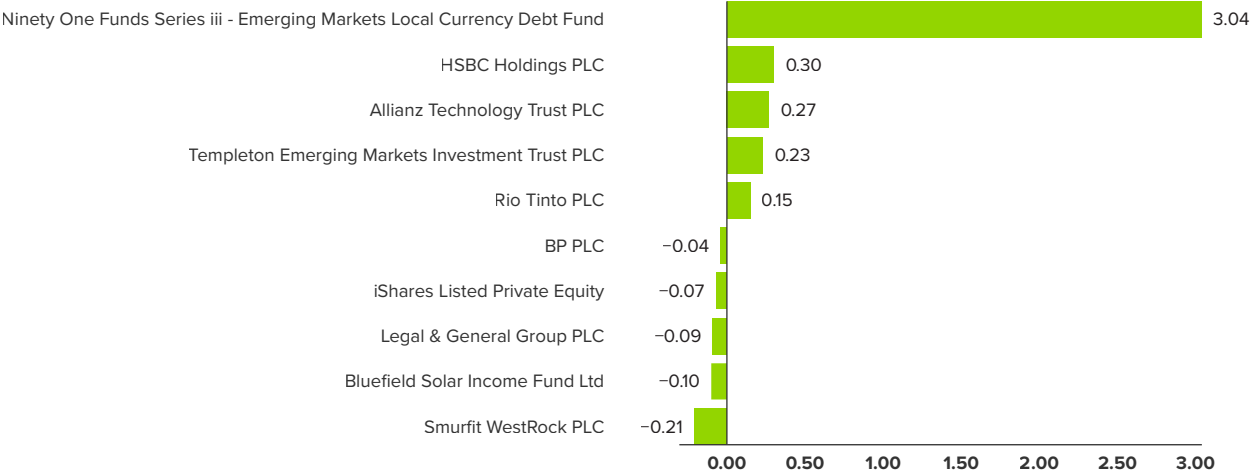
(All data as at 30 September 2025)

TEAM

Asset Allocation (% NAV)



Return Contribution (%)



Top 10 Holdings

Titan Hybrid Capital Bond Fund	6.67%
Vontobel -TwentyFour Sustainable Short Term Bond	6.12%
JP Morgan GBP Ultra-Short Income	6.08%
Aegon Strategic Global Bond Fund	5.20%
TwentyFour Income Fund Ltd	5.17%
Vontobel - TwentyFour Strategic Income Fund	4.99%
Royal London AM Sterling Extra Yield Bond Fund	4.81%
Jupiter Dynamic Bond Fund	4.45%
iShares UK Dividend	4.12%
M&G Lux Optimal Income Fund	4.05%

Important

This document is issued by Theta Enhanced Asset Management Limited and does not constitute or form any offer or invitation to buy or sell any investment. Theta Enhanced Asset Management Limited is regulated by the Jersey Financial Services Commission. The company registration number is 80836 and the company's registered office is 2nd Floor, Conway House, 7-9 Conway Street, St. Helier, Jersey, JE2 3NT. The value of the portfolio and the income it generates can go down as well as up, and past performance is not a guide to future performance.

Investors may not get back the full amount originally invested. The contents of this document are based upon sources of information believed to be reliable. Theta Enhanced Asset Management Limited has taken reasonable care to ensure that the information stated is accurate; however, we cannot guarantee that it is wholly accurate and complete. Full terms and conditions may be obtained by contacting us at our registered office address or by emailing team@team.je.



Multi-Asset Diversified Income MPS Portfolio GBP (£)

TEAM

(All data as at 30 September 2025)

Market Commentary

Markets climbed a wall of worry (sticky inflation, weakening US labour market, geopolitical tensions, impending US government shutdown), boosted by investor enthusiasm for the AI trade and the US Federal Reserve resuming its interest rate cutting cycle. In September alone, the S&P 500 set eight new record highs - "Don't fight the Fed!"

In the US, the nonfarm payrolls reports have been pointing to a slowdown in the labour market but a trend of revisions, including a recent update which revealed that 911,000 fewer jobs were added in the 12 months to March, suggests the labour market began cooling in 2024 when Joe Biden was in the White House.

Fed Chair Jerome Powell, and other members of the FOMC, have used the President's politicalisation of the Fed as cover to resist pressure to cut interest rates sooner and faster but given their dual mandate, stable prices and full employment, they we left with no other option but to act at their September meeting.

Although there was speculation of a jumbo 0.5% rate cut, the FOMC ultimately opted to cut the federal funds target range by a quarter of a percentage point which Chair Powell described as a "risk management cut" to forestall the prospect of further labour market weakness. The decision was also almost unanimous with only new appointed Stephen Miran, an ally of President Trump, dissenting in favour of a half-point cut.

It was a quieter month for Gilts, outside of a short-lived sell-off when Andy Burnham suggested the government should pursue a council housebuilding programme and nationalisation of utilities, funded by higher taxes and £40 billion of extra

borrowing.

As expected, the Bank of England left interest rates unchanged at its September meeting, but the Monetary Policy Committee voted to slow the pace of its bond-selling programme to try to stabilise long-dated gilt yields which remain close to their highest levels since 1998. With inflation running far above target, unchanged at 3.8% in August, money markets are pricing in the next rate cut for February or March.

Across the Channel, fiscal sustainability is a genuine concern, and France was firmly under the spotlight after Prime Minister François Bayrou was ousted in a confidence vote over his minority government's proposed €44 billion austerity package of tax increases, spending cuts and two fewer public holidays.

Bayrou has been replaced by Sébastien Lecornu, a close ally of President Macron to become the country's fifth prime minister since the start of 2024. Ominously, the new PM was sworn in on a day of countrywide protests, *Bloquons Tout* ('Lets Block Everything'), highlighting the Himalayan task he faces in pushing through a revised package that is acceptable to the public, opposition members of parliament and the capital markets.

Against the backdrop of political turmoil, the spread between French and German government bonds has spiked to their widest level since former Prime Minister Michel Barnier resigned in similar circumstances.

Portfolio Positioning

The portfolio is built around a core allocation to corporate bonds which provide reliable and stable, contracted income streams.

At a time when governments are projected to issue a record amount of debt this year, surpassing the levels of 2020, the outset of the Covid pandemic, we think that there is significant risk that investors will demand higher returns to lend long-term to governments, pushing up their borrowing costs.

We therefore favour short-to-medium dated corporate bonds, or the "belly" of the curve, which should be more resilient to any volatility in long-term rates. We also invest in bond funds that have significant exposure to financial hybrid bonds issued by highly capitalised European banks and insurance companies which offer high yield returns from investment grade rated issuers.

The allocations to equity, alternative investments and real estate provide diversification within the strategy and the potential to provide some capital growth over the medium-term to offset the impact of inflation.



Craig Farley

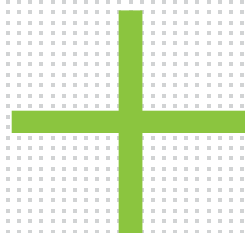
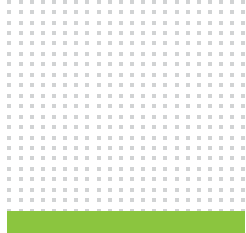
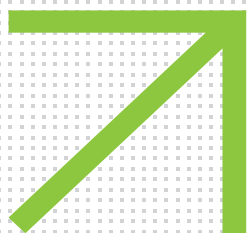
Chief Investment Officer

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



+44 (0) 1534 281700



team@team.je



www.team.je