

Quilter Cheviot Global Income & Growth Fund For Charities

Factsheet - Q4 2024

SERVICE DETAILS

Inception date	8 January 2020
Size of fund	£176,807,591.90
Benchmark	CPI +3.5%*
Fund type	CAIF
Base currency	GBP
Number of holdings	106
Anticipated yield	3.0%
OCF	0.79%**
Ex-dividend dates	31 January, 30 April, 31 July, 31 October
Dividend pay dates	28 February, 31 May, 31 August, 30 November
Sedol number	BGKG3L1
Reporting	Quarterly

*UK Consumer Price Index plus 3.5%

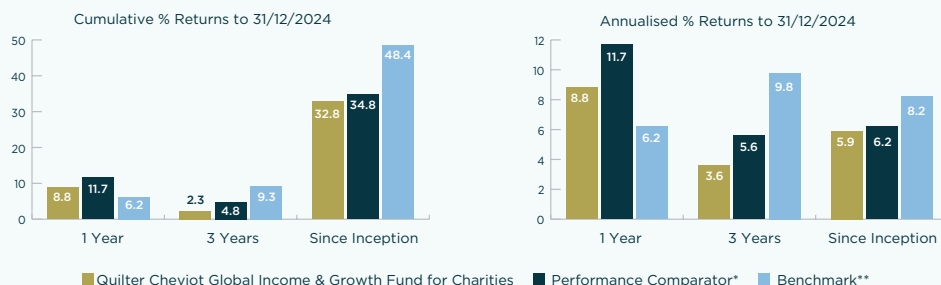
** The Ongoing Charge Figure (OCF) includes the charges for the underlying open and closed ended funds held in the Fund and the Fund's management fees. This is a point in time estimated calculation, so changes to holdings within the Fund may result in higher or lower ongoing charges.

Investment objectives & policy

- Grow both the capital value and provide income over the long-term.
- Deliver an annualised total return of 3.5% above the UK Consumer Price Index over the medium term through exposure to a diversified range of asset classes.
- Aims to provide an income yield in the region of 3% per annum.
- The Fund invests in a mix of direct equities (UK, US and Europe primarily) and bonds, and uses third party funds to gain exposure to specialist areas such as property, infrastructure and also to equities in other geographic areas.

We do not invest in companies whose primary business is producing or manufacturing tobacco; and as a company we do not invest in businesses which make controversial weapons. Please visit www.quiltercheviot.com to see our controversial weapons policy.

Performance

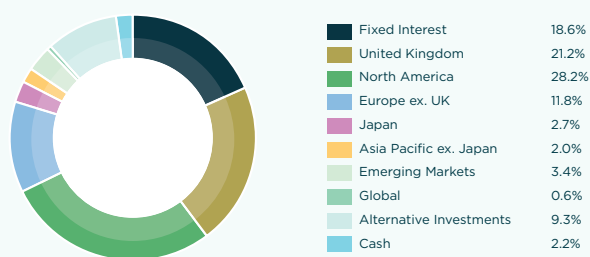


* 12% iBoxx £ UK Gilts, 5.5% iBoxx Sterling Corporates, 30% MSCI UK IMI, 40% MSCI AC World Index ex UK, 10% Alternatives (50% iBoxx £ Gilts 1-5 Years/50% MSCI AC World Index (ACWI), 2.5% Bank of England Base Rate. Past performance is not a reliable indicator of future results.

** Benchmark CPI +3.5%

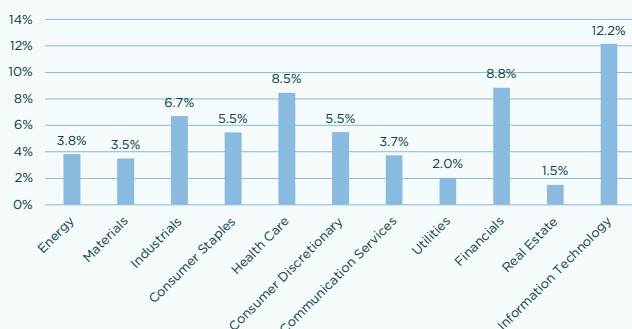
Source: Citibank

Asset Allocation



* Includes unsettled subscriptions to the Fund and unsettled trades. As at 31 December 2024. Source: Citibank

Equities Sector Allocation*



* Shown as percentage of total fund value. As at 31 December 2024. Source: Citibank

Top 20 holdings %

Microsoft	2.97
Shell	2.29
Amazon	2.23
Rio Tinto	2.01
United Kingdom (Government of) 4.125% 29/01/2027	2.00
United Kingdom (Government of) 3.25% 31/10/2033	2.00
Pacific Capital	1.98
Royal London Unit Trust Managers Sterling Credit	1.97
United Kingdom (Government of) 3.5% 22/10/2025	1.75
United Rentals	1.72
Ishares Physical Gold ETC	1.72
M&G Japan	1.71
TotalEnergies	1.53
National Grid	1.53
Apple	1.51
United Kingdom (Government of) 4.5% 07/12/2042	1.50
Premier Miton Corporate Bond	1.48
JPMorgan Chase	1.45
AstraZeneca	1.25
Visa	1.24

As at 31 December 2024. Source: Citibank

IMPORTANT: The value of investments and the income from them can go down as well as up. You may not recover what you invest.

Portfolio Commentary

This was a disappointing end to 2024 with the Fund inching ahead by 0.4%. For 2024 overall, the portfolio returned 8.8%, respectable in absolute terms but lagging the comparator increase of 11.7%, primarily due to a weak Q4, albeit in line with the peer group as measured by the ARC Charity Steady Growth index.

Bonds declined in Q4 with the gilt index falling by 3.5% and the wider Bank of America Global Broad Market Index falling 1.9%. Our own positioning was more defensive, primarily due to our shorter duration stance and outperformance of our corporate loan holdings.

Equities were positive overall but underperformance from IT and Financials despite solidly positive absolute returns, as well as declines from Healthcare and Consumer Staples held back progress from Communications Services and Consumer Discretionary. At company level, Netflix returned over 36% and Amazon, Visa, JPMorgan Chase, Ares Management, Alphabet, TSMC, Emerson Electric and Nvidia all returned over 20%. Set against this were declines in the region of 20% for AMD and Novo Nordisk due to poorly received drug trial results which indicated weight loss efficacy of its latest product towards the bottom end of the expected range. It has since emerged that the management have not helped market perceptions by allowing patients within the trial to adjust the dosage of the drug depending upon their preferences and we believe the subsequent re-rating downwards of the shares to be overdone.

The alternative investments section declined as the infrastructure investments fell back despite solid Net Asset Value (NAV) performance due to the slower pace of interest rate cuts. While the sector offers a high degree of value at present, high bond yields will likely remain a headwind to share price performance for the time being.

During November we received news that JPMorgan Global Core Real Assets will wind up and return cash to shareholders following a failed continuation vote. The latest NAV of just over 94p was published in December and the expectation is that over 50% of assets will have been liquidated by the end of the second quarter of 2025.

Outlook

We believe a global economic growth outlook of 3% real GDP for 2025 is reasonable and supports risk assets. The US economy remains robust and although labour markets have weakened slightly from tight levels this is little cause for concern at present. Inflation has returned close to target and core inflation is moving in the right direction. We see potential risks from inflation staying higher than expected and geopolitical tensions increasing. There is a lot of uncertainty surrounding the impact on trade and geopolitics from the implementation of tariffs and we are monitoring developments closely. However, we believe aggregate impacts on inflation from tariffs to be moderate compared to the inflationary backdrop of recent years.

After a couple of good years global equities have above average valuations due to the US market impact, but we take reassurance in that they remain supported by strong earnings growth and interest rate cuts. We also like bonds at current levels with attractive yields on offer and more interest rate cuts expected.

Fund Manager



Howard Jenner - Executive Director

Howard studied English and Psychology at Southampton University before joining Laing & Cruickshank in 2001, which was acquired by UBS in 2004. In 2006, he moved with the majority of his former colleagues to Cheviot Investment Management, which subsequently merged with Quilter. He is a Chartered Fellow of the Chartered Institute of Securities and Investment (CISI) and chairs the Charity Asset Allocation Sub-Committee. Howard is a member of the international equity, alternatives and fixed interest committees. Amongst his charitable commitments, he is a member of the Royal College of Arts' investment committee.

Quilter Cheviot

Senator House
85 Queen Victoria Street
London EC4V 4AB
+44 (0)20 7150 4000

To find out more about our specialist charity service, please contact
Charities Director, Charles Mesquita on
t: +44 (0)20 7150 4386 or email: charles.mesquita@quiltercheviot.com



[quiltercheviot.com](https://www.quiltercheviot.com)

Investors should remember that the value of investments, and the income from them, can go down as well as up and that past performance is no guarantee of future returns. You may not recover what you invest. Please refer to the Prospectus and Key Investor Information for further details visit: <https://www.quiltercheviot.com/our-services/the-quilter-cheviot-global-income-growth-fund-for-charities/>.

Important Information: This document is for general information purposes only and does not take into account the specific investment objectives, financial situation or individual requirements of any particular person. It is not a personal recommendation and it should not be regarded as a solicitation or an offer to buy or sell any securities or instruments mentioned in it. Quilter Cheviot recommends that potential investors independently evaluate investments, and encourages investors to seek the advice of a financial advisor. Unless otherwise stated, all statistics have been supplied by Quilter Cheviot. Whilst we believe the facts to be correct, we cannot assume liability for any errors or omissions. Quilter Cheviot and Quilter Cheviot Investment Management are trading names of Quilter Cheviot Limited. Quilter Cheviot Limited is registered in England and Wales with number 01923571, registered office at Senator House, 85 Queen Victoria Street, London, EC4V 4AB. Quilter Cheviot Limited is a member of the London Stock Exchange and authorised and regulated by the UK Financial Conduct Authority and as an approved Financial Services Provider by the Financial Sector Conduct Authority in South Africa.