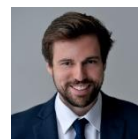


WISE INVESTMENT LIMITED - DEFENSIVE Pershing

MONTHLY FACTSHEET

all data as at 30th April 2025

PORTFOLIO MANAGEMENT



WILLIAM GEFFEN

Head of Investment
Management

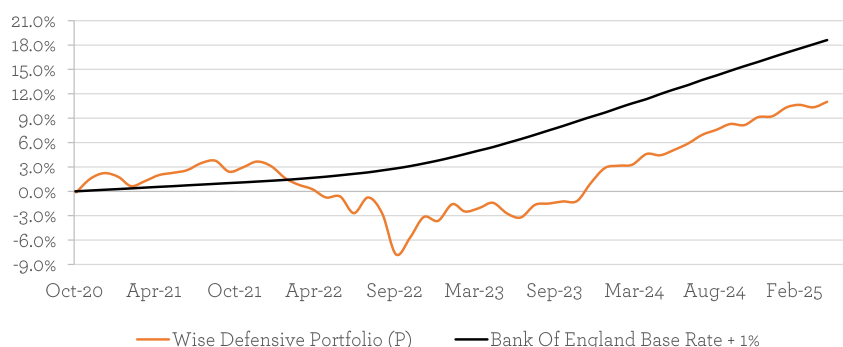
William joined Wise Investment in November 2023 and has 4 years' experience in managing equity funds. His main responsibility is the selection of suitable investments for portfolios and ensuring our investment service meets your requirements.

William successfully passed all three level of the Chartered Financial Analyst (CFA) exams gaining the qualification in 2021.

PORTFOLIO OBJECTIVES AND STRATEGY

The Wise Defensive Model Portfolio is designed for clients who are looking for a total return in line with Bank of England Base rate + 1% over a 5 to 10 year period with lower volatility than could be expected from full exposure to the stock market. We aim to achieve this by investing in a select and focussed list of funds (unit trusts, investment trusts and OEICs), with diversification across geography, asset class and investment style. These funds invest in real assets, such as company shares (listed both in the UK and overseas), property, fixed interest and cash. The Portfolio is selected with no more than 40% invested in 'medium' risk assets, such as shares and property. The balance of at least 60% is held in assets defined as 'moderate', 'low' or 'minimal' risk, which are mainly comprised of fixed interest (UK government and higher quality company debt) and cash. No exposure will be allocated to higher risk assets. We therefore consider the portfolio to be suitable for those willing to adopt a defensive risk profile.

PERFORMANCE SINCE LAUNCH (using month-end data)



Key Portfolio Details

| | |
|-----------------------------|----------------------|
| Launch Date | 29th October 2020 |
| Holdings | 8 |
| Historic Yield ¹ | 4.6% |
| Volatility ² | 7.0% |
| Benchmark | BoE Base Rate + 1.0% |
| Model OCF ³ | 0.3% |
| Service Charge ⁴ | 1.7% |

CUMULATIVE PERFORMANCE

| | 1m | 3m | 6m | 1yr | 3yr | Launch |
|--------------------------------|------|------|------|------|-------|--------|
| Wise Defensive Portfolio (P) | 0.6% | 0.6% | 2.7% | 6.3% | 11.9% | 11.0% |
| Bank Of England Base Rate + 1% | 0.4% | 1.3% | 2.8% | 5.9% | 16.5% | 18.6% |

DISCRETE ANNUAL PERFORMANCE

| | 30/04/2024 | 30/04/2023 | 30/04/2022 |
|--------------------------------|------------|------------|------------|
| | 30/04/2025 | 30/04/2024 | 30/04/2023 |
| Wise Defensive Portfolio (P) | 6.3% | 5.9% | -0.7% |
| Bank Of England Base Rate + 1% | 5.9% | 6.2% | 3.6% |

Contact Details

Wise Investments Ltd
The Great Barn
Chalford Park Barns
Chipping Norton
OX7 5QR
Switchboard: 01608 695100
Website: www.wiseinvestment.co.uk

All data used on this factsheet is supplied by Financial Express. Rounding may result in charts and tables not adding up to 100% in displayed data. Performance is based on total returns on a bid-to-bid basis, net of UK dividend tax credits and is calculated referencing a model portfolio. Actual portfolio statistics may differ because of investment performance, cash movements, transaction costs and the timing of sales and purchases within the portfolio. Quoted performance does not include fees levied by Wise Investments Ltd or any fees from custodial services. Service fees will apply. Past performance is not a reliable indicator of future results. This document should not be construed as an investment recommendation.

1 The Historic Yield is the weighted average yield of the model based on the model's current constituents.

2 The Model OCF calculates the annual charges levied by the underlying fund holdings according to the model portfolio weights.

3 The Service Fee incorporates the model OCF, the standard non-tiered annual fees levied by Wise Investments Limited and custodian fees, of which this is the highest possible fee. Further details of these charges are disclosed to clients investing in the model portfolios.



MONTHLY COMMENTARY

April saw some of the highest market volatility in recent memory.

While March saw some drawdowns across the board from anticipated tariffs, markets were clearly pricing in a fairly gradual and targeted approach to tariffs. This was blown out the water on the 2nd of April ('Liberation Day') when he announced widespread tariffs coming into effect also immediately. These so called "reciprocal tariffs" were in fact based on the balance of trade between the US and other countries, with the rough calculus being half the % current account difference with a minimum of 10%. This sent markets into a panic, with the US market drawing down 10%+ off the back of an already poor run in March. In typical Trump style, on the 8th of April he then tweeted (or rather shared a "Truth" on TruthSocial) saying that tariffs would be paused for 90 days except for the tariffs on China sending US markets flying up nearly 10% in a single day and other markets on a similar path. Since then, there has been a steady walking back of tariff policy along with several indications of various trade deals.

This episode is far from over, and if one thing can be assured, its that Trump clearly enjoys the attention and the power he wields over \$tns in market value. While the talk of a breakdown in US exceptionalism may be a bit over exaggerated, it is clear this attitude is very destructive to the smooth running of markets. Markets can tolerate and adapt to a good deal of pain and bad news so long as its quantifiable and signalled well in advance. What markets abhor is uncertainty and sudden changes to outlook, which this US administration seems to be delivering in spades. Often the best thing a US administration can do is nothing – or at least very little and quietly. Constantly messing with fragile parts of the economy like trade and supply chains only creates paralysis in key investment decisions for businesses and capital allocators, destroying masses of value no matter the actions actually taken.

Taking a step back, overall the US market dropped -3.5% in the month, compared to our own UK market, only down -0.2% and Europe and Japan, actually up 1.2% and 1.7% respectively (all in GBP Sterling terms). Emerging Markets were down -2.1% largely due to the escalation of tariffs threats between the US and China.

Fixed income also saw dramatic moves. There was (and remains) a great deal of attention on the US 10yr yield, as the US government will need to reissue a great deal of debt soon and, at current yields, will have to do so at a rather steep cost. One rational put forward for the dramatic move in tariffs, was to simultaneously raise large amounts of taxes to help reduce the deficit and creditworthiness of the government while also pushing the Federal reserve to cut rates due to a deteriorating economic outlook. Bond markets however seemed to shrug this off pushing yields higher in spite and the Federal reserve decided to maintain rates at their current levels (perhaps as Tariffs might be inflationary, especially if businesses pass the added cost through to consumers).

UK fixed income however was fairly insulated from these moves and served as a useful hedge, with UK Gilts rising 1.9% and corporate bonds up 1.4%.

In high yield, credit spreads going into this episode had also been tight but widened dramatically as markets began to anticipate a possible self-inflicted recession. These spreads did come back in as the tariff threat eased but high yield ended the month down -0.2%.

Finally, property almost entirely insulated from tariffs and global trade saw another decent month, up around 0.3% for directly held property and 3.3% for liquid listed UK real estate.

The defensive model returned +0.6%, ahead of the +0.4% return for the benchmark (BoE Base rate +1%).

The performance was largely driven by a strong performance from the fixed income holdings such as Vontobel TwentyFour's Absolute Return Credit fund up +0.6% and the small holding in the CT Property fund up +3.8%.

We made no changes to the portfolio and maintain a strategy of sticking to shorter dated bonds and securities, preferring to take on modest credit risk where prudent to boost return while looking to avoid the volatility that comes from holding longer dated bonds due to their relatively poor yield.

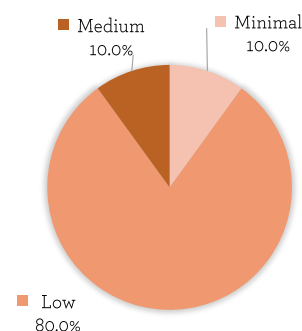
The model is now back ahead of the benchmark on a 1yr rolling basis, with the model returning 6.3% vs the "BoE base rate +1%" returning 5.9% and has achieved a return far superior to cash.

HOLDINGS

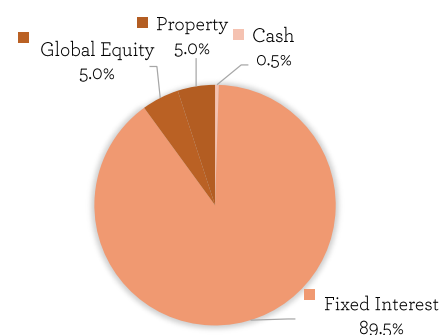
| Name | Weight | OCF |
|---|--------|-------|
| Premier Miton UK Money Market | 9.5% | 0.16% |
| L&G Short Dated Sterling Corporate Bond | 15.0% | 0.14% |
| M&G UK Inflation Linked Corporate Bond | 10.0% | 0.45% |
| TwentyFour Monument Bond | 15.0% | 0.39% |
| TwentyFour Absolute Return Credit | 40.0% | 0.35% |
| CT Property Growth & Income | 5.0% | 1.07% |
| Fidelity Index World | 5.0% | 0.12% |
| Cash | 0.5% | 0.00% |

RISK ALLOCATION

For Asset Risk Category definitions see the Wise Investment Risk Appendix, supplied to investors in the model portfolios.



ASSET ALLOCATION



IMPORTANT INFORMATION

Portfolio returns from the Wise Investment Model Portfolio Service will be subject to investment market fluctuations and there is no guarantee that the portfolio objectives, including any income targets, will be achieved. Where income is received as dividends, these will be automatically reinvested in the Model Portfolio, which may result in the Model Portfolio returns being higher than what a client portfolio can actually achieve. The performance will be reduced by the withdrawal of income and the impact of the ongoing charges and portfolio transaction costs. The charges can vary. Prices of funds and the income from them may fall as well as rise and investors may not get back the amount originally invested. Consequently, an investment into this portfolio should be considered for a 5 to 10 year period. The funds may invest in higher-yielding or non-investment grade bonds. The funds may hold investments denominated in currencies other than sterling. Changes in exchange rates will cause the value of these investments and the income from them to rise or fall. The funds can use derivatives for investment purposes. These instruments can be more volatile than investment in equities or bonds. Every effort is taken to ensure the accuracy of the data used in this document, but no warranties are given. Wise Investment has expressed its own views and these may change. The data contained in this document has been sourced by Wise Investment and should be independently verified before further publication or use. Wise Investment is a trading brand of Wise Investments Ltd. Wise Investments Ltd is authorised and regulated by the Financial Conduct Authority. Ref no. 230553.

