

WISE INVESTMENT LIMITED – LONG-TERM GROWTH

Pershing



MONTHLY FACTSHEET

all data as at 30th April 2025

PORTFOLIO OBJECTIVES AND STRATEGY

The Wise Long-Term Growth Model Portfolio is designed for clients who are looking for a total return in line with the MSCI PIMFA Global Growth index over a 5 to 10-year period. 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 invests 60-100% in ‘medium’ risk assets, such as shares and property and can include up to 40% in ‘high’ risk assets such as shares in specific countries and industries. The Portfolio can also invest up to 20% in ‘lower’ or ‘minimal’ risk assets such as higher quality company debt and cash. We therefore consider the portfolio to be suitable for those willing to adopt an adventurous risk profile.

PORTFOLIO MANAGEMENT

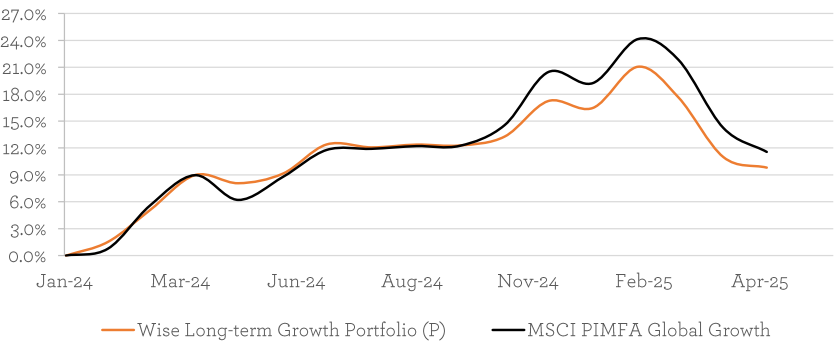


WILLIAM GEFFEN
Head of Investment
Management

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.

PERFORMANCE SINCE LAUNCH (using month-end data)



Key Portfolio Details

Launch Date	2nd January 2024
Holdings	12
Historic Yield ¹	1.8%
Benchmark	MSCI PIMFA Global Growth
Model OCF ²	0.4%
Service Charge ³	1.8%

CUMULATIVE PERFORMANCE

	1m	3m	6m	1yr	Launch
Wise Long-term Growth Portfolio (P)	-1.1%	-9.3%	-3.1%	1.6%	9.8%
MSCI PIMFA Global Growth	-2.3%	-10.1%	-2.6%	5.0%	11.6%

Contact Details

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DISCRETE ANNUAL PERFORMANCE

	30/04/2024	30/04/2025
Wise Long-term Growth Portfolio (P)	1.6%	
MSCI PIMFA Global Growth	5.0%	

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 Volatility is the annualised monthly volatility of the model portfolio to the most recent month end over a 3 year period or since launch if this period is less than 3 years
- 3 The Model OCF calculates the annual charges levied by the underlying fund holdings according to the model portfolio weights
- 4 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, it’s 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 Long-term growth model returned -1.1%, ahead of the Global Growth PIMFA benchmark return of -2.3%.

Global equity exposure performed poorly off the back of the sizeable drawdown in US stocks, with Fidelity Index World returning -1.4% and Fundsmith Equity returning -1.8%. UK equities held up well and our holdings in Teviot UK Smaller Companies and in JOHCM UK Equity Income returned a strong +2% and +2.4% respectively, however our smaller position in healthcare via the JH Global Life Sciences fund had a poor month as its biotech portfolio came under a great deal of pressure, returning -3.7%.

We made no changes to the portfolio in April.

This model continues to be an all-equity portfolio designed for investors with very long time horizons to maintain consistent exposure to the highest returning asset class while able to take the sizeable volatility that this comes with.

The portfolio has a solid core of global equity exposure, while also looking to take continually adjusted tactical exposure to sectors and geographies that we believe offer superior returns in the near term.

For example, we maintain a position in the JOHCM UK Equity Income fund to capture the substantial discount we see in the traditional “deep value” parts of the UK market. We also have a 5% position in the Teviot UK Smaller Companies fund to benefit from the attractive set up in that part of the domestic market – an area where other larger institutional investors are unable to access due to liquidity constraints.

We also hold a 5% position in the Janus Henderson Global Life Sciences fund to take advantage of the attractive valuations in the healthcare sector – a sector that has also enjoyed strong long-term returns due to the high-quality nature of many healthcare businesses and the steady secular growth trends they are exposed to (e.g. aging populations).

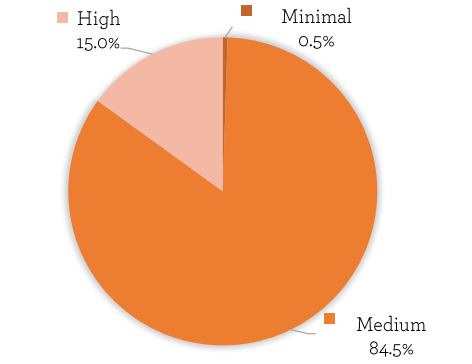
Finally, we have a 10% exposure to emerging markets with 5% in the Artemis SmartGARP Global Emerging Markets fund to capture the extreme discount emerging markets currently trade at, as well as 5% in the Aubrey Emerging Markets Opportunity fund which seeks returns via exposure to the rise in emerging market consumer spending.

HOLDINGS

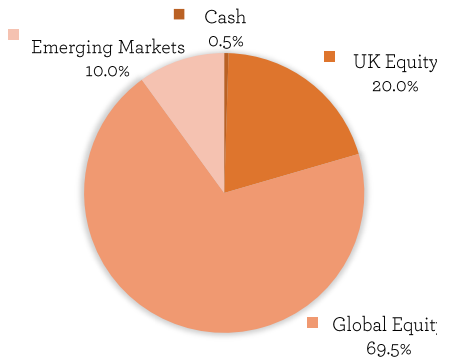
Name	Weight	OCF
JOHCM UK Equity Income	10.0%	0.67%
VT Teviot UK Smaller Companies	5.0%	0.88%
Invesco UK Enhanced Index	5.0%	0.23%
Fidelity Index World	39.5%	0.12%
Fundsmith Equity	5.0%	0.94%
IFSL Church House Human Capital	5.0%	0.66%
WS Guinness Global Quality Mid Cap	5.0%	0.35%
Invesco Global Ex UK Enhanced Index	10.0%	0.23%
Janus Henderson Global Life Sciences	5.0%	0.76%
Artemis Global Emerging Markets	5.0%	0.86%
Aubrey Global Emerging Markets Opportunity	5.0%	1.04%
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.

