



ALL WEATHER QUARTERLY REVIEW

As at 31st December 2024

As 2024 drew to a close, the fourth quarter brought several surprises and offered a glimpse of what we might expect in 2025. The US economy witnessed short term positive performance as Donald Trump was declared the winner in the US elections in November with his rhetoric on policy programmes which was mainly based on lifting growth, lowering taxes and cutting regulations. Prior to his victory, we decided to make a strategic shift in our US allocation towards small and medium cap companies by adding a position in the Federated Hermes fund, due to an increase in the small business confidence index and new administration, we are looking forward to a more favourable business environment. December saw Japanese equities delivering strong positive performance followed by Europe despite the headwinds from low economic growth and inflationary challenges in addition to potential tariff threats from the US.

The commodity sector experienced some volatility during the quarter, with both industrial and precious metals showing weakness. The prices of gold and silver declined in November, while industrial metals like aluminium and copper also saw a drop in value. However, towards the end of December, gold sentiment reversed as its inverse correlation with global aggregate bond yields came into play. With bond futures declining, this set the stage for bond prices to recover, yields to drop, and gold to rebound.

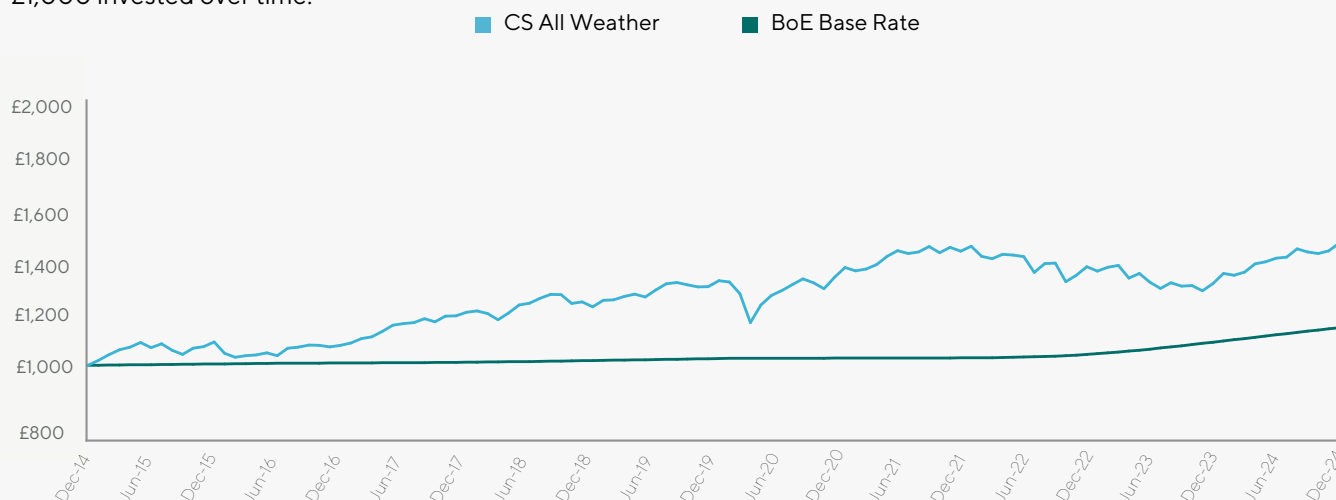
In November, the Federal Reserve reduced interest rates by 25 basis points to 4.50%. However, by December, central banks

adopted a more hawkish stance in response to rising inflation, and the debate over maintaining higher rates for an extended period gained renewed attention.

With a new administration in the US changing their stance on geopolitics, while inheriting an economy where stock prices are at an all-time high, the growth which came from several years of surging inflation could be a barrier for Trump's economic policy agenda. This is due to worries over matters such as trade tariffs and wage tax cuts fuelling further inflation. These may take a few months to play out and we are watching each development closely.

Performance

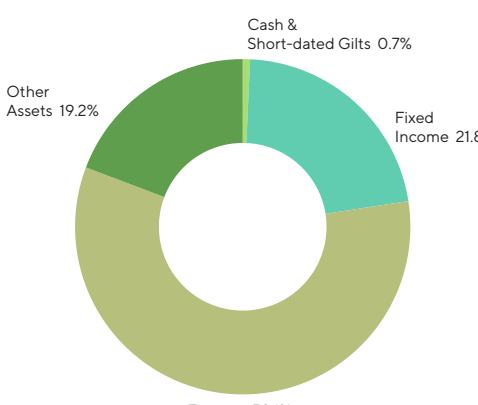
£1,000 invested over time:



Source: Reuters Eikon, CS Managers Ltd and Bank of England. Data as at 31/12/2024

TOTAL RETURN	CHARLOTTE SQUARE ALL WEATHER	UK BOE BASE RATE
3 months	1.15%	1.20%
1 year	6.86%	5.15%
3 years	-0.82%	11.62%
5 years	9.12%	11.99%
Inception	93.90%	17.82%

Asset Allocation

Top 10 Holdings	%	Sector		Overall Sector Breakdown
JPMorgan US Research Enhanced	7.83%	Equities		
Dodge & Cox Worldwide US Stock Fund	6.56%	Equities		
Artemis UK Select	5.41%	Equities		
iShares MSCI USA Quality Factor	4.95%	Equities		
Artemis Corporate Bond	4.20%	Fixed Income		
WisdomTree Physical Gold	4.19%	Other Assets		
BH Macro	4.17%	Other Assets		
Pacific Asset Trust	4.00%	Equities		
Pictet Strategic Credit	3.92%	Fixed Income		
VT Teviot UK Smaller Companies	3.91%	Equities		

Source: CS Managers Ltd and Bank of England as at 31/12/2024

Performance numbers are indicative. Performance from 31 Dec 2009 - 30 Sept 2018 is of The Thesis Charlotte Square Allweather Fund. From the 30 Sept 2018 to 31 March 2022, performance is shown of the Charlotte Square Investment Managers All Weather strategy, net of underlying fund costs, management fee of 0.75% + VAT, and other ancillary and dealing costs. From 31 March 2022, performance figures are drawn from a composite group of non-constrained discretionary portfolios managed by Charlotte Square Investment Managers under an All Weather investment strategy. These figures have been calculated net of fees and dealing costs and adjusted for contributions and withdrawals. Please note that the performance of individual portfolios may vary due to factors such as the portfolio size, stock selection and timing of investment transactions.

CONTACT

William Forsyth | Executive Chairman & CIO | wforsyth@csmanagers.com
Charlotte Square Investment Managers, 43 Charlotte Square, Edinburgh, EH2 4HQ | 0131 624 7709 | www.csmanagers.com

Charlotte Square Investment Managers is a trading name of CS Managers Ltd. CS Managers Ltd is authorised and regulated by the Financial Conduct Authority.

DISCLAIMERS & RISK WARNINGS

Opinions constitute our judgement as of this date and are subject to change without warning. This investment product may not be suitable for all investors. The value of investments, and the income from them, can go down as well as up, and investors may not recover the amount of their initial investment. Where an investment involves exposure to a foreign currency, changes in rates of exchange may cause the value of the investment, and the income from it, to go up or down. Past performance is not a reliable indicator of future results. Neither CS Managers Ltd, nor any connected party accepts responsibility for any direct or indirect or consequential loss suffered by you or any other person as a result of your acting, or deciding not to act, in reliance upon any information contained in this document. Before contemplating any transaction, you should consider whether you require advice from your Financial Adviser.

