

November was a strong month with all BAM portfolios producing positive returns. Equity markets were the main drivers of return with allocations to US and UK equities performing particularly well. Lower risk investors will be delighted to hear that there's Christmas cheer to spread across the full risk spectrum, as fixed income assets also had a strong month with many allocations producing in excess of 1% in November, providing a very attractive return for the amount of risk taken.

INFLATION - THE COST OF AN AVERAGE CHRISTMAS DINNER FOR 4 HAS INCREASED BY 6.5% SINCE LAST YEAR ACCORDING TO KANTAR

UK inflation is back above the Bank of England's 2% target again. In the US inflation also remains above the Federal Reserve's target which reinforces BAM's view that the market has continually overstated the rate of interest rate cuts by central banks in developed economies. Despite this the team still believe that the direction of travel, towards further rate cuts remains the same but that the journey may take longer than anticipated 6–12 months ago. What this does mean is that the economic environment is appealing for bond investors. In very blunt terms, if interest rates come down, the capital value of the bonds will rise and if interest rates don't fall, the bonds will have a greater income yield. To take advantage of this market dynamic, the BAM portfolios increased their exposure to fixed income assets in October.

POLITICAL UNREST - "HOW CAN YOU GOVERN A COUNTRY WITH 246 VARIETIES OF CHEESE?" (CHARLES DE GAULLE)

This year was always going to be interesting from a political perspective with over half of the global population voting in general elections, but not many people would have expected so much off-ballot action. French politics has reached a crisis point as Michele Barnier's minority government was unable to pass their budget consequently leading to the government's removal by a vote of no confidence. President Macro must now appoint a new prime minister to form a government, but this is likely to lead to another weak minority coalition. Currently the BAM portfolios have an underweight to France, but the BAM team continue to follow the evolving situation given France's importance to Europe as a whole both financially and politically. In South Korea the President imposed martial law after his minority government was continually outvoted. This appears to be little more than an extreme petty political tantrum and so implications for the BAM portfolios

are expected to be minimal so long as the political debacle and social unrest remain within South Korean borders.

SANTA RALLY - HAPPY CHRISTMAS (WAR IS OVER)?

The best way to spread Christmas cheer is by buying stocks this time of year. In December each year investors ho ho hope for a phenomenon known as a Santa Rally whereby positive momentum builds in investment markets as we approach Christmas. Theories seeking to explain the moves vary from workers investing bonuses to investors simply feeling seasonally optimistic. To put some figures to the theory, over the past 50 years the S&P 500 has been positive in December 78% of the time compared to 59% when we consider all months. However, as always, correlation does not equal causation, for example the average US household spend on Christmas gifts has a strong correlation with Google searches for 'my cat scratched me' which is clearly spurious. Hopefully we will see a Santa Rally but as always, focus should be on longer term performance as short-term moves can be especially unpredictable. Talking of unpredictability, with President Trump on the horizon, maybe war will be over too.

We wish all our investors a Merry Christmas and a happy, profitable 2025.

ETHICAL OPPORTUNITIES



5 YEAR MODEL PERFORMANCE VS BENCHMARK

DEFENSIVE MIXED ASSETS MODEL



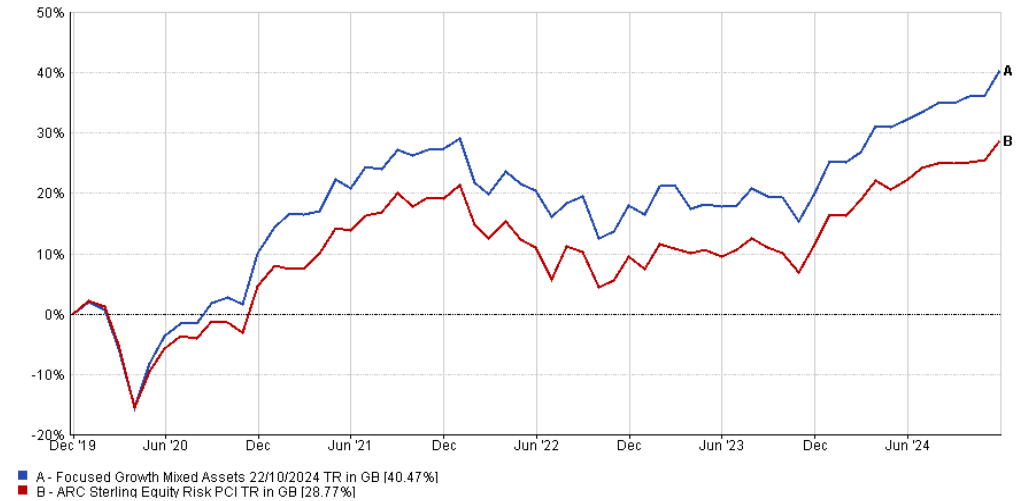
DEFENSIVE BALANCED MIXED ASSETS MODEL



BALANCED MIXED ASSETS MODEL



FOCUSED GROWTH MIXED ASSETS MODEL



BAM MPS PERFORMANCE FIGURES TAKE INTO ACCOUNT THE ONGOING CHARGES OF THE UNDERLYING HOLDINGS BUT EXCLUDE ADVISER CHARGES AND PLATFORM FEES. INCLUSION OF THESE WILL RESULT IN A LOWER RETURN TO THE END INVESTOR, DEPENDING ON THE CLIENT AGREEMENT AND THE PLATFORM USED.

ARC PCI: ASSET RISK CONSULTANTS (ARC) OPERATE THE PRIVATE CLIENT INDICES (PCI) ACROSS THE RISK SPECTRUM AS PERFORMANCE MEASUREMENT AND YARD-STICKS FOR DISCRETIONARY PORTFOLIO MANAGERS. THIS DATA INCLUDES PLATFORM FEES AND MAY BE ESTIMATED AND SUBJECT TO REVISION.

AS IS THE VERY NATURE OF INVESTING, THERE ARE INHERENT RISKS AND THE VALUE OF YOUR INVESTMENT WILL BOTH RISE AND FALL OVER TIME. PLEASE DO NOT ASSUME THAT PAST PERFORMANCE WILL REPEAT ITSELF AND YOU MUST BE COMFORTABLE IN THE KNOWLEDGE THAT YOU MAY RECEIVE LESS THAN YOU ORIGINALLY INVESTED. CHANGES IN RATES OF EXCHANGE MAY HAVE AN ADVERSE EFFECT ON THE VALUE, PRICE OR INCOME OF AN INVESTMENT. THE OPINIONS STATED ARE THOSE OF BECKETT ASSET MANAGEMENT LTD, WHICH IS AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.