

# WISE INVESTMENT LIMITED - INCOME

Pershing

## MONTHLY FACTSHEET

all data as at 28<sup>th</sup> February 2026

### PORTFOLIO OBJECTIVES AND STRATEGY

The Wise Income Model Portfolio is designed for clients who are looking for a level of income plus capital growth in line with the MSCI PIMFA 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 aims to provide income of 3.5% or more per year. The Portfolio invests 60-100% in 'medium' risk assets, such as shares and property and can include up to 20% in 'high' risk assets such as shares in specific countries and industries. The Portfolio can also invest up to 40% 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 a medium 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)



### CUMULATIVE PERFORMANCE

	1m	3m	6m	1yr	3yr	5yr	Launch
Wise Income Portfolio (P)	4.4%	6.8%	11.4%	15.8%	35.6%	57.0%	130.1%
MSCI PIMFA Growth	3.6%	5.3%	12.1%	16.8%	47.1%	66.0%	172.2%

### DISCRETE ANNUAL PERFORMANCE

	28/02/2025	29/02/2024	28/02/2023	28/02/2022	28/02/2021
	28/02/2026	28/02/2025	29/02/2024	28/02/2023	28/02/2022
Wise Income Portfolio (P)	15.8%	12.0%	4.6%	4.1%	11.2%
MSCI PIMFAGrowth	16.8%	13.6%	10.9%	1.5%	11.2%

### Key Portfolio Details

Launch Date	9th April 2014
Holdings	13
Historic Yield <sup>1</sup>	4.1%
Yield Target	3.5%+
Volatility <sup>2</sup>	6.2%
Benchmark	MSCI PIMFA Growth
Model OCF <sup>3</sup>	0.7%
Service Charge <sup>4</sup>	2.0%

### Contact Details

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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.

<sup>1</sup> The Historic Yield is the weighted average yield of the model based on the model's current constituents

<sup>2</sup> 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

<sup>3</sup> The Model OCF calculates the annual charges levied by the underlying fund holdings according to the model portfolio weights

<sup>4</sup> 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

February was a strong month for investors, with most major asset classes delivering positive returns.

Global equity markets performed well overall, rising 2.82% during the month. The US, which represents a significant portion of the global equity index, lagged other major markets, returning a modest 1.14% in sterling terms. However, much of this gain was driven by currency movements rather than underlying market performance, as the US dollar strengthened by 2.07% against sterling, reflecting broader weakness in the pound against most major currencies during the month.

Elsewhere, equity markets delivered stronger returns. European equities rose 4.86%, UK equities gained 6.71%, and Emerging Markets advanced 7.68%. The standout performer was Japan, where equities returned 10.83%, supported by increased investor optimism following the decisive election victory of Sanae Takaichi. Her win has raised expectations for more expansionary fiscal policy and pro-growth economic reforms.

Bond markets also delivered positive returns during February as government bond yields declined across most major markets. This was supported by softer inflation data and growing expectations that central banks may begin cutting interest rates later in the year. UK government bonds (gilts) returned 2.52%, outperforming investment-grade corporate bonds (1.16%) and high-yield bonds (0.51%). The weaker performance of corporate and high-yield bonds reflected a small widening in credit spreads, suggesting a modest increase in investor caution.

In real estate, listed property securities rose 2.46%, helped by narrowing discounts to net asset values. Direct property delivered a more modest 1.13% return, reflecting the slower adjustment of physical property valuations.

Despite the generally strong market environment, the public software sector experienced a sharp sell-off during the month. Many Software-as-a-Service (SaaS) and enterprise software companies fell 20-30% or more amid concerns that rapid advances in artificial intelligence could disrupt traditional software business models. This market reaction, dubbed the "SaaS apocalypse" by traders, reflected fears that increasingly capable AI systems could eventually replace some conventional software products rather than simply enhance them.

Looking ahead, the investment backdrop remains somewhat challenging. The US equity market continues to trade at relatively high valuations, supported largely by enthusiasm around artificial intelligence and the strong performance of a small number of large technology companies. While many of these businesses are highly profitable and well positioned to benefit from AI-driven productivity gains, market expectations appear elevated and could leave valuations vulnerable to disappointment.

Against this backdrop, we remain cautiously positioned. Our portfolios maintain moderate exposure to US equities relative to the benchmark, and a preference for higher-quality, shorter-duration bonds, which continue to offer attractive yields relative to the low levels seen in recent history.

While the near-term outlook may appear uncertain, it is important to remember that markets have historically navigated periods of volatility and uncertainty. Over time, steady global economic growth has continued to support long-term investment returns, and we remain optimistic about the prospects for patient, long-term investors.

The Income model returned 4.4%, ahead of the 3.6% return of the PIMFA Growth benchmark, despite the benchmark's allocation to Alternatives, an uninvestable asset class that mimics a factor-based long/short equity strategy, which returned 3.51% during the month.

The outperformance was largely driven by BNY Mellon Global Infrastructure, which gained 10.97% as investors rotated away from growth and tech stocks, particularly AI-linked and software names, towards more defensive assets, with energy and utilities performing strongly. Another notable contributor was our overweight to property, where CT Property Growth returned 5.95%, well ahead of both direct property and listed real estate.

No changes were made to the portfolio in February.

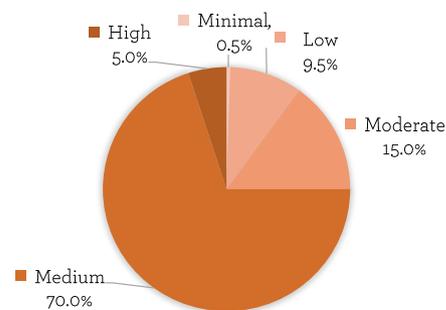
We continue to favour a core global equity strategy, complemented by higher-quality, shorter-dated bonds to moderate risk.

## HOLDINGS

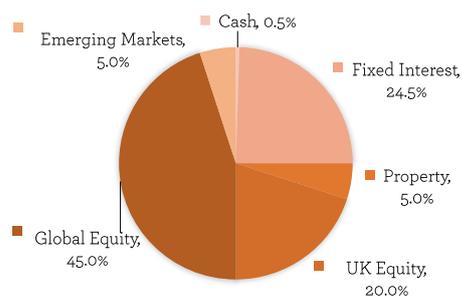
Name	Weight	OCF
WS Evenlode Global Income	15.0%	0.54%
TwentyFour Asset Backed Opportunities	10.0%	0.70%
JOHCM UK Equity Income	10.0%	0.73%
BNY Mellon Global Income	10.0%	0.81%
BNY Mellon Global Infrastructure Income	10.0%	0.53%
Guinness Global Equity Income	10.0%	0.77%
TwentyFour Absolute Return Credit	9.5%	0.36%
Man Dynamic Income	5.0%	0.81%
VT Teviot UK Smaller Companies	5.0%	0.92%
Invesco UK Enhanced Index	5.0%	0.23%
CT Property Growth & Income	5.0%	1.11%
Artemis SmartGARP Emerging Markets	5.0%	0.84%
Cash	0.5%	0.00%

## ASSET RISK

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.

