

# WISE INVESTMENT LIMITED - CAUTIOUS

## Pershing

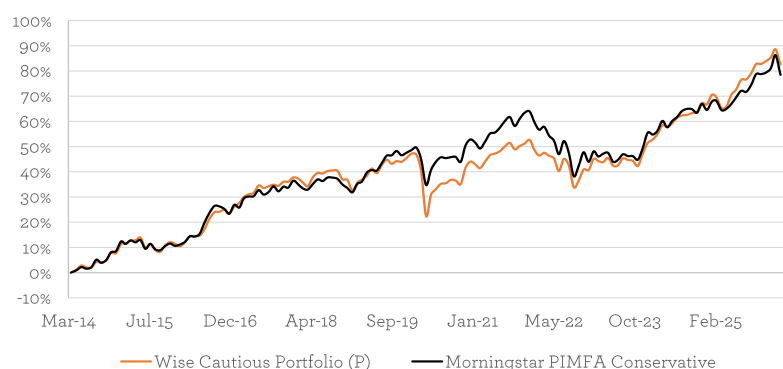
### MONTHLY FACTSHEET

all data as at 31<sup>st</sup> March 2026

## PORTFOLIO OBJECTIVES AND STRATEGY

The Wise Cautious Model Portfolio is designed for clients who are looking for a total return in line with the Morningstar PIMFA Conservative index over a 2 to 4 year period, but 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 20-60% invested in 'medium' risk assets, such as shares and property. 40-80% 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, and any remaining balance up to 5% can be invested in higher risk assets, such as shares in specific countries and industries. We therefore consider the portfolio to be suitable for those willing to adopt a cautious risk profile.

## PERFORMANCE SINCE LAUNCH (using month-end data)



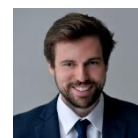
## CUMULATIVE PERFORMANCE

	1m	3m	6m	1yr	3yr	5yr	Launch
Wise Cautious Portfolio (P)	-3.2%	-0.7%	2.0%	10.4%	26.9%	26.7%	82.5%
Morningstar PIMFA Conservative	-4.2%	-0.5%	2.3%	8.5%	21.3%	17.4%	78.5%

## DISCRETE ANNUAL PERFORMANCE

	31/03/2025 31/03/2026	31/03/2024 31/03/2025	31/03/2023 31/03/2024	31/03/2022 31/03/2023	31/03/2021 31/03/2022
Wise Cautious Portfolio (P)	10.4%	4.4%	10.1%	-2.5%	2.4%
Morningstar PIMFA Conservative	8.5%	2.7%	8.8%	-6.8%	3.8%

## 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.

## Key Portfolio Details

<b>Launch Date</b>	28th March 2014
<b>Holdings</b>	13
<b>Historic Yield<sup>1</sup></b>	4.1%
<b>Volatility<sup>2</sup></b>	5.2%
<b>Benchmark</b>	Morningstar PIMFA Conservative
<b>Model OCF<sup>3</sup></b>	0.4%
<b>Service Charge<sup>4</sup></b>	1.8%

## 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.

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

March was a challenging month for financial markets, dominated by escalating geopolitical tensions centred on Iran and the strategic importance of the Strait of Hormuz. What initially appeared as a geopolitical incident quickly translated into a macroeconomic crisis, as rising oil prices surged above \$100 per barrel. This pushed up the “energy risk premium” and reignited inflationary pressures at a time when markets had been anticipating a more stable monetary backdrop.

This shift prompted a broad pullback in risk assets, with investors adopting a more cautious stance. The pattern echoed previous oil shocks, such as in 2022, where markets initially reacted sharply before stabilising once oil prices settled. Over the month, global equities fell by -4.54%.

Markets most exposed to rising energy costs were hit hardest. Europe declined -8.8%, the UK -6.6%, and Emerging Markets -11.4%, as higher oil prices fuelled inflation worries and clouded the outlook for growth and policy. Japan also lagged, down -10.7%, reflecting its heavy reliance on imported energy and sensitivity to global risk sentiment.

The US held up better, falling -3.1% supported by its greater energy independence and a stronger dollar. Overall, markets rotated away from more economically sensitive regions towards those seen as better insulated from the energy shock.

Bond markets also weakened, with yields rising sharply as expectations for interest rate cuts were reassessed. At the start of the month, markets had been pricing in several rate cuts in 2026. However, as inflation concerns returned, those expectations were reversed, with the possibility of rate hikes now being considered by year-end. This led to sizeable losses in UK government bonds (gilts) of -4.26% and -3.71% in corporate bonds.

Listed real estate was particularly impacted, falling -16.66%, as higher bond yields and heavily discounted rates weighed on valuations.

Markets were driven by headlines throughout the month, with sentiment swinging between escalation and de-escalation. This kept volatility elevated across equities and bonds, a pattern that looks set to continue as uncertainty around energy prices and interest rates persists.

Looking ahead, markets will remain sensitive to developments in the middle east, especially around the status of shipping in the strait of Hormuz due to its impact on oil and LNG (as well as other critical resources like Helium needed for semiconductor manufacturing). This in turn will impact interest rate expectations, meaning short-term swings in sentiment as we see a knock-on effect on inflation. In this environment, we remain cautiously positioned, with a preference for higher-quality, shorter-duration bonds that are less sensitive to interest rate moves. From our perspective, it's more important than ever to have a clear-eyed view on what are short term impacts (usually priced in very quickly) and meaningful long-term structural shifts.

While the near-term outlook is uncertain, markets have consistently navigated periods like this before. Over time, steady global growth has supported long-term returns, and we remain confident in the outlook for patient investors.

The Cautious model returned -3.2%, ahead of the -4.2% return of the PIMFA Conservative benchmark.

The relative resilience was mainly driven by the portfolio's positioning in shorter-duration and flexible fixed income strategies, such as TwentyFour Monument Bond and Man Dynamic Income. As bond yields rose, longer-dated bonds came under greater pressure, while this more defensive positioning helped to cushion the downside.

The main detractors were CT Property Growth & Income and JOHCM UK Equity Income. Property markets struggled with higher financing costs, while UK equities were weighed down by uncertainty around interest rates and global growth. JOHCM's focus on value-oriented income and domestic exposure lagged in this environment, although we continue to see attractive value in more traditional “deep value” areas of the UK market.

During March, the portfolio was rebalanced with the addition of Pictet AI-Driven Global Equity and Man Systematic Global Core Equity, partially replacing the holding in the Fidelity World Index. The aim of the change is to enhance long-term returns through systematic and factor-driven investment processes. Both strategies sit between traditional active and passive management, using quantitative models to capture opportunities through factors such as valuation, market trends, and other data-driven signals, while maintaining broad global diversification. Over time, these “enhanced index” approaches are expected to deliver modest outperformance compared to standard passive funds, particularly as different investment styles come in and out of favour.

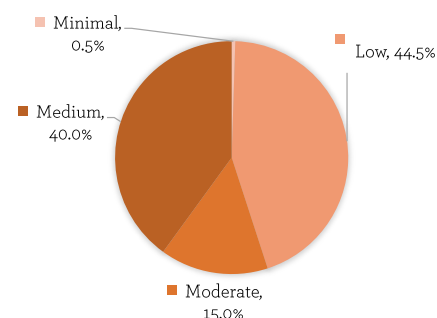
The Cautious model remains ahead of its benchmark over longer periods, returning 26.9% over 3 years and 26.7% over 5 years, compared with 21.3% and 17.4% for the benchmark. Importantly, this outperformance has been achieved with lower volatility, delivering higher returns while reducing exposure to excessive price fluctuations.

## HOLDINGS

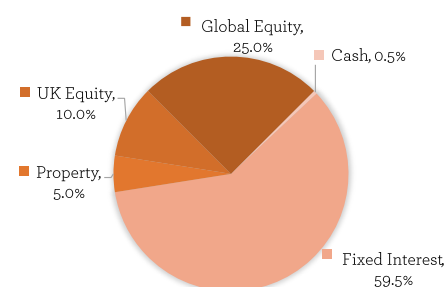
Name	Weight	OCF
TwentyFour Absolute Return Credit	29.5%	0.36%
TwentyFour Monument Bond	10.0%	0.38%
TwentyFour Asset Backed Opportunities	10.0%	0.70%
Fidelity Index World	10.0%	0.12%
Royal London Abs Return Gov Bond	5.0%	0.30%
Man Dynamic Income	5.0%	0.81%
JOHCM UK Equity Income	5.0%	0.73%
Invesco UK Enhanced Index	5.0%	0.23%
Invesco Global Ex UK Enhanced Index	5.0%	0.23%
Man Systematic Global Core Equities	5.0%	0.50%
Pictet Quest AI-Driven Global Equities	5.0%	0.43%
CT Property Growth & Income	5.0%	1.11%
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 2 to 4 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.

