IQ Global Equity Strategy

JANUARY 2024

INVESTMENT QUORUM
UNIQUE, BOUTIQUE WEALTH MANAGEMENT

The aim of this portfolio is to provide a worldwide investment approach by investing through collective investment schemes. The portfolio will invest principally through global equities and thematic strategies to capture above-average global returns.

The portfolio can also hold a percentage weighting in cash deposits for both liquidity and tactical reasons.

KEY INFORMATION

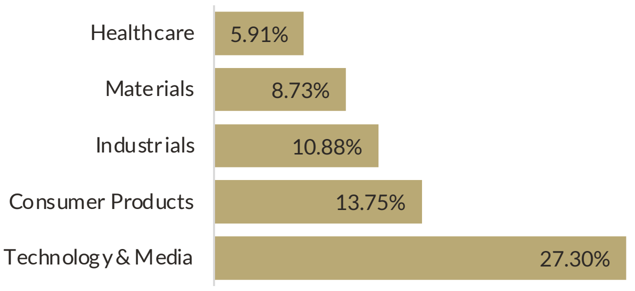
Currency: **GBP**
Historical Yield: **1.17% p.a.**
Total Fund Charges: **0.69% p.a.**

RISK & REWARD PROFILE

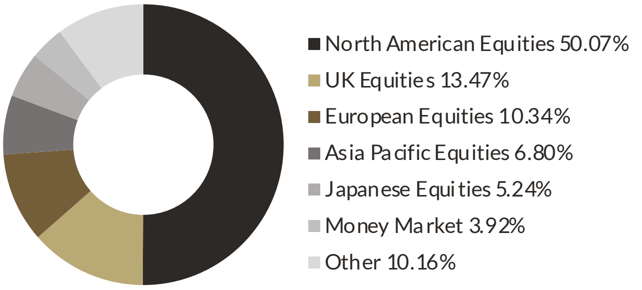
LOWER RISK ⟵ ⟶ HIGHER RISK

1 2 3 4 5 **6** 7

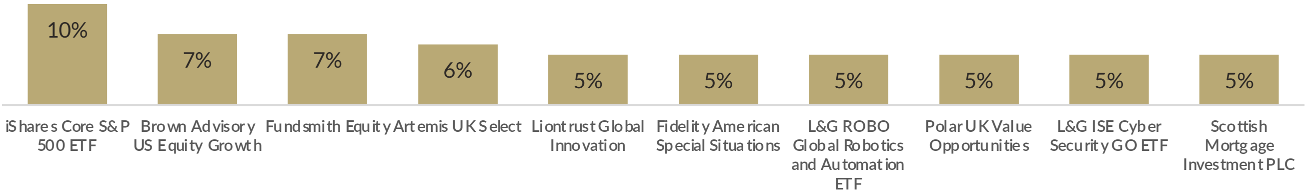
Top Sector Allocation



Asset Allocation



Largest Fund Holdings*



** Key (investor) information documents are available for each fund.*

Discrete Calendar Year Performance

PERIOD	01/01/2018 to 31/12/2018	01/01/2019 to 31/12/2019	01/01/2020 to 31/12/2020	01/01/2021 to 31/12/2021	01/01/2022 to 31/12/2022	01/01/2023 to 31/12/2023	ANNUALISED RETURN *(since Dec-11)*
Global Equity Strategy**	-4.73%	23.24%	29.87%	8.26%	-23.25%	12.70%	10.36%
ARC Sterling Equity Risk PCI (Benchmark)	-6.50%	18.04%	5.82%	12.31%	-11.40%	8.10%	6.71%

Cumulative Performance

PERIODS TO 31/12/2023	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	10 YEARS	CUMULATIVE RETURN *(since Dec-11)*
Global Equity Strategy**	6.25%	6.26%	12.70%	-6.41%	49.69%	148.37%	227.00%
ARC Sterling Equity Risk PCI (Benchmark)	5.53%	5.02%	8.10%	7.58%	34.38%	69.07%	118.39%

*** Performance figures take account of underlying fund charges but not IQ's and platform fees.*

Please remember that past performance is not a guide to the future.

IQ Global Equity Strategy

INVESTMENT QUORUM
UNIQUE, BOUTIQUE WEALTH MANAGEMENT

Strategy Commentary

Following a tricky October, global equity and fixed-income markets ended the year on a more buoyant note. US treasury yields dropped sharply as the Federal Reserve Bank's tone changed, with Chairman Jerome Powell indicating that rates would probably be cut faster than expected over the course of 2024. Equity markets reacted positively to this news: performances improved across most equity markets and down the market cap spectrum. This improvement was not limited to the Magnificent Seven US technology stocks – stocks which enjoyed a stellar year, particularly over the first three quarters. The top three performing funds through Q4 were **Scottish Mortgage Investment Trust PLC (+20.94%), Liontrust Global Innovation (+13.33%)** and **L&G Cyber Security ETF (+11.07%).** Scottish Mortgage has performed poorly over the last three years: sharply rising interest rates and persistent inflation have punished many of the innovative, high-growth stocks which had performed so strongly through the pandemic as we worked, shopped, and socialised at home. However, having stuck with this trust we are glad to see the manager's faith in many of these budding, exciting businesses rewarded. While some managers have shifted their styles and changed their modus operandi over the last three years, we applaud the team's long-term perspective and willingness to support their businesses' management groups through what has been a difficult period.

The worst performing fund over the quarter was **SPDR S&P US Energy Select Sector ETF (-10.50%).** One reason behind the energy sector's underperformance compared with the broader stock market in 2023 was the general trend of stable to declining oil prices. A barrel of crude oil was in the US$80 range at the start of 2023 – significantly lower than 2022's peak price of more than US$120 a barrel. Should the US economy suffer any kind of a downturn as 2024 gets underway, traders would expect oil demand to lag. Although there has not yet been any such downturn, weak activity and demand in China at the start of 2023 as the country emerged from a prolonged period of Covid lockdowns also affected commodity prices. This weakened revenues for many of the firms featuring in the portfolio. This yearly performance may be disappointing, but we still believe that there is space for holding a portfolio of conventional energy businesses in this strategy. Even as the world continues its transition to EVs, we predict that oil demand will remain strong: traditional energies are still needed to power mining activities for extracting the minerals required to produce batteries. With many of these businesses still running with significant amounts of cash on their balance sheets – evidenced by increased M&A activity in the second half of the year – we remain positive about the year ahead.

Powered by data from FE, data collected: 01/01/2024

Investment Team

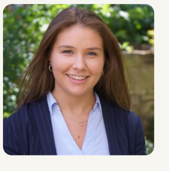
Peter Lowman
Chief Investment Officer

Peter has served as IQ's CIO and Global Market Strategist since 2007. With over 50 years of investing experience, he has delivered impressive returns on IQ clients' investments over the past 15 years. He oversees and manages every aspect of our investment process – from asset allocation to fund selection. His ability to navigate the intricate world of investment markets is underpinned by a blue-sky thinking approach and an ongoing commitment to innovation.

Nick Harrington
Investment Analyst

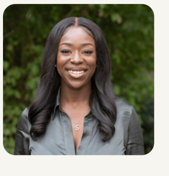
Nick has been an Investment Analyst at IQ for 4 years. Nick is responsible for analysing North American and Asian markets, evaluating investments to find the best opportunities for our clients. Nick holds the CFA UK Certificate in Investment Management and the CFA Certificate in ESG Investing.

Holly West
Investment Analyst



Holly has been an Investment Analyst at IQ for 3 years. Holly is responsible for analysing UK and European markets, evaluating investment to find the best opportunities for our clients. Holly holds the CFA UK Certificate in Investment Management and a diploma in Financial Planning.

Sophie Ajuda
Investment Team Administrator



Sophie is the Investment Administrator for the team. Her daily responsibilities include dealing, cash management, and meeting our clients' cash needs for income and withdrawals. She is committed to providing the highest level of service to our clients.