

TrinityBridge Portfolio Funds

Monthly fund manager update
May 2026



Giles Parkinson
Managing Director

STRATEGY OVERVIEW

The TrinityBridge Portfolio Funds seek to achieve resilient returns over the long term through a company-led approach to investing in a multi-asset context by acquiring ‘cheap durables’ – direct interests in predictable businesses that will grow in value and repay their debts purchased at attractive cash-based valuations – is complemented by allocations to fixed income and alternative assets

MONTHLY PERFORMANCE REVIEW & ACTIVITY

Global equity markets continued to rise in May. Despite no formal peace agreement in the Middle East conflict, investors appeared satisfied that negotiations were heading in the right direction and ‘peak uncertainty’ was in the rearview mirror. The flipside of the equity rally was oil and sovereign bond yields, both heading lower towards month end.

Semiconductors continued to lead equity market returns in May, with the world’s largest company by market capitalisation – Nvidia – reporting results that confirmed that the AI buildout has plenty of runway. Despite the +90% rally in semiconductors year-to-date, the basket of companies has

not become more ‘expensive’ as earnings upgrade estimates have matched the share price performance in aggregate.

The Portfolio Funds remain well positioned to capitalise on the artificial intelligence buildout. The Funds outperformed their respective Investment Association (IA) sector peer group benchmarks by ~1% in May and remain firmly ahead on a year-to-date basis. There was no new trading activity during the month. Outside of equities, we remain overweight sovereign duration and gold, providing diversification against equity risk.

OUTLOOK

Alongside reducing equity exposure in early March, we increased duration later in the month through US Treasuries, where we believe the risk/reward is favourable. If the Middle East conflict de-escalates, we should see yields fall on lower oil prices. If we instead see further escalation, there is likely an oil price at which recession fears outweigh the associated inflationary pressures. In which case Treasuries should outperform.

IMPORTANT INFORMATION

This document is intended for use by UK investment professionals only and should not be distributed to or relied upon by retail clients. The value of investments will go up and down and clients may get back less money than they invested. Past performance is not a reliable indicator of future returns. The information contained in this document is believed to be correct but cannot be guaranteed. Opinions constitute our judgment as at the date shown and are subject to change without notice. This document is not intended as an offer or solicitation to buy or sell securities, nor does it constitute a personal recommendation.

TrinityBridge is a trading name of TrinityBridge Limited (registered in England and Wales under company number 01644127) and TrinityBridge Fund Management Limited (registered in England and Wales under company number 02998803). Both companies are authorised and regulated by the Financial Conduct Authority. Registered office: Wigmore Yard, 42 Wigmore Street, London, W1U 2RY.

TBR10028 08/06/2025

© TrinityBridge