

Close Tactical Select Passive Funds

Monthly fund manager update

December 2024



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Year in Review

2024 was a challenging year with interest rates staying at higher levels than the market expected, causing volatility in the fixed income market. Uncertainty in the US elections added even more volatility across all asset classes. Despite the challenges through the year, the passive fund range managed to perform well in 2024 and outperformed their respective Investment Association (IA) peer groups for the year.

For 2024 our Funds' Year-to-Date (YTD) returns are as follows with the respective IA sector peer groups in brackets:

- Close TSP Conservative
+7.8% (+6.1%)
- Close TSP Balanced
+9.6% (+9.0%)
- Close TSP Growth
+11.9% (+9.4%)

Month in Review

Last month of the year gave back some of the performance made since Trump's election victory. However, our more defensive positioning helped, allowing the range of funds to outperform respective IA peer groups across the board.

Our best performing equity holdings during the month of December were the Invesco S&P 500 US Information Technology UCITS ETF up +3.5%, followed closely by LGIM Cyber Security UCITS ETF up +3.2%. The worst performing equity holding in December was the First Trust US Equity Income UCITS ETF, which heavily benefitted on the back of Trump's Election victory, giving back -8.1% in December.

Fixed income was slightly negative for the month, with longer duration bonds underperforming our shorter duration. The the SPDR UK Gilt 15+ UCITS ETF was down -5.7%, making it our worst performing fixed income holding in December.

Overall, our diversifiers performed well. Most notably the UBS CMCI Composite UCITS ETF up +1.8%, while gold, was down circa -1.0%. Our absolute return fund Trium Alternative Growth fund was up +1.1%, while the iShares FTSE Global infrastructure UCITS ETF gave back the post-election gains and was down -5.9%.

General Positioning

We have taken profits in our gold holding and the positioning across the board is now

around 2%. Currently we maintain cash at low levels; around circa.1%.

We have kept our slight underweight in fixed income across the funds, while we are maintaining an overweight allocation to equities, specifically in the US.

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