

EPIM Cabot

Q3 2025 Portfolio Update



Latest Market Commentary – October 2025

Global markets have experienced a turbulent three months, marked by surging equity optimism, escalating geopolitical tensions, and renewed volatility in bond markets. Investors are looking to the upcoming third-quarter reporting season to provide some reassurance.

In the US, the Federal Reserve (Fed) cut interest rates for the first time this year, responding not to political pressure from the Trump administration but to a weakening labour market. The Fed lowered its benchmark rate by 25 basis points in September, despite persistent inflation, which rose to 2.9% year-on-year in August. Wall Street responded with record highs, as the S&P 500 and Nasdaq rallied on artificial-intelligence-driven tech gains and investor confidence in monetary easing.

Bond markets, however, were rattled by rising yields. Long-dated government debt in the US, UK, and Japan surged to multi-decade highs on concerns about government spending. In the US, Donald Trump's "Big Beautiful Bill" – a sweeping tax-and-spending package – is expected to expand the US deficit by nearly \$3.8 trillion over the next decade. Treasury yields spiked to levels not seen since the 2008 financial crisis, as investors demanded higher returns to offset inflation and fiscal risk.

Further unsettling markets was Donald Trump's escalating battle with the Fed, which has the potential to spark a constitutional and economic crisis. His unprecedented attempt to fire Governor Lisa Cook threatens the central bank's long-standing independence. Mr Trump claims Cook committed mortgage fraud, which she denies, and has petitioned the Supreme Court to allow her removal – despite legal precedent requiring "cause" tied to misconduct during tenure. Critics argue the move is politically motivated, aimed at reshaping the Fed's board with loyalists who would support Trump's push for aggressive interest rate cuts.

If successful, Trump could gain sweeping influence over monetary policy, potentially undermining inflation control and destabilising financial markets. The case, now before the Supreme Court, is being closely watched as it could redefine

the balance of power between the executive branch and America's most critical economic institution.

Mr Trump has also aggressively reshaped US trade policy, deploying a "reciprocal tariff" strategy to pressure trading partners into bilateral deals. While most tariffs settled around 10%–15%, punitive measures were imposed on countries such as India and Brazil, and a 100% tariff on imported pharmaceuticals was announced in late September - though its impact appears muted for now.

In the UK, Chancellor Rachel Reeves faces intensifying budget pressures ahead of her 26 November Autumn Statement. A projected £30bn-£50bn fiscal shortfall, coupled with record borrowing and downgraded productivity forecasts, threatens Labour's economic agenda. Ms Reeves is under pressure to deliver fiscal discipline without breaching her pledge not to raise income tax, value added tax, or national insurance, prompting speculation around stealth taxes, pension reform, and sweeping changes to property levies.

Geopolitical tensions continue to simmer. In a marked shift, President Trump has demanded that European nations, particularly Germany, Hungary, and France, halt all Russian energy imports before the US imposes further penalties on Moscow and its financial backers over the war in Ukraine. Proposals include tariffs of up to 100% on Chinese goods due to Beijing's continued support for Moscow. The president has also floated secondary sanctions on India and Turkey and is considering blacklisting Russia's "shadow fleet" of oil tankers used to evade existing restrictions.

Following a reassuring second-quarter earnings season, investors now turn to the third quarter, where more moderate growth is expected. Technology giants are likely to outperform again as investment in data centres to power the new artificial intelligence applications remain elevated. However, in general, equity valuations are lofty – and the unpredictability of Trump's policy agenda remains a key risk to global market stability.

	EPIM Cabot Cautious	EPIM Cabot Moderately Cautious	EPIM Cabot Balanced	EPIM Cabot Growth	EPIM Cabot Global Equity
Fixed Income	52.8	47.0	31.6	17.0	5.6
Government Bond	15.2	11.6	10.6	8.0	5.6
Inflation Linked	5.0	4.0	2.9	2.7	0.0
Investment Grade Bond	32.7	31.4	18.1	6.4	0.0
Equity	17.2	33.0	51.3	68.9	80.4
North America	8.6	17.0	26.5	32.9	41.7
Japan	3.3	5.2	5.9	7.2	7.4
Europe	2.1	3.0	4.0	4.0	5.3
UK	3.2	3.7	4.4	6.3	5.2
Asia Pacific ex-Japan	0.0	4.1	6.6	9.5	10.5
GEM	0.0	0.0	3.9	6.4	6.8
Global/Thematic Equities	0.0	0.0	0.0	2.6	3.6
Alternatives	5.1	10.1	11.3	12.2	12.4
Property	2.0	2.0	3.0	3.8	4.7
Infrastructure	3.1	8.1	8.3	8.4	7.7
Cash & Equivalent	24.9	9.9	5.9	2.0	1.6

Portfolio Positioning

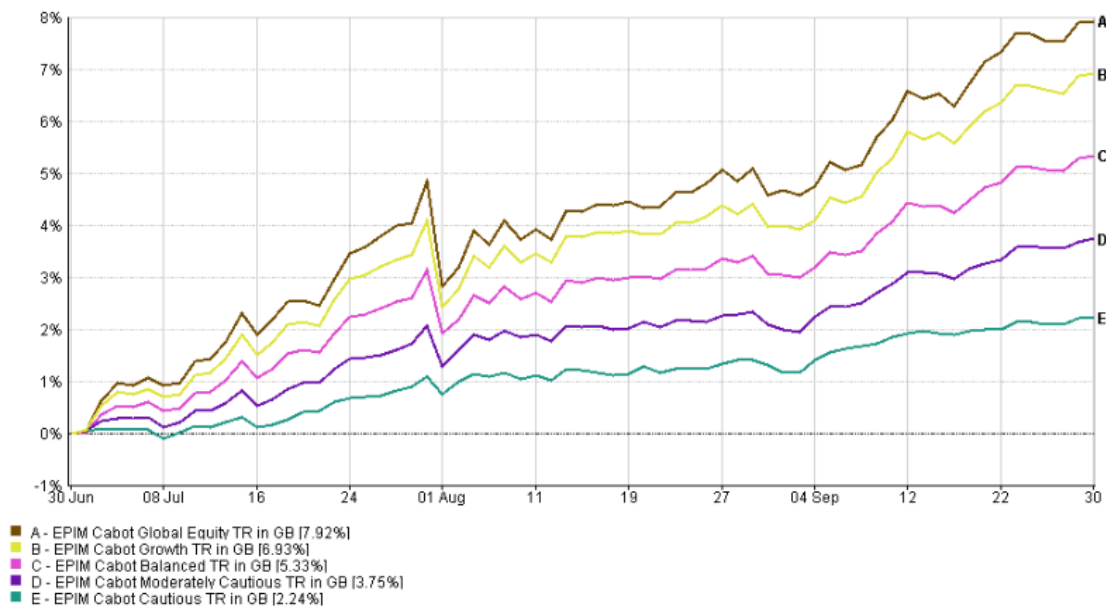
When allocations deviate from our strategic benchmark due to market movements, we assess whether to maintain these levels or rebalance. Following the most recent review, we have chosen to hold current positioning, reflecting our neutral stance on risk and confidence in the portfolio's diversification.

While uncertainty remains - particularly around trade policy and monetary direction - economic data and company earnings have been more resilient than anticipated. We expect volatility to persist but do not believe conditions warrant a lower risk allocation.

During the quarter, we completed the rotation of our US equity exposure back toward market-cap weighted indices. While our previous equal-weighted approach aimed to capture broader market recovery, leadership has remained concentrated in large-cap names. These firms exhibit strong earnings, pricing power and we believe they are well-positioned to navigate the current macro backdrop.

In the UK, we exited our mid-cap exposure following a reassessment of the domestic recovery thesis. Despite attractive valuations, the lack of earnings momentum and fiscal clarity led us to reallocate toward other areas.

Figure 1: 3-month Performance



Source: Financial Express Analytics, net income reinvested. Past Performance is not a reliable indicator of future returns. As at: 30th September 2025.

Quarterly Performance

Global markets posted strong gains in Q3 2025, navigating a backdrop of policy uncertainty, trade tensions, and geopolitical risks. Despite volatility, investor sentiment remained resilient, supported by robust earnings and signs of economic strength.

Equities led performance, with the S&P 500, Nasdaq and FTSE 100 all reaching record highs. In the US, consumer spending remained firm, and recession fears eased. Emerging markets outperformed, supported by dollar weakness and strength in Asian equities, while Eurozone stocks were comparatively weaker.

Fixed income markets were mixed. US Treasuries declined early in the quarter as yields rose on deficit concerns, but sentiment stabilised following the Fed's 25bps rate cut in September. This dovish shift responded to labour market softness despite sticky inflation. Long-dated yields in the US, UK, and Japan surged to multi-decade highs amid concerns over fiscal sustainability.

Trade policy remained a key theme, with the US imposing new tariffs on several key partners. These moves added to global uncertainty but had limited immediate inflation impact. Political risks intensified, particularly around central bank independence, as Trump's attempt to dismiss Fed Governor Lisa Cook raised constitutional concerns. In the UK, economic challenges persisted, with rising unemployment and budget pressures ahead of the Autumn Statement.

EPIM Cabot Growth	Average Weight (%)	Total Return (%)	Contribution to Return (%)
Fixed Income	18.3	2.7	0.5
Government Bond	8.2	0.1	0.0
Inflation Linked Bond	2.9	3.1	0.1
Investment Grade Bond	7.2	5.6	0.4
High Yield Bond	0.0	0.0	0.0
Emerging Market Bond	0.0	0.0	0.0
Equity	67.4	15.6	10.5
North America	31.4	16.6	5.2
Japan	6.7	18.3	1.2
Europe	4.1	14.2	0.6
UK	6.2	10.6	0.7
Asia Pacific ex-Japan	8.9	14.3	1.3
Global Emerging Market	6.7	17.3	1.1
Global Equity / Thematics	3.2	12.6	0.3
Alternatives	12.4	3.9	0.5
Property	4.0	-0.8	0.0
Absolute Return / Multi Asset	0.0	0.0	0.0
Infrastructure	8.4	6.2	0.5
Commodities	0.0	0.0	0.0
Private Equity / Debt	0.0	0.0	0.0
Cash & Equivalent	2.0	2.3	0.0

12m Attribution

Over the past year, the EPIM Cabot Growth portfolio delivered a strong total return, with equities contributing the majority at +10.5%. North America was the largest driver (+5.7%), supported by strong earnings and tech sector leadership. Global Equity/Thematics added +2.4%, while Europe (+1.4%), UK (+0.5%), Japan (+0.2%), and Emerging Markets (+0.2%) also contributed positively. Asia Pacific ex-Japan added modest gains (+0.1%).

Fixed income added +1.0%, led by government bonds (+0.5%) and emerging market debt (+0.2%). High yield and investment grade bonds contributed +0.2% and +0.1% respectively, while inflation-linked bonds were flat.

Alternatives contributed +0.5%, with commodities (+0.3%) and private equity/debt (+0.3%) offsetting a small drag from absolute return strategies (-0.1%). Property was flat. Cash & Equivalents returned +2.0% but contributed 0.0% due to its low weighting.

EPIM Cabot Cautious	Average Weight (%)	Total Return (%)	Contribution to Return (%)
Fixed Income	57.7	3.6	2.1
Government Bond	19.0	1.1	0.2
Inflation Linked Bond	4.9	3.1	0.2
Investment Grade Bond	33.8	5.1	1.7
High Yield Bond	0.0	0.0	0.0
Emerging Market Bond	0.0	0.0	0.0
Equity	16.9	16.0	2.6
North America	4.6	12.4	1.0
Japan	2.9	15.7	0.5
Europe	1.2	6.4	0.1
UK	2.9	15.2	0.4
Asia Pacific ex-Japan	0.0	0.0	0.0
Global Emerging Market	0.0	0.0	0.0
Global Equity / Thematics	5.3	4.6	0.6
Alternatives	5.2	3.4	0.2
Property	2.1	-0.8	0.0
Absolute Return / Multi Asset	0.0	0.0	0.0
Infrastructure	3.1	6.2	0.2
Commodities	0.0	0.0	0.0
Private Equity / Debt	0.0	0.0	0.0
Cash & Equivalent	20.1	4.2	0.9

EPIM Cabot Moderately Cautious	Average Weight (%)	Total Return (%)	Contribution to Return (%)
Fixed Income	49.2	3.7	1.8
Government Bond	12.2	1.1	0.1
Inflation Linked Bond	4.2	3.1	0.1
Investment Grade Bond	32.7	4.8	1.6
High Yield Bond	0.0	0.0	0.0
Emerging Market Bond	0.0	0.0	0.0
Equity	30.6	15.9	5.0
North America	14.5	17.1	2.6
Japan	4.7	18.1	0.8
Europe	2.7	14.2	0.4
UK	5.0	10.8	0.6
Asia Pacific ex-Japan	3.1	16.7	0.6
Global Emerging Market	0.0	0.0	0.0
Global Equity / Thematics	0.6	-1.1	0.0
Alternatives	10.4	4.5	0.5
Property	2.5	-0.8	0.0
Absolute Return / Multi Asset	0.0	0.0	0.0
Infrastructure	7.8	6.2	0.5
Commodities	0.0	0.0	0.0
Private Equity / Debt	0.0	0.0	0.0
Cash & Equivalent	9.8	4.1	0.4

EPIM Cabot Balanced	Average Weight (%)	Total Return (%)	Contribution to Return (%)
Fixed Income	34.6	3.6	1.2
Government Bond	11.2	0.9	0.1
Inflation Linked Bond	3.5	3.1	0.1
Investment Grade Bond	19.8	5.2	1.0
High Yield Bond	0.0	0.0	0.0
Emerging Market Bond	0.0	0.0	0.0
Equity	48.8	15.4	7.6
North America	23.9	16.4	4.0
Japan	5.6	18.6	1.0
Europe	3.4	14.2	0.5
UK	5.3	10.2	0.6
Asia Pacific ex-Japan	6.1	13.6	0.9
Global Emerging Market	3.5	17.3	0.6
Global Equity / Thematics	0.9	-1.1	0.0
Alternatives	11.5	4.3	0.5
Property	3.1	-0.8	0.0
Absolute Return / Multi Asset	0.0	0.0	0.0
Infrastructure	8.4	6.2	0.5
Commodities	0.0	0.0	0.0
Private Equity / Debt	0.0	0.0	0.0
Cash & Equivalent	5.1	3.7	0.2

EPIM Cabot Global Equity	Average Weight (%)	Total Return (%)	Contribution to Return (%)
Fixed Income	6.7	0.5	0.0
Government Bond	5.8	0.1	0.0
Inflation Linked Bond	0.8	-0.5	0.0
Investment Grade Bond	0.0	0.0	0.0
High Yield Bond	0.0	0.0	0.0
Emerging Market Bond	0.0	0.0	0.0
Equity	77.8	15.5	12.1
North America	39.0	16.2	6.4
Japan	6.7	18.2	1.2
Europe	4.8	14.2	0.7
UK	6.9	10.9	0.8
Asia Pacific ex-Japan	9.6	14.0	1.5
Global Emerging Market	7.0	17.3	1.1
Global Equity / Thematics	3.8	12.6	0.5
Alternatives	13.6	3.4	0.4
Property	5.5	-0.8	-0.1
Absolute Return / Multi Asset	0.0	0.0	0.0
Infrastructure	8.1	6.2	0.5
Commodities	0.0	0.0	0.0
Private Equity / Debt	0.0	0.0	0.0
Cash & Equivalent	1.9	2.2	0.0

Top & Bottom Contributors – 12m to 30 September 2025

Cabot Cautious	Positive Contributors				Negative Contributors			
	Description	Weight (%)	Return (%)	CTR (%)	Description	Weight (%)	Return (%)	CTR (%)
	Fidelity Index US Hedged	2.3	15.5	0.7	L&G Global Real Estate Dividend Index Fund	2.1	-0.8	0.0
	L&G Short Dated Corp Bond Index	11.0	5.7	0.6	L&G S&P500 US Equal Weight Index Fund	0.5	-3.7	-0.1
	Vanguard UK Short Term Investment Grade Bond Index	10.8	4.8	0.5	L&G All Stocks Gilt Index Trust	8.4	-1.5	-0.2
Cabot Moderately Cautious	Positive Contributors				Negative Contributors			
	Description	Weight (%)	Return (%)	CTR (%)	Description	Weight (%)	Return (%)	CTR (%)
	Fidelity Index US Hedged	6.0	1.3	16.9	Legal & General Global Health & Pharma Index	0.6	-1.1	0.0
	L&G US Index	6.0	1.2	17.8	L&G Global Real Estate Dividend Index Fund	2.5	-0.8	0.0
	Legal & General Pacific Index	3.1	0.6	16.7	L&G All Stocks Gilt Index Trust	4.6	-1.5	-0.1
Cabot Balanced	Positive Contributors				Negative Contributors			
	Description	Weight (%)	Return (%)	CTR (%)	Description	Weight (%)	Return (%)	CTR (%)
	Fidelity Index US Hedged	10.5	16.9	1.9	Legal & General Global Health & Pharma Index	0.9	-1.1	0.0
	L&G US Index	6.2	17.8	1.2	L&G Global Real Estate Dividend Index Fund	3.1	-0.8	0.0
	Fidelity US Index Fund	5.0	17.0	0.9	L&G All Stocks Gilt Index Trust	4.5	-1.5	-0.1
Cabot Growth	Positive Contributors				Negative Contributors			
	Description	Weight (%)	Return (%)	CTR (%)	Description	Weight (%)	Return (%)	CTR (%)
	Fidelity Index US Hedged	14.0	16.9	2.5	Legal & General Global Health & Pharma Index	0.9	-1.1	0.0
	L&G US Index	7.9	17.8	1.4	L&G Global Real Estate Dividend Index Fund	4.0	-0.8	0.0
	Fidelity US Index Fund	6.6	17.0	1.2	L&G All Stocks Gilt Index Trust	4.4	-1.5	-0.1
Cabot Global Equity	Positive Contributors				Negative Contributors			
	Description	Weight (%)	Return (%)	CTR (%)	Description	Weight (%)	Return (%)	CTR (%)
	Fidelity Index US Hedged	15.2	16.9	2.5	Legal & General Global Health & Pharma Index	0.9	-1.1	0.0
	L&G US Index	10.1	17.8	1.9	L&G All Stocks Gilt Index Trust	3.1	-1.5	-0.1
	Fidelity US Index Fund	10.0	17.0	1.9	L&G Global Real Estate Dividend Index Fund	5.5	-0.8	-0.1

Risk Characteristics

	Max Drawdown			Sharpe Ratios			Volatility		
	1y	3y	5Y	1y	3y	5Y	1y	3y	5Y
EPIM Cabot Cautious	-1.0	-1.1	-9.3	1.4	1.6	0.3	2.9	3.5	4.3
EPIM Cabot Moderately Cautious	-2.3	-2.3	-11.7	1.3	1.5	0.5	4.5	4.5	5.9
EPIM Cabot Balanced	-4.2	-4.2	-12.3	1.2	1.5	0.7	6.5	6.0	7.4
EPIM Cabot Growth	-6.3	-6.3	-12.6	1.1	1.4	0.7	8.6	7.3	8.8
EPIM Cabot Global Equity	-7.8	-7.8	-12.8	1.1	1.4	0.8	10.2	8.2	9.8

Source: FE Analytics. All data as at 30 September 2025

Past performance is not a reliable guide to future performance. The performance is net of Eden Park Investment Management fees, with income reinvested. Return Period: Weekly

●●Risk Free Rate: 1.5% ●Annualised Ratios: Yes ●Currency: Pounds Sterling

General Regulatory Disclosure

The value of investments, and the income derived from them, can fall as well as rise. Investors may get back less than invested. Returns may be affected by currency exchange rate fluctuations.

Performance is calculated on a Total Return basis using a notional portfolio in Financial Express Analytics. Performance is net of Charles Stanley Investment Management fees but not adviser fees nor platform costs. Any charges and fees applied by authorised intermediaries will be charged in addition to the charges shown. The Total Ongoing Charges Figure (TOC) is calculated by Financial Express Analytics using a weighted average of the underlying investments and represents underlying Ongoing Charges Figure plus Transaction costs plus Incidental costs for those holdings. Portfolios linked to this Model Portfolio may not exactly replicate the model due to the difference in timing of initial investment or rebalancing differences resulting from individual portfolio circumstances. The management and rebalancing of this Model Portfolio does not take Capital Gains Tax into consideration. This update has been prepared for information purposes only and does not constitute advice or a personal recommendation, nor does it constitute an invitation to purchase units or shares. The information on which the document is based is deemed to be reliable. Charles Stanley has not independently verified such information, and its accuracy or completeness is not guaranteed. Although Charles Stanley's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any damages (including lost profits) even if notified of the possibility of such damages. Charles Stanley is a trading name of Raymond James Wealth Management Limited, which is a member of the London Stock Exchange, is authorised and regulated by the Financial Conduct Authority and is part of the Raymond James Financial, Inc. group of companies.