



BinaryCapital



Flagship **Model Portfolio Service**

Quarterly Investment Report

2025

As we close the second quarter of 2025, it's with a sense of optimism that we review the investment landscape. Despite some initial volatility (primarily around US trade policy - tariff announcements), Q2 proved to be a period of robust recovery and encouraging growth across various asset classes, indeed most assets. This return uplift was somewhat of a surprise. The market demonstrated remarkable resilience, showcasing the underlying strength of economies and the innovative spirit and flexibility of leading global companies. After a large drawdown in Q1 2025, US equities, particularly large capitalised stocks, technology positions, led with impressive Q2 gains.

This upward momentum was largely driven by strong corporate earnings reports and a renewed investor confidence in technological advancements, especially ai themes, revenues and P/E valuations being dominant. It's clear that innovation continues to be a powerful engine for value creation. While some areas, like US small-cap stocks, experienced minor pullbacks, the overall picture for US equities remains long-term positive but possibly short-term cautious.

US policymakers are balancing political rhetoric with nuanced economic growth, against the backdrop of inflation above target and interest rates yet to decline meaningfully. Much of this is a 2026 story.

Internationally, developed markets also delivered solid returns, indicating a synchronised global recovery. Emerging markets, buoyed by a weaker US dollar, performed well, offering compelling opportunities for long-term diversification. Again, technology names in overseas markets are dominant, especially in China and Taiwan.

Looking ahead, our outlook remains cautiously positive. We continue to monitor global economic indicators and geopolitical developments, but the fundamental drivers of growth appear firmly in place.

Our strategic allocations are well-positioned to capture further upside potential while maintaining a prudent approach to risk management. We are confident that the positive momentum from Q2 will carry forward, albeit there is bound to be further volatility in 2H 2025 as markets perhaps pull back from the euphoria of Q2. It is never a straight-line upward trajectory. We are experienced investors and are dedicated to producing consistent market leading returns.



Saftar Sarwar
Chief Investment Officer

Saftar Sarwar

Summary

After a significant drawdown start in Q2, investment markets found upside growth in Q2, delivering some genuinely encouraging results. Investment markets were very resilient and dynamic, adapting to challenges and finding new avenues for growth. US large-capitalised stocks, for instance, were up a healthy 4.5% in GBP terms for the quarter, reaching all-time highs in USD terms. Returns were generated in an environment of heightened uncertainty with conflict in the middle-east and ongoing tariff discussions.

Broad Global equities delivered strong total returns of 5.2% in GBP. This wasn't just 'buy-the-dip'; it was underpinned by solid Q1 corporate earnings and a clear enthusiasm for innovation, especially in the technology sector. While smaller US companies did not bounce as strong, Russell 2000 up 2.2% in GBP during the quarter, the overall equity story in the US is one of strength and continued potential, although US Equity valuations now sit at levels higher than the start of 2025. Beyond US equities, the news was also positive.

Gold, a traditional safe-haven, continued its upward trend reaching all-time highs in USD during Q2 2025, following a robust Q1. Fixed income markets also provided stability and positive returns, with Sterling Corporate Bonds and Gilts gaining during the quarter.

Looking ahead, we are keeping a close eye on global trends, but the fundamental engines of economic progress is steaming ahead. Our investment strategies are designed to capture these positive trends while always keeping a watchful eye on potential bumps in the road.

Equity Markets

United States

- The US market in Q2 was defined by a dramatic reversal, from sharp tariff-induced declines in April to a strong AI and tech-led rebound and steady recovery to the end of June. Markets saw investors rotating back into MAG7 (Excl. Apple and Tesla) and high-quality growth stocks. The rally occurred despite tariff uncertainty and cautions from the Federal Reserve on persistent inflation. The S&P500 rose 10.6% in USD, closing June at an all-time high of around 6400, and the NASDAQ100 in USD gained 17.8%.
- Trump's "Liberation Day" tariffs triggered a sharp sell-off across global markets. The S&P 500 dropped 19% in just two days, with volatility surging and investors rotating into defensive assets and cash. While the tariff hikes were eventually delayed until 9 July, the initial shock set off a wave of retaliatory moves. US tariffs on Chinese goods jumped to 145%, and China responded with tariffs of 125% on US imports. By June, only the UK and China had struck trade deals with the US. The UK agreed to a reduced set of tariffs, while keeping a 10% baseline. China resumed rare earth exports, cutting its tariffs to 30% after a breakthrough round of talks in London.
- Investor attention pivoted to the growing risks around US debt sustainability following the passage of the so-called "Big Beautiful Bill." Approved by the House in June and the Senate on 1 July, the legislation was seen as materially worsening the US fiscal outlook.
- Moody's downgraded the sovereign credit rating to Aa1, highlighting the rising cost of debt servicing and the absence of a credible plan to stabilise long-term debt dynamics.
- Tesla launched its much-anticipated robotaxi service in Austin over in July, beginning with a limited fleet of around 10 vehicles, each accompanied by a human safety driver. Musk has promised rapid expansion - claiming 1,000 robotaxis within months and suggesting rollouts in San Francisco and Los Angeles. At the same time, Uber shares hit all-time highs, underscoring the broader market's growing appetite for AI-enabled transport solutions.
- In mid-June, AMD CEO Lisa Su announced with OpenAI's Sam Altman that OpenAI will integrate AMD's next-generation MI400 graphics chips. AMD claim its technologies offer 40% better efficiency than NVIDIA's equivalent solution. OpenAI also agreed to lease 4.5 gigawatts of computing power from Oracle in a deal worth about \$30bn a year that is one of the largest cloud agreements to date for artificial intelligence. Oracle shares hit all-time highs.
- Nvidia, the chipmaking giant reached all time highs by the end of the quarter shortly after its upbeat annual shareholding meeting. The company holds the place of the largest company in the world by market cap and is close to \$4trillion in market cap.

**United Kingdom**

- FTSE100 closed at an all-time high of 8,884 on 12 June. Energy and mining companies were among the top performers, leading FTSE gains. The FTSE 250 saw the best quarterly in nearly 5 years, rising 12.5%. Pound Sterling strengthened ~6% against the Dollar.
- The OECD downgraded its UK growth forecast for 2025 to 1.3%, down from 1.4% earlier this year, referencing high government debt interest payments and new trade barriers, particularly from the US.
- Brent crude spiked 11% on 13th June in response to Israeli airstrikes on Iran and threats to close the Strait of Hormuz. Prices quickly fell back to pre-strike levels as diplomatic tensions eased. The FTSE100 has around ~9.5% exposure to energy companies.
- AstraZeneca is considering a dual UK-US listing which raises concerns about UK competitiveness. Earlier in June, the UK-based fintech company, Wise, announced it would switch its main listing from London to New York. Norwegian business software company Visma provisionally chose London over Amsterdam for its IPO, planned for early 2026.
- The defence sector saw strong performance, after the Strategic Defence Review and an increase in government defence spending, alongside a global resurgence in defence spending. BAE Systems and Babcock International rose after the review.

**Europe**

- European equities showed significant volatility in Q2 from US trade tariff shocks. Equities dropped for three consecutive weeks after the US Liberation Day announcements. Overall, European markets continued its trend of outperformance over the US as the EU embarks on significant fiscal expansion. Q2 2025 saw repatriation of capital and rotation out of US assets into relatively cheap European equities.
- In June, Berlin approved a 46 billion euro (\$53 billion) corporate tax relief package aimed at kick-starting growth.
- Defence and Industrial sectors gained on positive earnings and geopolitical caution; Rheinmetall gained 33%, Sweden's Saab up ~31% over Q2 as demand grew from increased NATO budget.
- The European Central Bank delivered an eighth consecutive rate cut of 0.25%, lowering the deposit rate to 2.0%. The Euro appreciated over 10% against the Dollar since early 2025 reaching \$1.20 despite the rate cuts. Underlying inflation eased to around 1.9–2.0%, at or below target, enabling room for policy moderation. Policymakers flagged risks from strong Euro and softer growth. European investors are faced with negative real returns in the very near future.

**China**

- Hang Seng vs. CSI 300 - Both indices bounced back from April tariff-driven declines, but the Hang Seng's recovery was more dramatic, given its deeper trough - it's up ~20% YTD vs. ~3% for mainland equities. The rally on the Hang Seng was driven by optimistic outlooks for tech such as Alibaba, Tencent, and CATL, which are not listed on the mainland.
- Record Hong Kong IPO activity: Q2 brought 41 new listings, with \$12.8 billion raised.
- Beijing maintained its ~5% growth target, although analysts predict this growth to be closer to 4.5% citing weak consumer demand and delayed stimulus clarity. Premier Li Qiang reaffirmed the "consumer-led" transition while assuring steady growth. In May, the PBoC reduced its 7-day repo rate from 1.5% to 1.4%, cut bank reserve requirements, and introduced targeted lending support.
- BYD sold more cars than Tesla, selling 607,000 vs 384,000 in Q2. BYD launched the Dolphin Surf, its cheapest and smallest EV, in the UK competing with European models such as the Renault 5 and Citroen e-C3. BYD approximately doubled its European market share.

**India**

- Q2 saw increased volatility due to global trade concerns. Despite this, the Sensex gained ~7% in H1 2025.
- In early May, India and Pakistan engaged in drone, missile, and airstrikes, followed by a ceasefire on 10th May. Indian stocks briefly dipped during the conflict, thereafter, continued with strong upside momentum.
- In early June, the Reserve Bank of India cut rates by 0.50% to 5.50%.
- India's Composite PMI (combining services and manufacturing) rose to 61.0 in June, the fastest pace in 14 months, with services reaching a 10-month high of 60.4.

Fixed Income

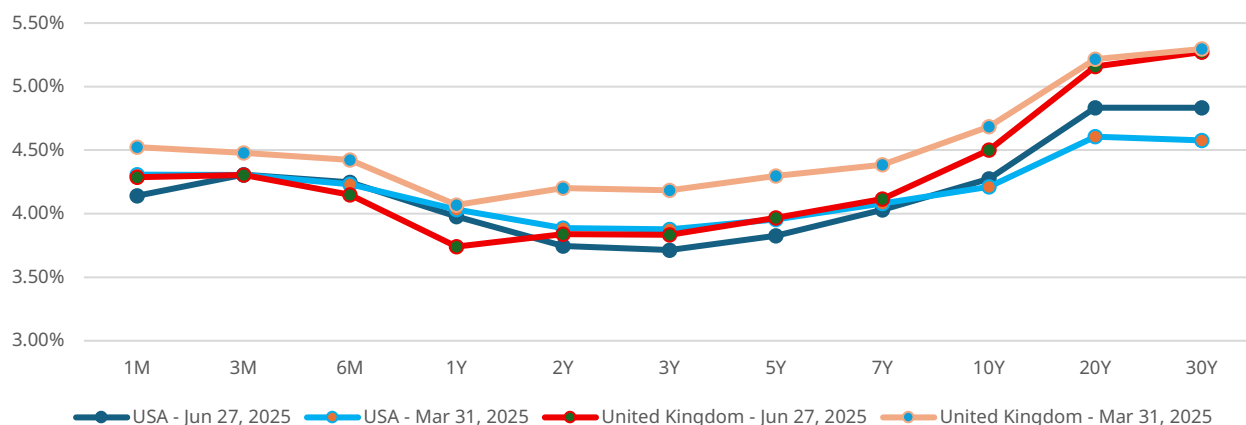
\$ Dollar-Denominated Fixed Income

- The Federal Reserve held rates steady throughout Q2 at 4.50%, with markets now expecting a rate cut in September. In the June meeting, policymakers reaffirmed a median projection of a further two 0.25% cuts by the end of 2025, although the number of officials expecting no cuts increased. Chair Powell emphasised that policy is dependent on data, particularly on inflation risks from tariffs.
- US inflation remains sticky, with an annual CPI of 2.4% in May. Core PCE held at 2.8% year-over-year in May with monthly increases (0.2% in April and 0.1% in May). Anticipated inflationary effects of tariffs have not yet materialised by the quarter-end data.
- Labour market remains resilient. Unemployment edged down: from 4.2% in May to 4.1% in June. April to June saw consistent job additions: April and May were revised to +158k and +144k respectively, followed by +147k in June.
- The Dollar Index fell ~10%, marking its worst first-half performance since the early 1970s.
- President Trump passed his flagship bill, which led to worries around debt sustainability.
- After widening sharply in the immediate aftermath of Liberation Day, U.S. investment grade (IG) credit spreads retraced fully - moving back below pre-announcement levels. The reversal marked outperformance versus Treasuries.

£ Sterling-Denominated Fixed Income

- Inflation climbed from 2.6% in March to a high of 3.5% in April, then eased to 3.4% in both May and June. Core CPI, excluding volatile items like energy and food, moderated from 3.8% in April to 3.5% in May. Despite this cooling, the Bank of England's Monetary Policy Committee projects inflation will remain just under 3.5% for the rest of 2025, with a brief peak of around 3.7% in Q3, before slowly converging toward the 2% target.
- The government spending review on 11 June announced a +2.3% annual growth in departmental budgets and £100bn+ in planned public investment across areas such as health, defence, and green infrastructure. Chancellor Rachel Reeves reversed ~£5.5bn of planned welfare savings after backlash within the Labour party. Gilts saw an initial sell-off, and GBP fell. Gilt market volatility calmed after Prime Minister Kier Starmer publicly backed Reeves.
- The OECD downgraded UK GDP growth from 1.4% to 1.3% for 2025, and also trimmed its 2026 outlook from 1.2% to 1.0%, advising Reeves to implement spending cuts and increased taxes.
- The BoE cut rates from 4.50% to 4.25% in May and held it steady in June. The Monetary Policy Committee maintains a 'gradual and careful' approach to policy to balance the risk of acting too soon and the need for further disinflation. Bailey noted "weakening demand and hiring intentions," with slack emerging. He reiterated that rates remain on a "gradual downward path", but stressed decisions will be data-dependent, not on autopilot. Markets are pricing two further rate cuts this year.
- GBP/USD strengthened significantly over Q2, rising from 1.31 to 1.36 in early July.

US and UK yields

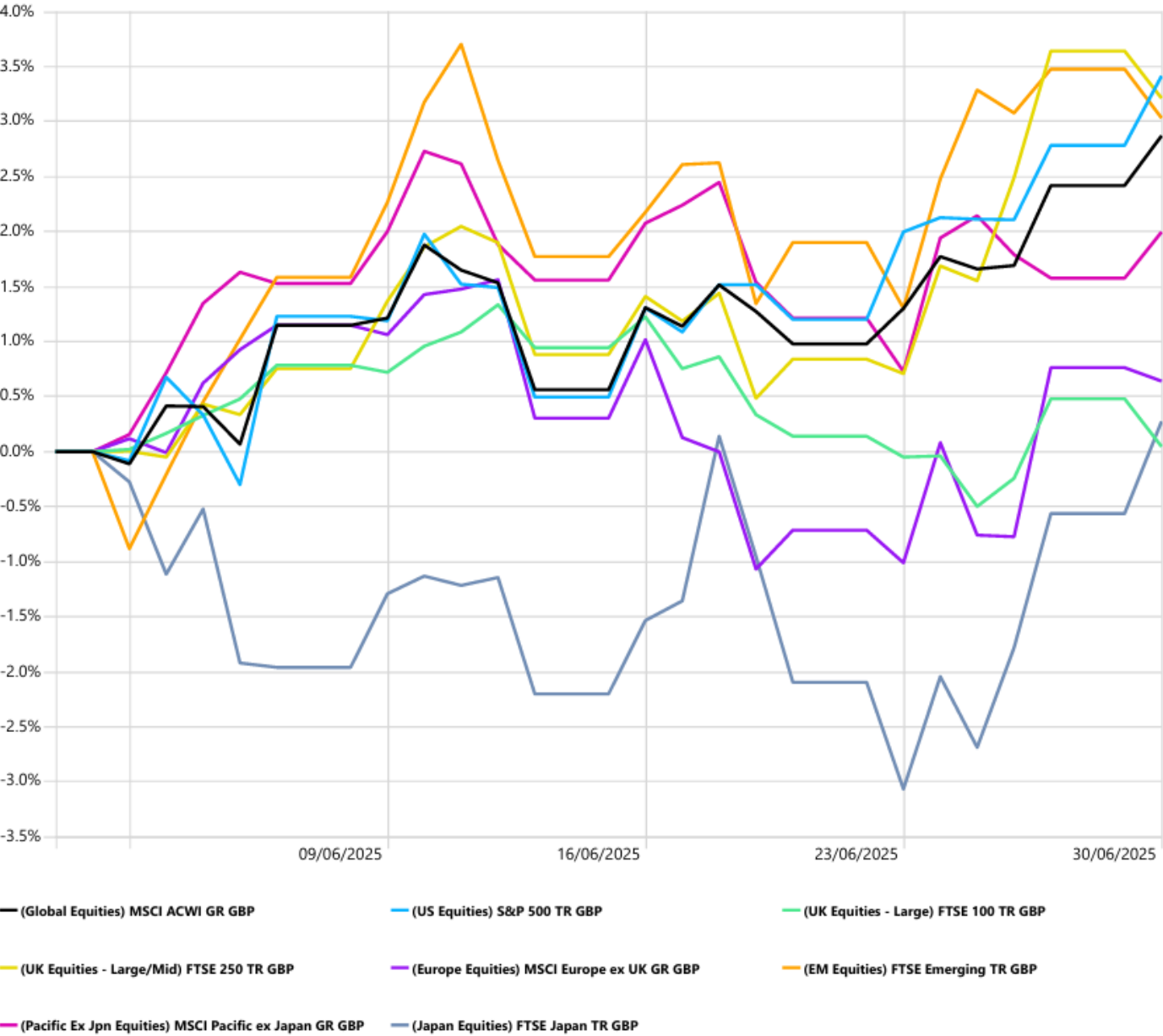


Country	On date	1M	3M	6M	1Y	2Y	3Y	5Y	7Y	10Y	20Y	30Y
USA	Jun 27, 2025	4.14%	4.31%	4.25%	3.98%	3.75%	3.71%	3.83%	4.03%	4.28%	4.83%	4.83%
USA	Mar 31, 2025	4.31%	4.30%	4.23%	4.03%	3.89%	3.88%	3.96%	4.08%	4.21%	4.61%	4.58%
Quarterly Change		-0.17%	0.00%	0.01%	-0.05%	-0.14%	-0.16%	-0.13%	-0.05%	0.06%	0.23%	0.26%

Country	On date	1M	3M	6M	1Y	2Y	3Y	5Y	7Y	10Y	20Y	30Y
United Kingdom	Jun 27, 2025	4.29%	4.31%	4.15%	3.74%	3.84%	3.83%	3.97%	4.12%	4.50%	5.16%	5.27%
United Kingdom	Mar 31, 2025	4.53%	4.48%	4.42%	4.07%	4.20%	4.19%	4.30%	4.39%	4.69%	5.22%	5.30%
Quarterly Change		-0.24%	-0.17%	-0.27%	-0.33%	-0.36%	-0.35%	-0.33%	-0.27%	-0.19%	-0.06%	-0.02%

1 Month - Market Performance

Time Period: 01/06/2025 to 30/06/2025

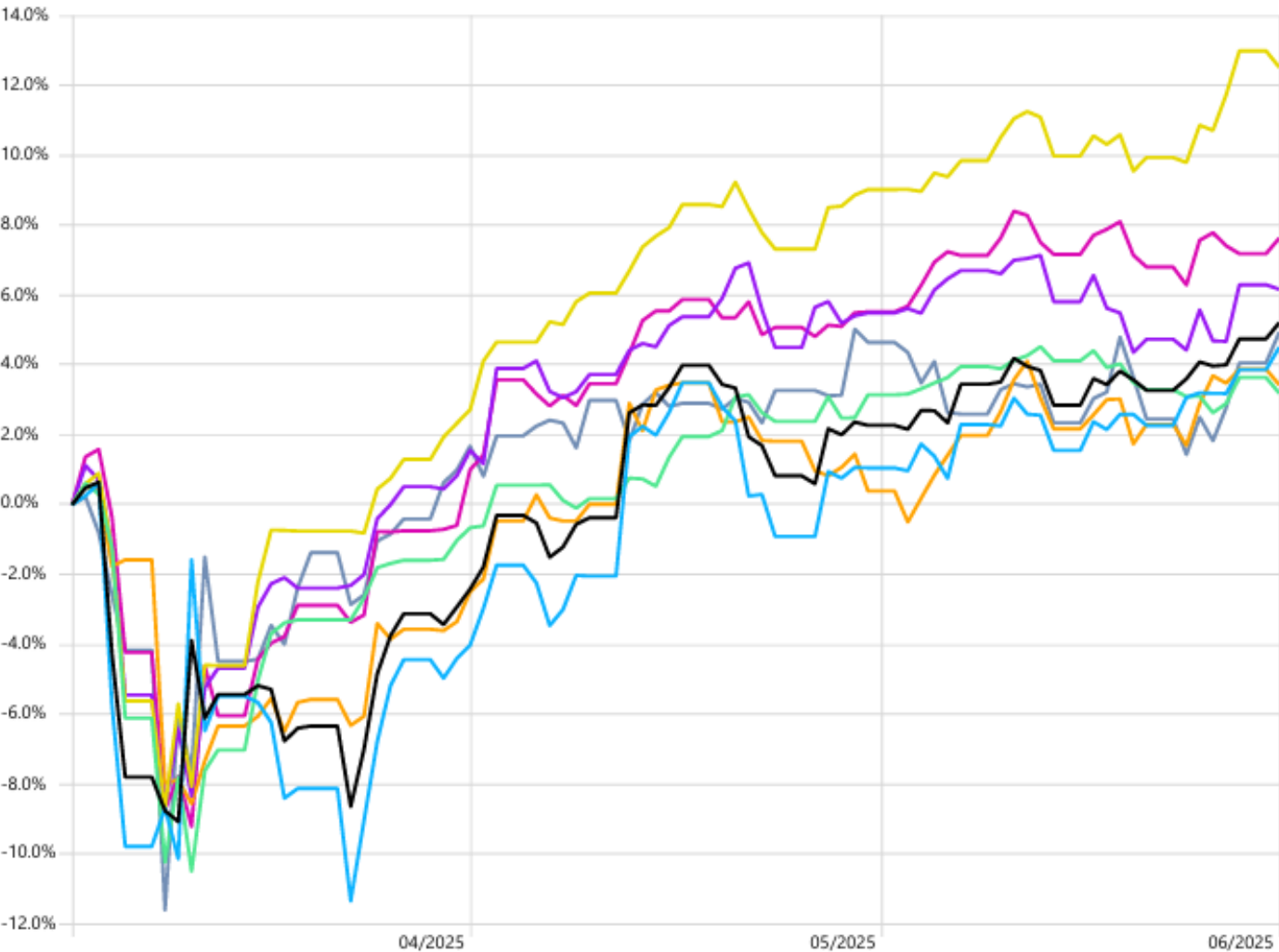


Index Name	1 Month (%)
(US Equities) S&P 500 TR GBP	3.41
(UK Equities - Large/Mid) FTSE 250 TR GBP	3.21
(EM Equities) FTSE Emerging TR GBP	3.03
(Global Equities) MSCI ACWI GR GBP	2.87
(Pacific Ex Jpn Equities) MSCI Pacific ex Japan GR GBP	2.00
(Europe Equities) MSCI Europe ex UK GR GBP	0.64
(Japan Equities) FTSE Japan TR GBP	0.27
(UK Equities - Large) FTSE 100 TR GBP	0.05

Source: Binary Capital, Morningstar Direct.

3 Month - Market Performance

Time Period: 01/04/2025 to 30/06/2025



- (Global Equities) MSCI ACWI GR GBP

(US Equities) S&P 500 TR GBP

(UK Equities - Large) FTSE 100 TR GBP
- (UK Equities - Large/Mid) FTSE 250 TR GBP

(Europe Equities) MSCI Europe ex UK GR GBP

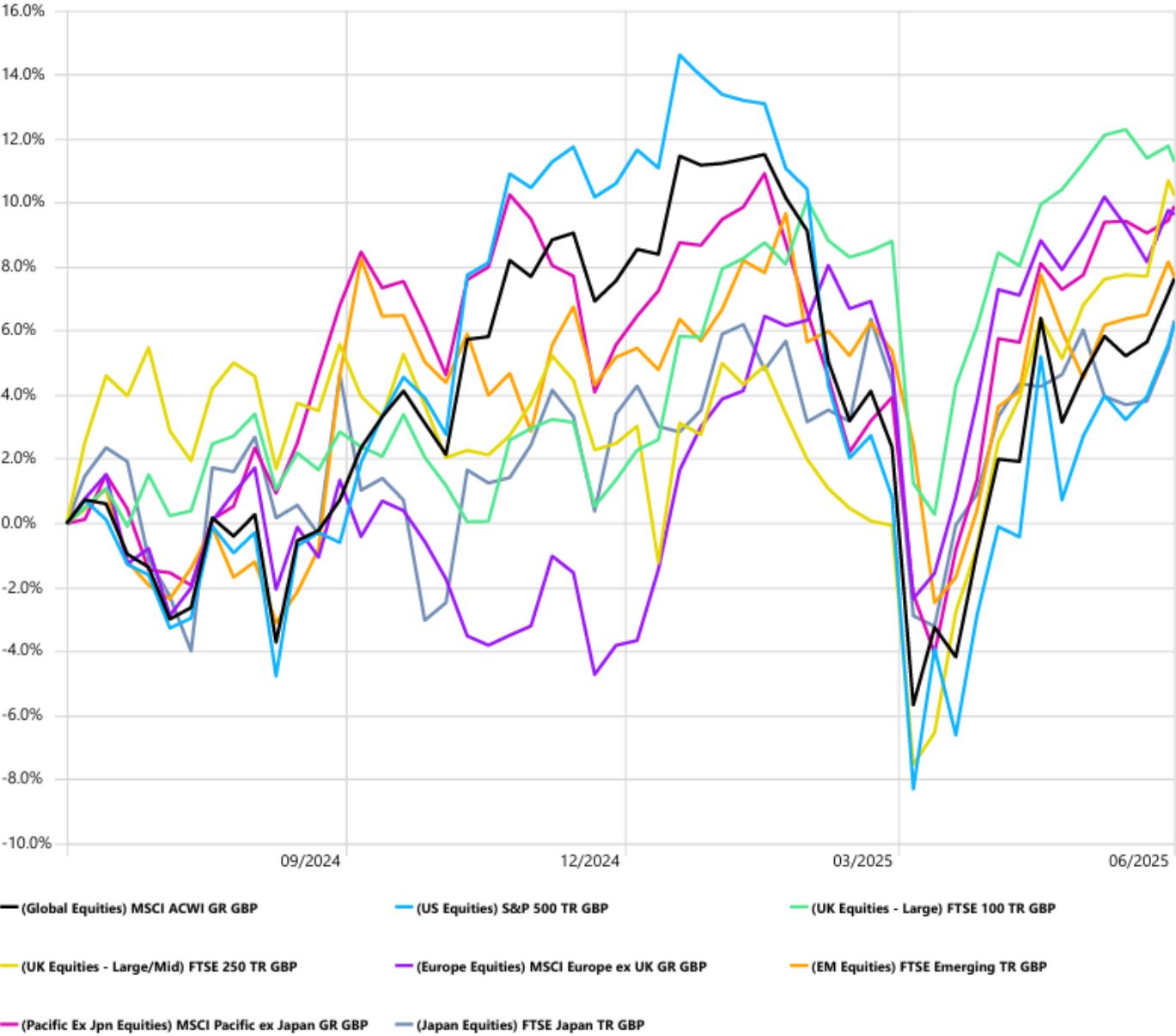
(EM Equities) FTSE Emerging TR GBP
- (Pacific Ex Jpn Equities) MSCI Pacific ex Japan GR GBP

(Japan Equities) FTSE Japan TR GBP

Index Name	3 Months (%)
(UK Equities - Large/Mid) FTSE 250 TR GBP	12.52
(Pacific Ex Jpn Equities) MSCI Pacific ex Japan GR GBP	7.62
(Europe Equities) MSCI Europe ex UK GR GBP	6.16
(Global Equities) MSCI ACWI GR GBP	5.20
(Japan Equities) FTSE Japan TR GBP	4.93
(US Equities) S&P 500 TR GBP	4.50
(EM Equities) FTSE Emerging TR GBP	3.43
(UK Equities - Large) FTSE 100 TR GBP	3.19

12 Month - Market Performance

Time Period: 01/07/2024 to 30/06/2025



Index Name	12 Months (%)
(UK Equities - Large) FTSE 100 TR GBP	11.30
(UK Equities - Large/Mid) FTSE 250 TR GBP	10.25
(Pacific Ex Jpn Equities) MSCI Pacific ex Japan GR GBP	9.91
(Europe Equities) MSCI Europe ex UK GR GBP	9.64
(EM Equities) FTSE Emerging TR GBP	7.70
(Global Equities) MSCI ACWI GR GBP	7.64
(Japan Equities) FTSE Japan TR GBP	6.33
(US Equities) S&P 500 TR GBP	6.23

Source: Binary Capital, Morningstar Direct.

Equities

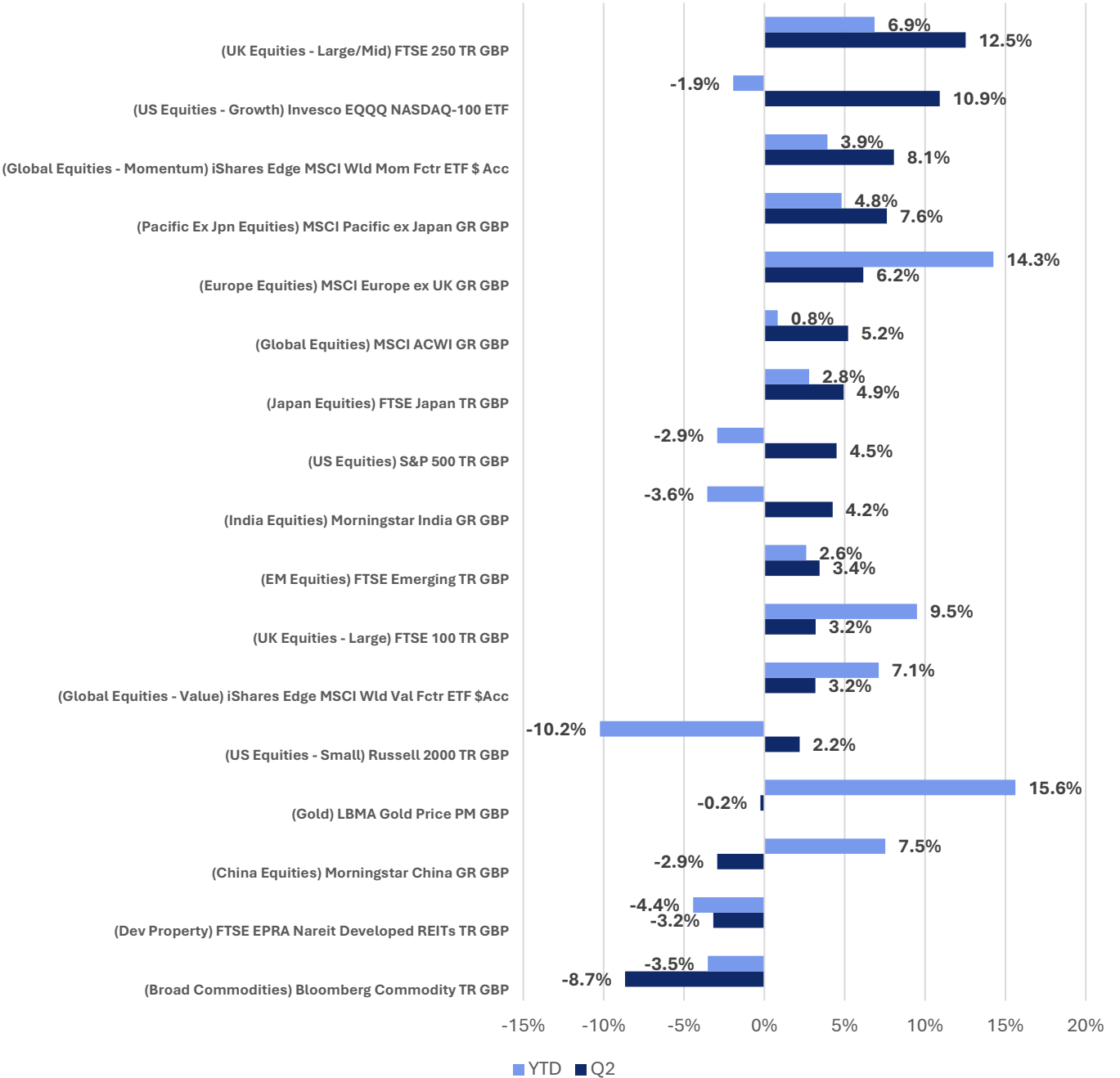
- Global equities saw a healthy quarter, with all major indexes gaining except China and developed REITs.
- US large-cap equities saw significant gains; NASDAQ-100 gained 10.9% and S&P 500 gained 4.5%, driven by AI and tech momentum. Small-caps grew modestly in comparison (+2.2%) and YTD remains down at -10.2%.
- The FTSE 250 was the strongest performer across all major indices, rising by 12.5%, outperforming the FTSE 100 which gained 3.2% albeit, the FTSE100 is outperforming YTD (FTSE 100 YTD +9.5% vs FTSE250 +6.9).
- European equities posted good returns, rising by 6.2% during the quarter, outperforming the MSCI ACWI.
- Emerging market equities excl. China performed well during the quarter (+3.4%). Chinese equities, however, fell 2.9%.

Alternatives

- Gold maintains a standout YTD performance (+15.6%) despite a recent pause (-0.2% Q2).

**All performance figures are quoted in sterling terms.*

Q2 2025 - Equity Market Returns (GBP)

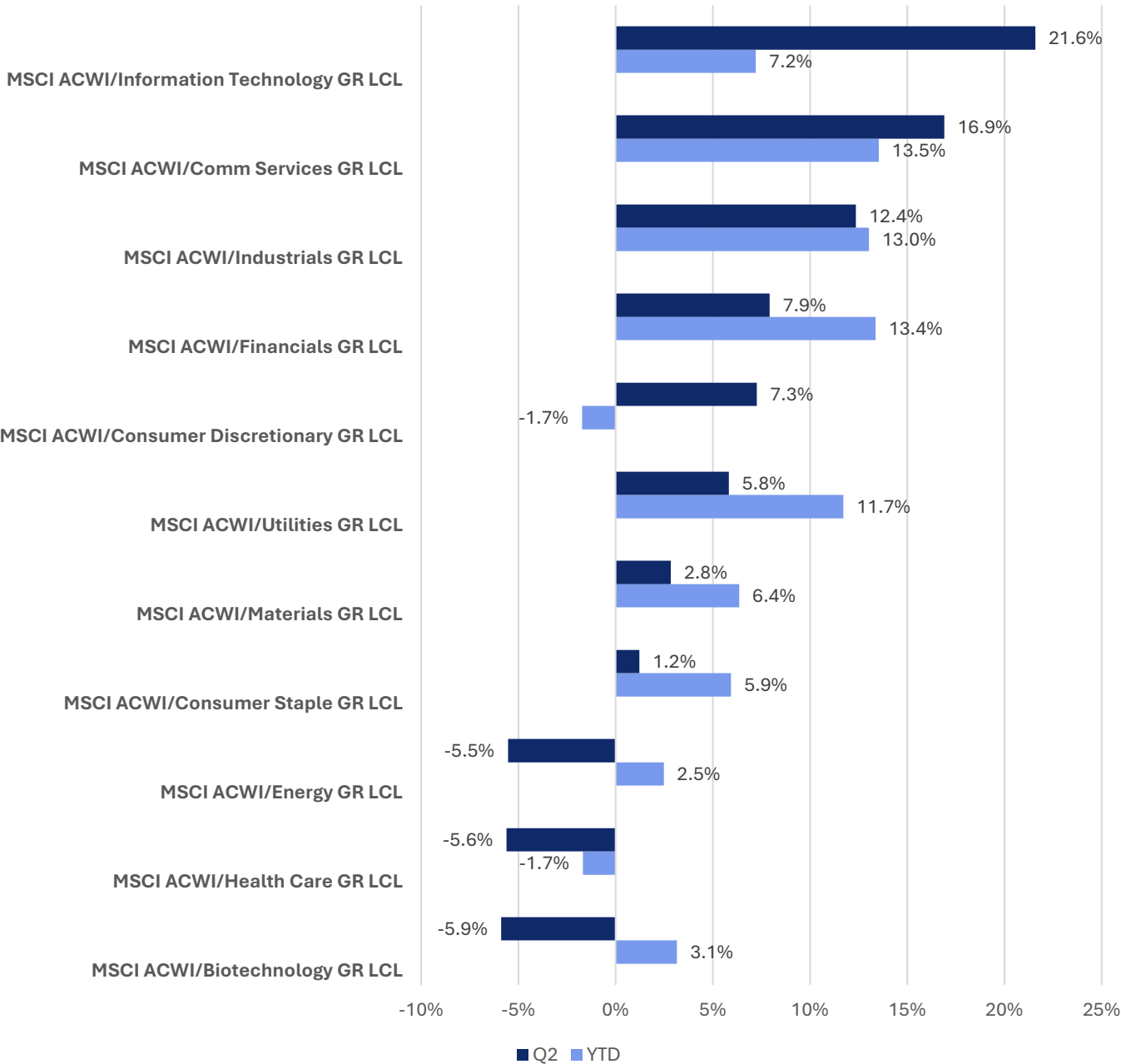


Equities – By sector:

- Sector performance broadly showed good performance.
- Information Technology gained 21.6% leading sector performance.
- Communication Services (+16.9%), Industrials (+12.35%), and Financials (+7.9%) sectors performed very well in the past quarter.
- Consumer Discretionary gained 7.3%, reducing its YTD loss of -1.7%.
- Consumer Staples saw a slight gain of 1.2%
- Healthcare and Biotechnology declined ~5.5%. Healthcare is down YTD.
- Energy stocks declined -5.5%, reducing its YTD gain to +2.5%.

**All performance figures are quoted in US Dollar terms.*

Q2 2025 - Equity Sector Returns (USD)



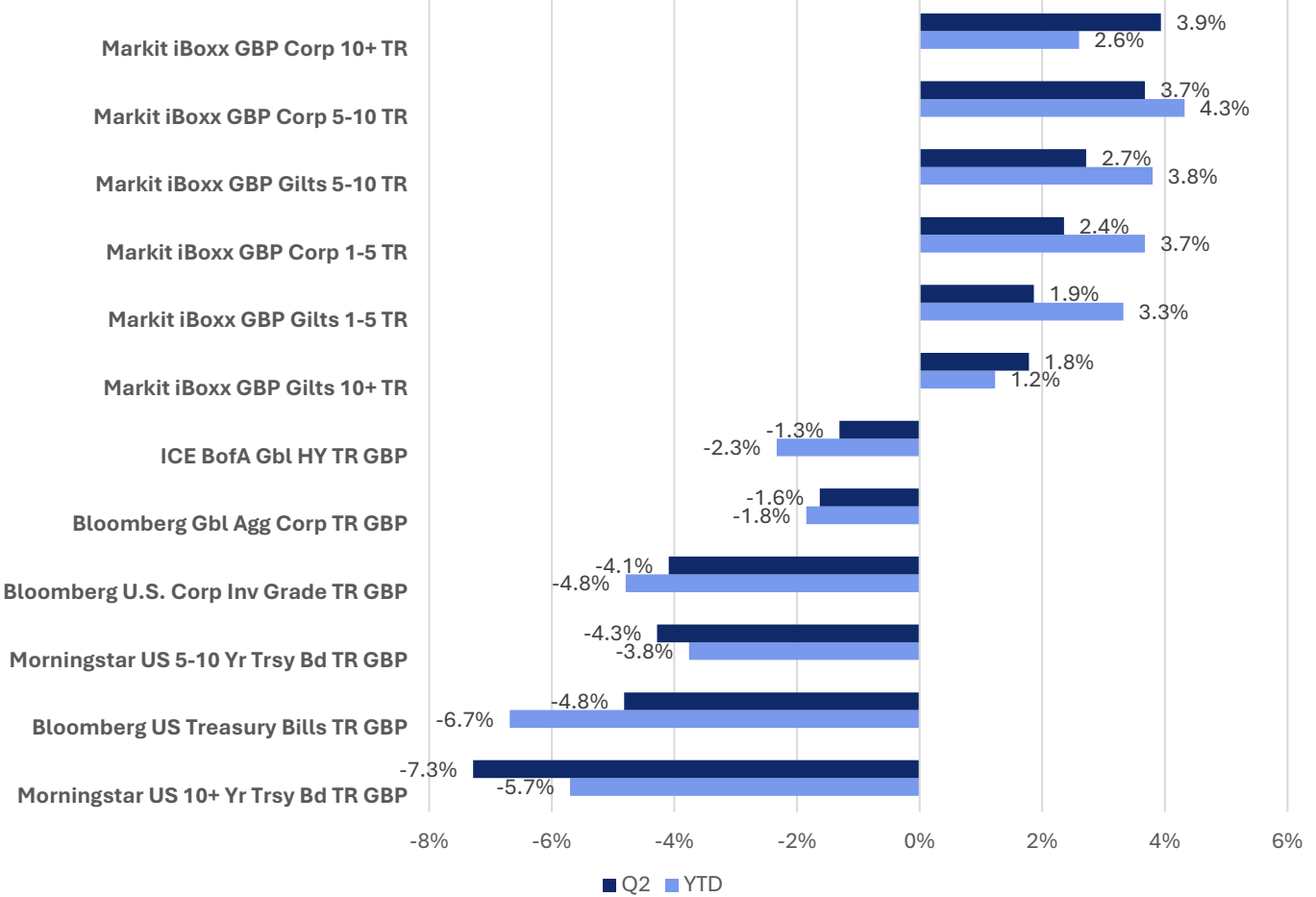
Source: Binary Capital, Morningstar Direct.

Fixed Income

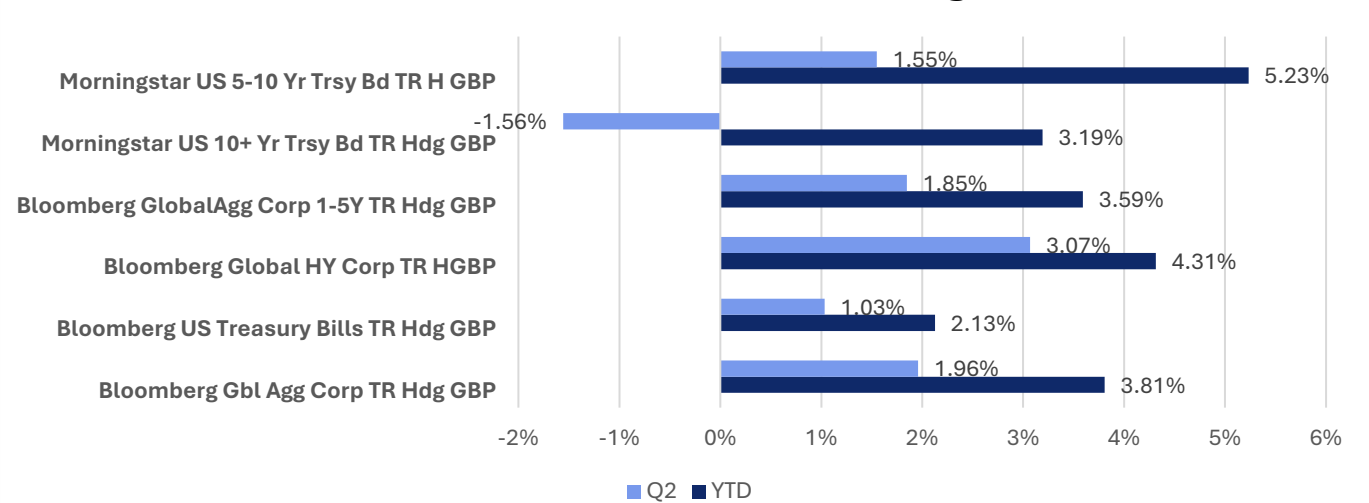
- Long GBP Corp outperformed Long Gilts significantly in Q2.
- Short GBP Corp outperformed Short Gilts.
- Intermediate GBP corporate bonds and gilts outperformed their shorter-duration counterparts over the quarter.

**All performance figures are quoted in sterling terms.*

Q2 2025 - Fixed Income Returns (GBP)



Q2 2025 – Fixed Income Returns – Hedged (USD)



Performance Summary – Q2 2025

The Binary Capital Active MPS delivered positive returns across all risk profiles, independent of benchmark performance.

Fixed Income

- All fixed income positions posted positive performance over the quarter.
- Positive returns were supported by lower yields and credit spread tightening.
- UK intermediate corporate bonds outperformed short-duration and US credit allocations.
- Throughout Q2 2025 we maintained an underweight stance on fixed-income duration, with a significant allocation to short-duration sterling corporate bonds, which proved to be a prudent decision.

Equities

- The active model portfolios maintained overweight allocations to UK and European equities and these allocations performed relatively well against US equity markets. The Schroder Income fund maintained a strong growth of 9.3% and Artemis UK Select saw an impressive gain of 14.6%.
- Baillie Gifford American saw a large recovery of +16.1% during the quarter after the tariff shock earlier this year. The fund is outperforming the S&P500 in GBP terms YTD.
- Allocations to GQG funds – US and Global strategies had a disappointing quarter, as the funds did not benefit from the post-liberation day recovery. The funds effectively went defensive, selling higher beta, growthier allocations, to move into defensive allocations. Going forward, the funds tilt our portfolios defensive without our portfolio management team requiring further action to reduce growth factor risk in the portfolios considering enhanced market volatility.

Absolute Return

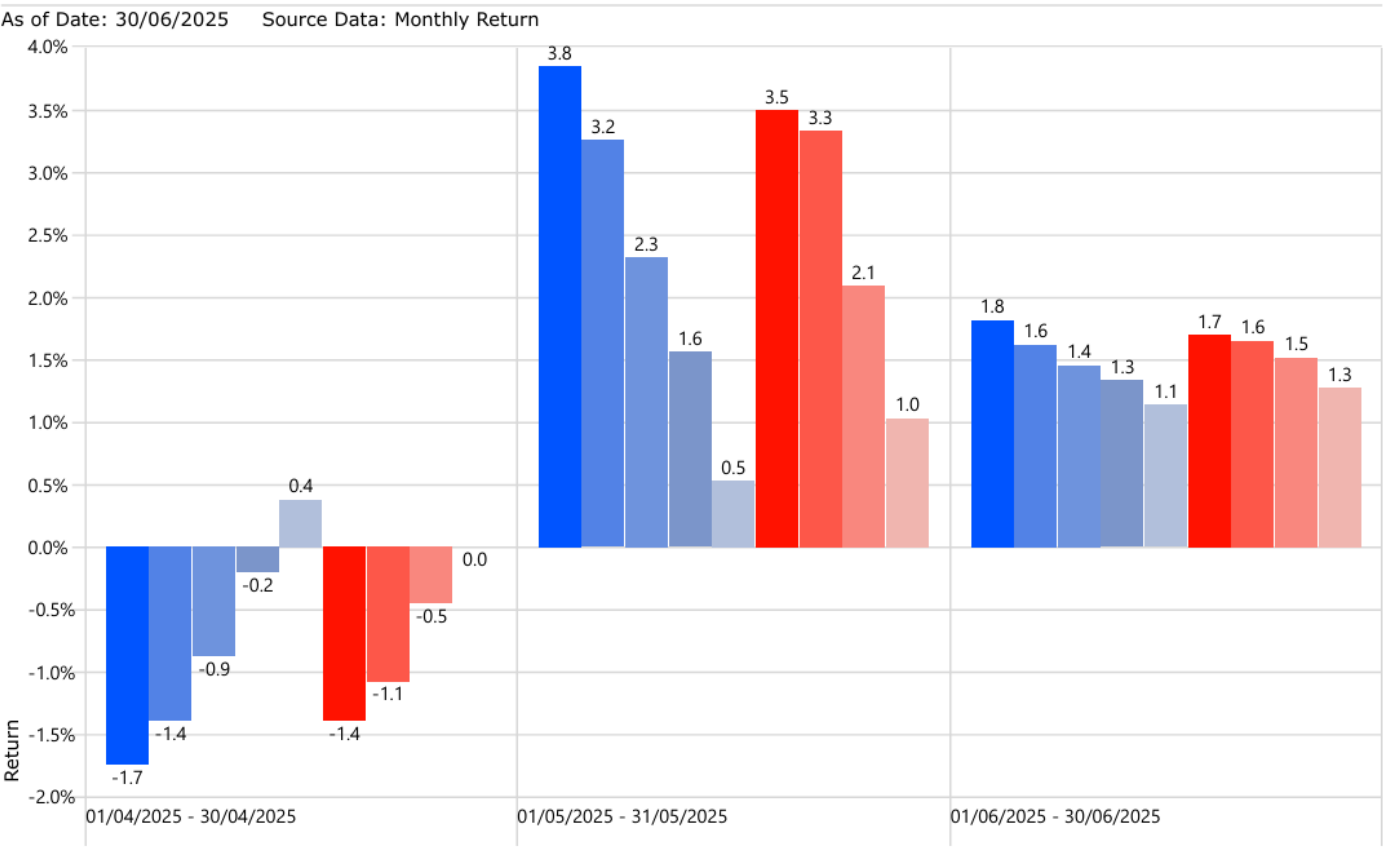
- Absolute return positions in aggregate performed well over the Q2. TM Fulcrum Diversified Core was the standout performer during the quarter with a +4.4% return outperforming fixed income significantly.
- The other funds showed steady returns during the quarter. All YTD figures remain positive, with AQR Apex doing particularly well at 8.8%

Portfolio Changes

- No changes were made during Q2.

Data as of 30.06.2025	Q2	YTD
Fixed Income		
Vanguard U.S. Invem Grd Crdt Idx £ HAcc	1.8	4.2
Fidelity Short Dated Crprate Bd W Acc	1.9	3.5
L&G Short Dated £ Corporate Bd Idx I Acc	2.1	3.5
iShares Corporate Bond Index (UK) D Acc	2.7	3.4
Equities		
Schroder Income Fd Z Acc	9.3	12.8
Dodge & Cox Worldwide Global Stk GBP Acc	1.5	4.5
Artemis UK Select I Acc	14.6	15.6
Baillie Gifford Pacific B Acc	4.5	2.9
GQG Partners Global Equity I GBP Acc	-6.3	-9.9
BlackRock Continental Euro D Acc	7.7	3.4
GQG Partners US Equity I GBP Acc	-7.8	-12.8
Aubrey Global Emerging Markets Opps RC1£	5.8	-0.5
Ninety One American Franchise I Acc £	5.2	-2.8
Baillie Gifford American B Acc	16.1	1.4
Absolute Return		
AQR Apex UCITS C1 Acc	2.1	8.8
Trojan Fund X Accumulation	0.6	2.5
CG Absolute Return Fund GBP M	1.2	2.2
TM Fulcrum Divers Cor Abs Ret C GBP Acc	4.4	5.3

Monthly Returns for the Quarter



- Binary - Active Adventurous
- Binary - Active Growth
- Binary - Active Balanced
- Binary - Active Cautious
- Binary - Active Defensive
- IA Flexible Investment
- IA Mixed Investment 40-85% Shares
- IA Mixed Investment 20-60% Shares
- IA Mixed Investment 0-35% Shares

	YTD	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	2024	2023	2022	2021	2020	2019
Binary - Active Defensive	3.4	1.1	2.1	3.4	5.6	13.0	7.0	4.1	6.3	-11.2	-1.6	10.2	7.55
Binary - Active Cautious	2.5	1.3	2.7	2.5	5.1	19.0	10.9	7.1	9.1	-15.5	0.6	12.7	11.64
Binary - Active Balanced	1.6	1.4	2.9	1.6	4.4	25.1	18.7	9.5	12.0	-18.9	2.7	20.4	13.27
Binary - Active Growth	1.0	1.6	3.5	1.0	4.1	29.9	18.9	11.7	13.5	-20.8	3.3	20.1	14.52
Binary - Active Adventurous	0.7	1.8	3.9	0.7	4.3	32.4	23.0	13.1	14.2	-22.5	5.2	23.4	15.47
IA Mixed Investment 0-35% Shares	2.8	1.3	2.3	2.8	5.1	12.3	10.2	4.4	6.1	-10.2	2.6	4.0	6.88
IA Mixed Investment 20-60% Shares	3.3	1.5	3.1	3.3	5.8	17.2	21.6	6.2	6.9	-9.7	6.3	3.5	9.17
IA Mixed Investment 40-85% Shares	2.6	1.6	3.9	2.6	5.5	21.8	32.8	8.9	8.1	-10.2	11.2	5.5	12.20
IA Flexible Investment	2.2	1.7	3.8	2.2	5.0	21.5	35.0	9.2	7.3	-9.1	11.4	7.0	11.76

Performance Summary – Q2 2025

Over the past three months, the Core portfolio range delivered positive returns across all risk profiles.

Fixed Income

- All fixed income positions posted positive performance over the quarter.
- Positive returns were supported by lower yields and credit spread tightening.
- UK intermediate corporate bonds outperformed short-duration and US credit allocations.
- Throughout Q2 2025 we maintained an underweight stance on fixed-income duration, with a significant allocation to short-duration sterling corporate bonds, which proved to be a prudent decision.

Equities

- Core allocations to equities performed strongly. Your portfolio returns were driven by equity strength, particularly in the growth and technology sectors during the quarter. Equity markets globally saw a recovery.
- The Baillie Gifford Positive Change fund saw an impressive gain of 11.3% over the quarter.
- The portfolio maintains an overweight to UK equities. This position through the Vanguard FTSE 100 fund maintains strong YTD returns of +9.4%, performing well over Q2.
- Allocation to GQG Global Equity had a disappointing quarter, as the fund did not benefit from the post-liberation day recovery. The fund effectively went defensive, selling higher beta, growthier allocations, to move into defensive, 'value' based allocations. Going forward, the funds tilt our portfolios defensive without our portfolio management team requiring further action to reduce growth factor risk in the portfolios considering enhanced market volatility.
- Pacific ex Japan equities performed remarkably well during Q2, gaining +13.1%.

Alternatives

- Absolute return positions in aggregate performed well over the Q2. TM Fulcrum Diversified Core was the standout performer during the quarter with a +4.4% return outperforming fixed income significantly.

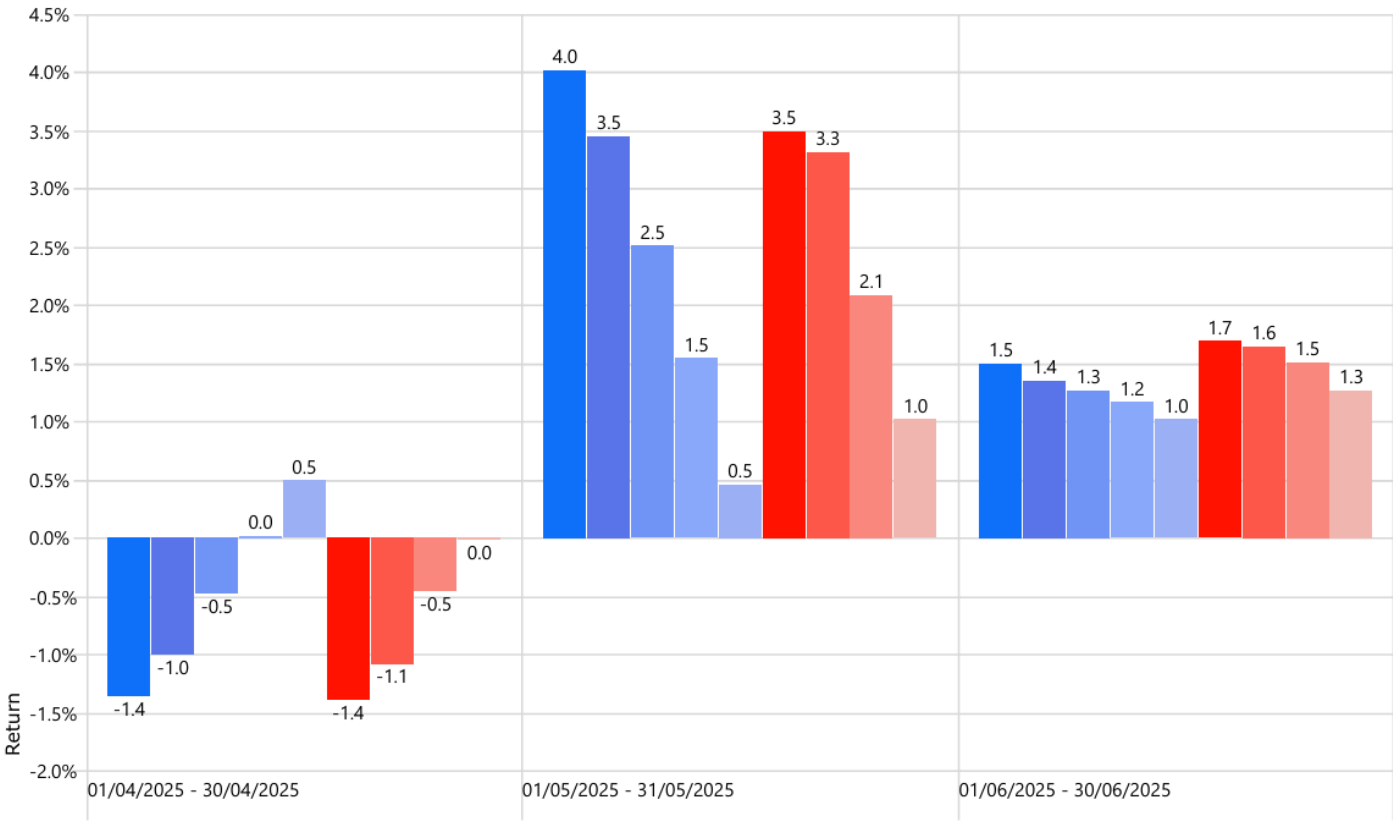
Portfolio Changes

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Fidelity Short Dated Crprate Bd W Acc	1.9	3.5
L&G Short Dated £ Corporate Bd Idx I Acc	2.1	3.5
iShares Corporate Bond Index (UK) D Acc	2.7	3.4
Equities		
HSBC European Index Accumulation C	6.8	14.1
Vanguard FTSE 100 Idx Unit Tr £ Acc	2.7	9.4
Dodge & Cox Worldwide Global Stk GBP Acc	1.5	4.5
Fidelity Index Emerging Markets P Acc	5.8	5.2
GQG Partners Global Equity I GBP Acc	-6.3	-9.9
HSBC FTSE All-World Index C Acc	5.5	0.3
Fundsmith Equity I Acc	4.0	-1.9
Baillie Gifford Positive Change B Acc	11.3	4.0
iShares Pacific ex Jpn Eq Idx (UK) D Acc	13.1	5.1
Fidelity Index US P Acc	5.7	-4.1
Absolute Return		
Trojan Fund X Accumulation	0.6	2.5
TM Fulcrum Divers Cor Abs Ret C GBP Acc	4.4	5.3

Monthly Returns for the Quarter

As of Date: 30/06/2025 Source Data: Monthly Return



- Binary Core 5 - Adventurous
- Binary Core 4 - Growth
- Binary Core 3 - Balanced
- Binary Core 2 - Cautious
- Binary Core 1 - Defensive
- IA Flexible Investment
- IA Mixed Investment 40-85% Shares
- IA Mixed Investment 20-60% Shares
- IA Mixed Investment 0-35% Shares

	YTD	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	2024	2023	2022	2021	2020	2019
Binary Core 5 - Adventurous	1.3	1.5	4.1	1.3	4.5	31.8	57.6	13.2	11.1	-5.2	17.4	12.1	15.04
Binary Core 4 - Growth	1.5	1.4	3.8	1.5	4.5	28.4	50.5	11.6	10.2	-5.4	15.9	11.2	14.06
Binary Core 3 - Balanced	2.1	1.3	3.3	2.1	5.0	23.7	37.6	9.4	9.1	-6.7	11.8	10.1	12.04
Binary Core 2 - Cautious	2.6	1.2	2.7	2.6	5.2	19.0	25.8	7.2	8.0	-7.5	8.0	8.0	9.89
Binary Core 1 - Defensive	3.0	1.0	2.0	3.0	5.5	13.3	13.2	5.0	6.4	-8.6	3.6	6.1	7.47
IA Flexible Investment	2.2	1.7	3.8	2.2	5.0	21.5	35.0	9.2	7.3	-9.1	11.4	7.0	11.76
IA Mixed Investment 40-85% Shares	2.6	1.6	3.9	2.6	5.5	21.8	32.8	8.9	8.1	-10.2	11.2	5.5	12.20
IA Mixed Investment 20-60% Shares	3.3	1.5	3.1	3.3	5.8	17.2	21.6	6.2	6.9	-9.7	6.3	3.5	9.17
IA Mixed Investment 0-35% Shares	2.8	1.3	2.3	2.8	5.1	12.3	10.2	4.4	6.1	-10.2	2.6	4.0	6.88

Performance Summary – Q2 2025

The Passive portfolio range delivered strong and broad-based returns over the past three months, supported by both equity and fixed income allocations. Overall, the Passive range benefited from a combination of equity market strength and continued downward direction in short and medium UK yields, while currency hedging played a notable role in enhancing portfolio returns.

Fixed Income

- All fixed income positions posted positive performance over the quarter.
- Positive returns were supported by lower yields and credit spread tightening.
- UK intermediate corporate bonds outperformed short-duration and US credit allocations.
- Throughout Q2 2025 we maintained an underweight stance on fixed-income duration, with a significant allocation to short-duration sterling corporate bonds, which proved to be a prudent decision.

Equities

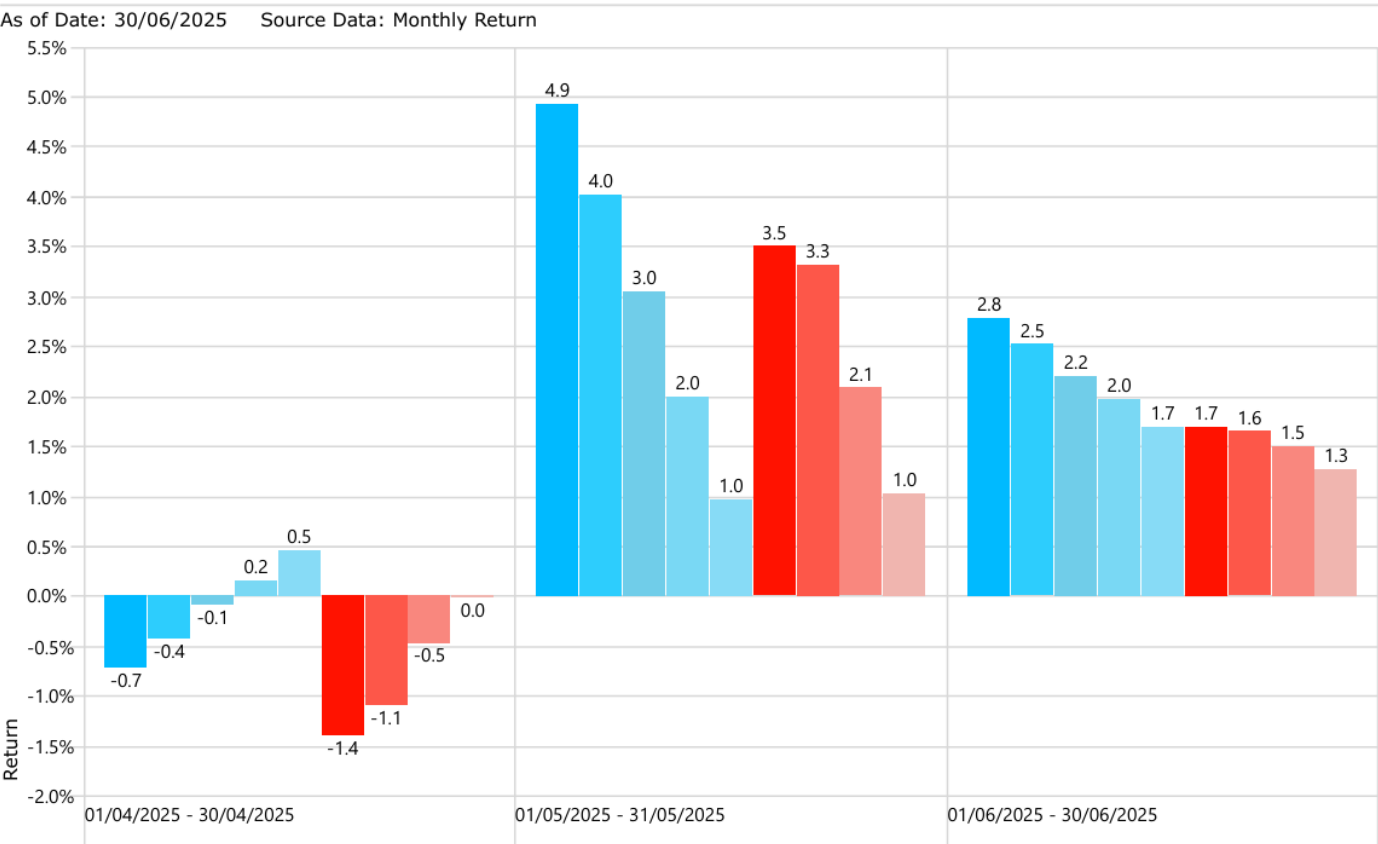
- US equities performed strongly, gaining +5.7% across the quarter. However, the GBP hedged version significantly outperformed due to the Pound strengthening against the Dollar, removing the currency drag seen in the unhedged version. FX had material impact on international equity exposure during Q2.
- European equities also performed well, posting a +6.8% return in Q2. This performance was primarily driven by capital flows away from the US, and planned economic expansion in Europe towards industrials, particularly in defence.
- The UK exposure via the FTSE 100 was equally positive for similar reasons to the European position. Clearly equity valuations are becoming more dominant in investment discussions than they were even three months ago.
- Pacific ex Japan equities performed remarkably well during Q2, gaining +13.1%.

Portfolio Changes

- No changes were made during Q2.

Data as of 30.06.2025	Q2	YTD
Fixed Income		
Vanguard U.S. Invm Grd Crdt Idx £ HAcc	1.8	4.2
Vanguard UK S/T Invm Grd Bd Idx £ Acc	2.0	3.9
L&G Short Dated £ Corporate Bd Idx I Acc	2.1	3.5
iShares Corporate Bond Index (UK) D Acc	2.7	3.4
Equities		
HSBC European Index Accumulation C	6.8	14.1
Vanguard FTSE 100 Idx Unit Tr £ Acc	2.7	9.4
Fidelity Index Emerging Markets P Acc	5.8	5.2
Fidelity Index US P GBP Acc H	11.6	4.4
iShares Pacific ex Jpn Eq Idx (UK) D Acc	13.1	5.1
Fidelity Index US P Acc	5.7	-4.1

Monthly Returns for the Quarter



- Binary - Passive Adventurous
- Binary - Passive Growth
- Binary - Passive Balanced
- Binary - Passive Cautious
- Binary - Passive Defensive
- IA Flexible Investment
- IA Mixed Investment 40-85% Shares
- IA Mixed Investment 20-60% Shares
- IA Mixed Investment 0-35% Shares

	YTD	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	2024	2023	2022	2021	2020	2019
Binary - Passive Adventurous	3.8	2.8	7.1	3.8	8.9	37.9	46.8	16.6	12.1	-11.2	10.2	4.9	12.75
Binary - Passive Growth	3.7	2.5	6.2	3.7	8.5	35.0	39.6	14.7	12.2	-11.3	8.3	5.3	12.06
Binary - Passive Balanced	3.7	2.2	5.2	3.7	7.9	29.6	32.4	12.0	11.5	-12.2	6.7	6.4	11.18
Binary - Passive Cautious	3.7	2.0	4.2	3.7	7.2	22.8	19.1	8.8	10.1	-12.1	3.2	4.3	9.68
Binary - Passive Defensive	3.8	1.7	3.2	3.8	6.6	16.2	9.3	5.5	8.6	-12.0	-0.3	4.3	6.25
IA Flexible Investment	2.2	1.7	3.8	2.2	5.0	21.5	35.0	9.2	7.3	-9.1	11.4	7.0	11.76
IA Mixed Investment 40-85% Shares	2.6	1.6	3.9	2.6	5.5	21.8	32.8	8.9	8.1	-10.2	11.2	5.5	12.20
IA Mixed Investment 20-60% Shares	3.3	1.5	3.1	3.3	5.8	17.2	21.6	6.2	6.9	-9.7	6.3	3.5	9.17
IA Mixed Investment 0-35% Shares	2.8	1.3	2.3	2.8	5.1	12.3	10.2	4.4	6.1	-10.2	2.6	4.0	6.88