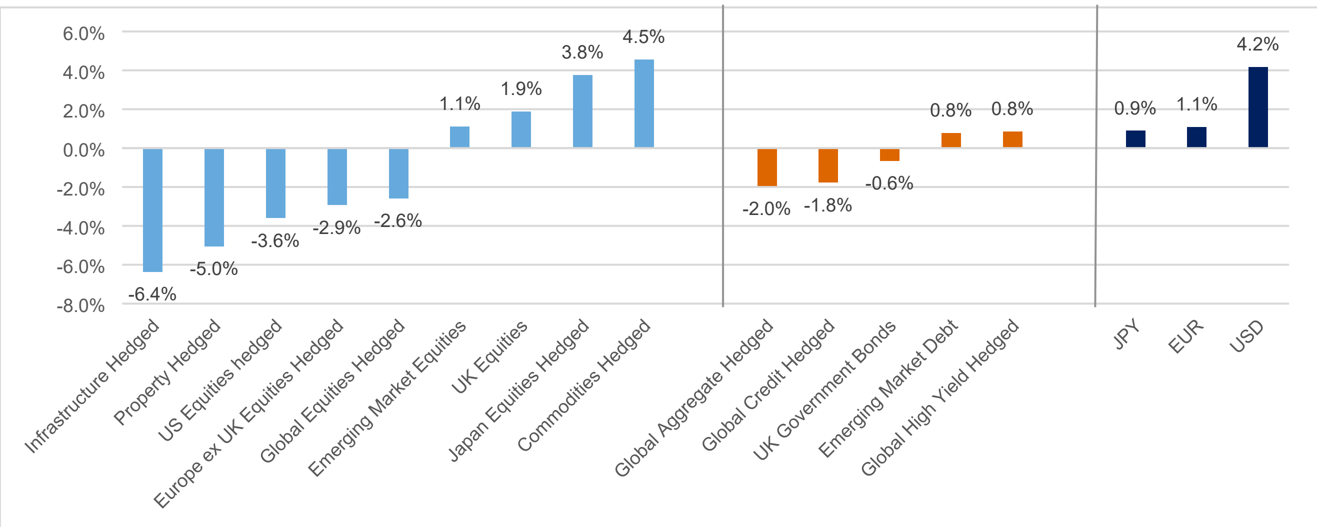
JGC - WPP Performance Summary Q3 2023

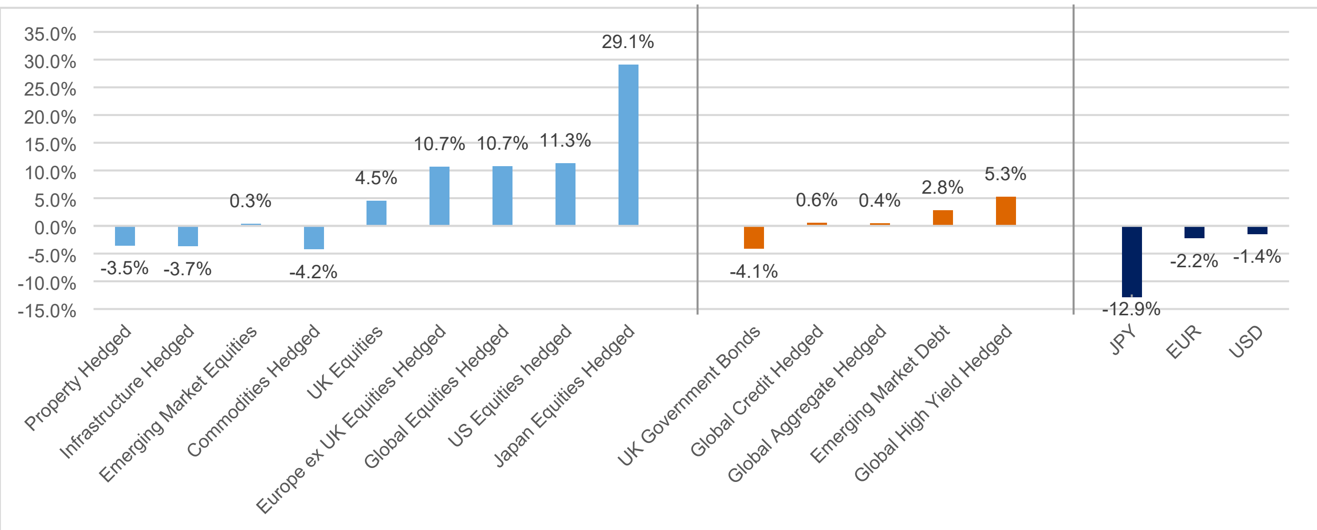
Global Market Commentary

Equities retreated following earlier gains on rising expectations that interest rates would stay higher for longer prompted by hawkish comments from central banks. Soaring oil prices added to concerns that the battle over inflation may be prolonged. Worries over the Chinese economy, particularly the property sector, prompted a sell-off in Chinese equities mid-quarter although new stimulus measures from Beijing and a pick-up in manufacturing stemmed some of the falls. The US dollar strengthened against most currencies. The Federal Reserve (Fed) and Bank of England (BoE) both raised rates by 25 basis points (bps) earlier in the quarter but left them unchanged at their September meetings. The European Central Bank (ECB) raised rates twice, each by 25 bps, bringing them to the bloc's all-time high of 4.0%.

Asset class performance – Quarter to Date (September) 2023



Asset class performance – Year to Date (September) 2023



Benchmarks : Global equity hedged (MSCI World ACWI), UK equity (FTSE All Share), US equity hedged (Russell 1000 Net GBPH), Europe ex UK equity (MSCI Europe ex UK Equity Net GBPH), Japan equity (TOPIX Net GBPH), Emerging equity (MSCI Emerging Markets Net), Global HY bonds (BofAML Global High Yield 2% Constrained Index), EMD LC (JP Morgan GBI-EM Global Diversified Index), Global credit hedged (Bloomberg Barclays Global Aggregate Credit Index), Global aggregate hedged (Bloomberg Barclays Global Aggregate Bond Index GBPH), UK Government Bonds (ICEBofAML UK Gilts All Stocks (GB), Property hedged (FTSEEPRA Nareit Dev Re GBP)

Global Growth Equity Fund:

	Three Months	1 Year	Since Inception
Gross	-0.5	10.8	9.1
Net	-0.6	10.3	8.7
MSCI AC World Index Net	0.6	10.5	10.1
Excess returns (gross)	-1.1	0.3	-1.0

Inception Date: 31st January 2019

Source: Northern Trust as of 30 September 2023

Overall Fund Commentary
Energy and Communication Services were the best performing sectors over the quarter. Utilities, Real Estate and Consumer Staples were the worst performers. Value outperformed the benchmark which supported the outperformance of Pzena. Veritas' value bias helped deliver small outperformance. Growth broadly underperformed which impacted the returns of Baillie Gifford as a number of holding experienced significant drawdowns. This caused underperformance at the total fund level.

Global Opportunities Equity Fund:

	Three Months	1 Year	Since Inception
Gross	1.4	10.4	11.4
Net	1.4	10.1	11.0
MSCI AC World Index Net	0.6	10.5	10.1
Excess returns (gross)	0.8	-0.1	1.3

Inception Date: COB 14th February 2019

Source: Source: Northern Trust as of 30 September 2023

Overall Fund Commentary
High dividend yield and value were the best performing styles over the quarter. Growth broadly underperformed. In developed markets large caps outperformed small and mid-caps, notably in the US, while the trend reversed in emerging markets where small caps outperformed large cap stocks. Energy was the standout performer due to soaring oil prices. In contrast, utilities, real estate, and consumer staples were the weakest-performing sectors given their bond proxy exposures.

Sustainable Active Equity Fund:

	Three Months	1 Year	Since Inception
Gross	-1.7	-	-0.1
Net	-1.8	-	-0.2
MSCI AC World Index Net	0.6	-	2.6
Excess returns (gross)	-2.3	-	-2.7

Inception Date: COB 17th July 2023

Source: Source: Northern Trust as of 30 September 2023

Overall Fund Commentary
High dividend yielding and value were the best performing styles over the quarter. Growth broadly underperformed in the market environment followed by small caps. Energy was the best sector on rising oil prices, the Funds underweight to this sector drove underperformance. Bond-like sectors (Utilities, Real Estate) were weak as the term-premium for bonds rose strongly. A further tilt of the Fund away from large caps was a detractor on performance. With the tilt towards value adding positive performance over the period.

EM Market Commentary

Emerging markets outperformed the index. In contrast to its position in the second quarter as the laggard, Turkey was the standout performer over the last quarter. Equities reached record highs as foreign investors returned to the market following the central bank's interest rate rises of 250 bps, 750 bps and 500 bps in July, August and September, respectively, which brought borrowing costs to the highest since September 2003. Investors have been encouraged by evidence of the country's adoption of more orthodox monetary policy. Egypt also performed well with the EGX index reaching a record high propelled by investors seeking to protect their savings from rampant inflation. In addition, United Arab Emirates, Malaysia and India recorded notable positive gains. Among the worst performers were Chile, Poland and Argentina.

EM Opportunities Equity Fund:

	Three Months	1 Year	Since Inception
Gross	0.2	3.4	-6.7
Net	0.1	2.9	-7.1
MSCI Emerging Market Index + 1.5%	1.5	3.7	-5.2
Excess returns (gross)	-1.3	-0.3	-1.5

Performance Target is MSCI Emerging Market Index + 1.5%

Inception Date: 20th October 2021

Source: Source: Northern Trust as of 30 September 2023

Overall Fund Commentary
Within the emerging market environment, the Fund's positive exposure to momentum contributed positively. However, stock selection within China, and within consumer discretionary names (overweight Ecovacs Robotics, underweight online retailer PDD), detracted. Stock selection within Brazil (overweight Banco Bradesco) was also negative. At the country level, an underweight to India did not suit the market environment. However, an underweight to and stock selection within Taiwan (underweight semiconductor giant TSMC, overweight smaller players) mitigated additional underperformance.

UK Market Commentary

UK equities outperformed other markets and the wider index (in USD) due to strong performance from the energy sector. The BoE raised interest rates by 25 bps in August but left them unchanged in September, at 5.25%. Warning that borrowing costs would remain high for at least the next two years the bank claimed the economy had proved more resilient than expected and that strong wage growth was the main reason for higher interest rates. Later in the quarter, revised figures from the Office of National Statistics supported the BoE's claim, revealing that the economy recovered from the pandemic faster than previously estimated. In the second quarter, GDP was 1.8% above the pre-pandemic level in the last quarter of 2019, rather than the initial estimate of a 0.2% contraction.

UK Opportunities Equity Fund:

	Three Months	1 Year	Since Inception
Gross	2.1	20.4	3.7
Net	2.0	19.9	3.3
FTSE All Share	1.9	13.8	4.1
Excess returns (gross)	0.2	6.5	-0.4

Inception Date: 23rd September 2019

Source: Northern Trust as of 30 September 2023

Overall Fund Commentary
The Funds overweight to Quality and underweight to Low Volatility supported performance over the quarter. The exposure to value helped bolster performance as value stocks outperformed over the period. In particular, JO Hambro and Ninety-One benefitted from their value exposure. With small cap stocks underperforming large caps the Funds exposure to small caps acted as a headwind to performance.

Fixed Income Market Commentary

The Bloomberg Global Aggregate Bond Index (USDH) was down 1.8% over the quarter. Corporate bond markets struggled while government bond yields climbed. Continued hawkish comments from central bank officials and soaring oil prices dampened investor optimism prompting an adjustment to interest rate expectations. Ten-year government bond yields reached new year-to-date highs in the US and eurozone. High yield corporate credit outperformed investment grade equivalents. The Federal Reserve (Fed) and Bank of England (BoE) both raised interest rates by 25 basis points (bps) early in the quarter but left them unchanged at their September meetings. The European Central Bank (ECB) raised rates twice, each by 25 bps, bringing them to the bloc's all-time high of 4.0%.

Global Government Bond Fund:

	Three Months	1 Year	Since Inception
Gross	-2.3	0.7	-4.3
Net	-2.5	0.5	-4.5
FTSE World Gvt Bond Index (GBP Hedged)	-2.5	-0.7	-5.4
Excess returns (gross)	-0.2	1.4	1.1

Inception Date: 30th July 2020

Source: Source: Northern Trust as of 30 September 2023

Overall Fund Commentary
The Fund's underweight to benchmark 10-year Japanese bonds was a key contributor this quarter. UK gilt positioning suited the market environment, particularly towards short-dated issues as these yields declined from elevated levels seen in the previous quarter. An underweight to core eurozone bonds also contributed positively. In contrast to the second quarter, an overweight to Mexican rates detracted this period.

Global Credit Fund:

	Three Months	1 Year	Since Inception
Gross	-1.7	2.8	-4.9
Net	-1.8	2.6	-5.0
Bloomberg Barclays Global Agg Credit Index (GBP Hedged)	-1.8	3.1	-4.7
Excess returns (gross)	0.1	-0.3	-0.1

Inception Date: 27th July 2020

Source: Source: Northern Trust as of 30 September 2023

Overall Fund Commentary
The Fund's overweight to European high yield (financials) and investment grade credit contributed positively. Overweight exposure to US high yield credit financials also helped. However, an underweight to US investment grade industrials and utilities detracted. In hard currency emerging market debt, underweights to investment grade credit in Asia, Europe, and Latin America were ineffective.

Multi Asset Credit Fund:

	Three Months	1 Year	Since Inception
Gross	0.1	10.4	0.4
Net	0.0	10.0	0.1
3 Month GBP SONIA + 4%	2.3	8.3	5.6

Performance Target is 3 Month GBP SONIA + 4%, we have not shown excess return as this is a target.

Inception Date: 27th July 2020

Source: Source: Northern Trust as of 30 September 2023

Overall Fund Commentary
As in the second quarter, high yield (HY) was stronger than investment grade corporate debt, except for US HY where spreads widened. The Funds exposure to the sub asset class helped deliver over the period. In the rising interest rate environment, the Funds exposure to bank loans through ICG helped to stem underperformance. The exposure of the Fund to EM local currency was a detractor on performance due to the US dollar strength over the period. Positive performance from Voya through exposure to residential mortgage backed securities helped stem further underperformance over the quarter.

Absolute Return Bond Strategy Fund:

	Three Months	1 Year	Since Inception
Gross	2.7	6.3	2.9
Net	2.6	5.9	2.6
3 Month GBP SONIA + 2%	1.8	6.2	3.7

Performance Target is 3 Month GBP SONIA + 2%, we have not shown excess return as this is a target.

Inception Date: 30th September 2020

Source: Source: Northern Trust as of 30 September 2023

Overall Fund Commentary
The Funds exposure to high yield was a main driver of its outperformance over the quarter as spreads tightened. With increased volatility in the market over the quarter due to the expectation that interest rates would be higher for longer. Investors were attracted to asset backed securities (ABS) increasing these securities values. The Funds exposure to ABS through Aegon was a driver of its outperformance over the quarter.

Sterling Credit Fund:

	Three Months	1 Year	Since Inception
Gross	2.4	8.4	-4.6
Net	2.4	8.3	-4.8
ICE Bank of America Merrill Lynch Euro-Sterling Index plus 0.65%	2.4	8.1	-5.0
Excess returns (Gross)	0.0	0.3	0.4

Inception Date: 27th July 2020

Source: Northern Trust as of 30 September 2023

Overall Fund Commentary
During the quarter, the fund performed in line with the benchmark, returning 2.2%, with credit positioning supporting returns while term structure positioning detracted from performance. An overweight credit beta position supported returns as credit spreads broadly tightened over the quarter amid signs of improving consumer confidence and hopes that interest rates may have peaked. At a sector level, the overweight stance in banks & brokers, insurance and other financials supported performance. Our overweight position in legacy Credit Suisse debt (now UBS) contributed to performance, as we exploited the spreads differential between Credit Suisse and UBS, on the announcement of the merger. Our underweight positioning in quasi/sovereign names such as KFW and European Investment Bank detracted from performance. On the duration front, an overweight position in the Euro duration detracted from performance as central banks stuck to their message to keep rates high for longer. The fund's adverse sterling duration position also detracted from performance. Gilt yields remain volatile and rose during the quarter. However, Gilts recovered as weaker growth data forced investors to dial down their expectations for terminal rates. UK bonds posted positive returns during the quarter, with corporate bonds outperforming government bonds. In the corporate credit space, credit spreads tightened amid signs of improving consumer confidence and hopes that interest rates may have peaked. The European Central Bank (ECB) raised interest rates by 25 basis points in July however, the overall tone moved in a dovish direction. Furthermore, the ECB regarded the outlook for inflation as highly uncertain, thereby emphasising sticking to a data-dependent, meeting-by-meeting approach. However, investors remained cautious about the possibility of further monetary tightening by the ECB on the back of mixed economic data. US treasuries sold off at the start of the quarter amid the tight labour market and a relatively hawkish stance from the US Federal Reserve (Fed). The trend continued when the credit rating agency, Fitch, lowered the US government's long-term debt rating to AA+ from AAA due to concerns over fiscal and governance-related issues.