

# Responsible Income (£) (P)

Quarter 1 2026 (as at 31 March 2026)



**Investment Philosophy:** We believe investing is a long-term assignment, and that prudent participation, with thoughtful diversification, is the optimal way to compound returns over time. We are focused on delivering performance aligned with clients' expectations, constructing our strategies via a carefully curated mix of asset classes, geographies, sectors and styles, to navigate markets more smoothly. Our dedication to continual improvement and innovation means we are always seeking to refine and improve our research, investment process, performance and communication.

## Mandate

**Investment Objective:** to provide an income stream, whilst minimising the risk of significant capital impairment

**Target Outcome:** cash +1% to 3% p.a. over a rolling 3 year period

**Currency:** sterling

**Risk Parameters:** 8% maximum peak to trough drawdown, volatility in the range 4% to 8% annualised

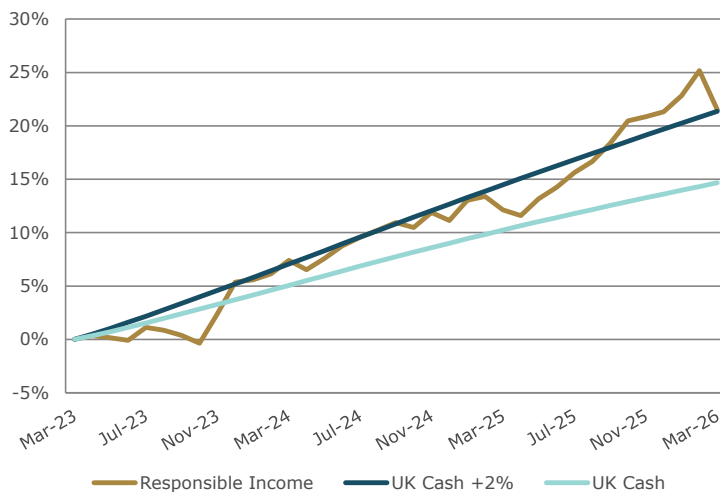
**Time Horizon:** ≥ 3 years

**Style:** diversified, global, multi asset (bonds, equities, alternatives, currencies and cash)

## Performance<sup>1</sup>

### Statistics Since Inception (January 2012)

Total Return	86.54%
Annualised Return	4.53%
Annualised Volatility	4.19%
Maximum Drawdown	-8.04%



3 Month	YTD	1 Year	3 Year	5 Year
0.17%	0.17%	8.38%	21.52%	21.11%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2026</b>	1.25%	1.91%	-2.91%										<b>0.17%</b>
<b>2025</b>	1.70%	0.33%	-1.12%	-0.48%	1.41%	0.99%	1.22%	0.90%	1.45%	1.77%	0.33%	0.37%	<b>9.21%</b>
<b>2024</b>	0.23%	0.53%	1.18%	-0.81%	0.97%	1.10%	0.74%	0.61%	0.61%	-0.42%	1.26%	-0.74%	<b>5.36%</b>
<b>2023</b>	1.95%	-0.86%	0.49%	0.35%	-0.21%	-0.23%	1.22%	-0.27%	-0.48%	-0.72%	2.77%	2.89%	<b>7.02%</b>
<b>2022</b>	-0.78%	-1.24%	-0.15%	-1.36%	-0.38%	-2.27%	1.51%	-0.08%	-2.13%	-0.11%	2.24%	0.34%	<b>-4.42%</b>
<b>2021</b>	-0.29%	-0.77%	-0.05%	0.94%	0.24%	0.56%	0.36%	0.61%	-0.42%	-0.48%	-0.08%	0.90%	<b>1.52%</b>

<sup>1</sup> Performance data is net of fund manager fees, but does not include CIIL, advisor or platform fees

## Quarterly Commentary

It was a quarter of two very distinct phases. January and February were relatively positive, as US economic growth remained solid, corporate earnings expectations were healthy, and global equity markets continued to move higher. Then on February 28th, the US and Israel launched joint strikes against Iran, and the environment shifted materially. The conflict, with its impacts and implications across energy markets, risk assets and policy expectations then dominated the final month of the quarter, prompting a pullback for both stocks and bonds, which each finished in negative territory for Q1. Monetary policy expectations shifted meaningfully, from the expectation of rate *cuts* to the possibility of rate *hikes*. Credit spreads widened modestly, as concerns around underlying asset quality in private credit continued to percolate.

Set against this challenging backdrop, this strategy finished up 0.2%. While the portfolio has limited exposure to equities, rising government bond yields were a headwind to performance. The leading contributor in Q1 was (value-biased) Lightman European Equities, which gained 8.8%. The largest detractor was BlueBay Global Sovereign Opportunities – a strong contributor over the long-term – where the strategy was on the wrong side of key rates and FX moves in March, and was down 3.3%.

In terms of trading, we cycled out of an EM equity fund focused predominantly on Asian stocks, into Morgan Stanley Emerging Leaders Equity (see [Featured Fund](#)), with a more global portfolio, and added to UK Gilts as 10-year yields approached 5%.



Issued 31/12/2025 for Spectrum Cautious GBP (formerly Responsible Income)

# Asset Allocation



Fund Name	Weighting	Description	SFDR <sup>5</sup>
Aegon Global Diversified Income	5.0%	A portfolio of high quality, multi-asset income	8
BlueBay Global Sovereign Opportunities	9.0%	Uncorrelated returns from global macroeconomic trading	8
Goldman Sachs Global Dynamic Bond Plus Portfolio	6.0%	Diversified strategic bond fund with low duration	8
Guinness Global Equity Income	5.0%	Defensive businesses steadily growing their dividends	8
iShares Core UK Gilts	6.0%	UK Gilts	6
Latitude Horizon	5.0%	Multi-asset approach combining global value stocks with fixed income	6
Lightman European Equities	5.0%	Value focused European equity stockpicker	8
M&G Emerging Markets Bond	5.0%	Flexible, defensive emerging market fixed income fund	6
Morgan Stanley Emerging Leaders Equity	5.0%	EM equity investing with limited China exposure	8
Pictet Strategic Credit	5.0%	Strategic bond fund backed by insightful top-down thinking	6
Polar Capital Global Absolute Return	6.0%	Robust arbitrage strategy utilising convertible bonds	8
Royal London Short Duration Global High Yield	8.0%	Clipping high yield coupons while keeping duration risk low	8
Ruffer Diversified Return International	8.0%	Macro-led multi-asset investing with a keen eye on downside risk	8
Troy Trojan	8.0%	Steady, resilient, well-proven multi-asset strategy	8
Vontobel TwentyFour Strategic Income	9.0%	Strategic multi-credit fund with a 'glass half full' approach	8
Blackrock Sterling Liquidity	3.0%	Money market fund, as an alternative to cash	8
Cash	2.0%	Money waiting to be invested	
<b>OCF: 0.69%<sup>2</sup>    Equity Beta: 0.34<sup>3</sup>    Yield: 3.49%    Bond Duration: 2.94yrs<sup>4</sup></b>			

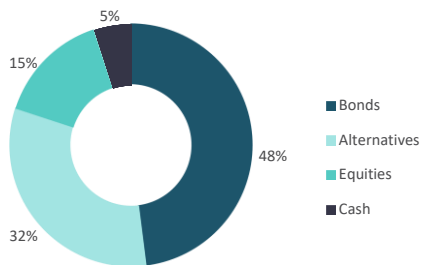
<sup>2</sup> Weighted ongoing charge figure - not including CIJL fees

<sup>3</sup> A measure of an investment's sensitivity to global listed equities

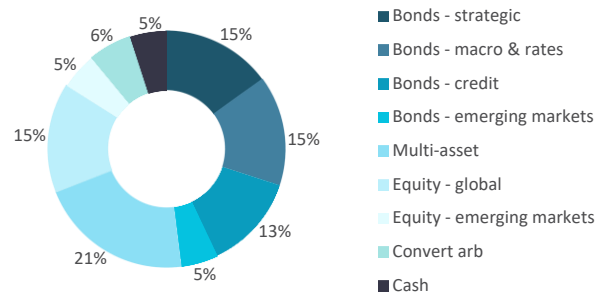
<sup>4</sup> Sensitivity to interest rate changes – applied only to bonds

<sup>5</sup> Sustainable Finance Disclosure Regulation – article classification

## Asset Class Breakdown



## Category Breakdown



## Featured Fund

**Morgan Stanley Emerging Leaders Equity:** Is a fund we rotated into in Q1, as it gives us something that's become harder to find in emerging market equity funds: genuinely broad geographic diversification. Where many EM funds have become heavily centred on South-East Asia and fast-moving momentum trades (particularly memory chips makers and other parts of the AI data center ecosystem), this strategy spreads its exposure more evenly across the global EM universe. That includes meaningful allocations to Latin America and India, alongside opportunities in Taiwan, Korea and select areas of China.

The portfolio is intentionally focused, typically holding 25–40 high-quality companies with strong balance sheets and clear, long-term earnings drivers. The team avoids more cyclical or harder-to-predict areas, preferring businesses that can compound steadily over time. The fund is run by an experienced global team spanning New York, Singapore and Mumbai, with decades of combined EM expertise and a strong research culture underpinning their approach. Recent positioning changes show that discipline in action – adding to high-quality names in Korea, and introducing financial innovators from Peru and South Africa, while preserving substantial allocations to long-term growth plays such as Brazil and India. In summary, the fund offers a well-diversified way to access the most attractive parts of emerging markets, with less of the concentration risk we have seen build up elsewhere.



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