

# Responsible Real Return (£) (P)

Quarter 1 2026 (as at 31 March 2026)

Signatory of:



**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 grow the real return of capital invested

**Target Outcome:** UK CPI +1% to 3% p.a. over a rolling 5 year period

**Currency:** sterling

**Risk Parameters:** 15% maximum peak to trough drawdown, volatility in the range 8% to 13% annualised

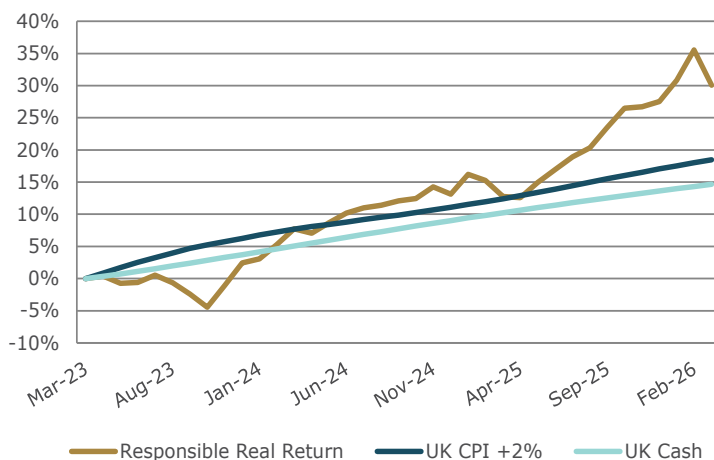
**Time Horizon:** ≥ 5 years

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

## Performance<sup>1</sup>

### Statistics Since Inception (January 2012)

Total Return	127.27%
Annualised Return	5.93%
Annualised Volatility	6.00%
Maximum Drawdown	-10.70%



3 Month	YTD	1 Year	3 Year	5 Year
1.98%	1.98%	15.35%	30.05%	27.76%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2026</b>	2.58%	3.63%	-4.07%										<b>1.98%</b>
<b>2025</b>	2.73%	-0.83%	-2.18%	-0.17%	2.12%	1.71%	1.53%	1.10%	2.64%	2.43%	0.15%	0.66%	<b>12.43%</b>
<b>2024</b>	0.64%	2.13%	2.33%	-0.64%	1.53%	1.40%	0.71%	0.37%	0.61%	0.36%	1.60%	-0.98%	<b>10.46%</b>
<b>2023</b>	2.83%	-1.84%	0.41%	0.38%	-1.11%	0.13%	1.17%	-1.21%	-1.75%	-2.10%	3.51%	3.58%	<b>3.82%</b>
<b>2022</b>	-2.74%	-0.67%	0.59%	-2.33%	-1.63%	-2.58%	1.81%	0.49%	-1.20%	-1.08%	2.35%	-0.63%	<b>-7.51%</b>
<b>2021</b>	-0.31%	0.15%	-0.72%	2.47%	0.13%	1.45%	-0.32%	1.09%	-1.38%	1.62%	-0.66%	0.40%	<b>3.91%</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. US equities finished Q1 in negative territory, with the S&P lower by 4.3% (USD). European and Asian equities had a strong start to the year, but reversed quite sharply, with both regions heavily dependent on energy imports. Brent crude surged from the mid-\$70s to above \$110 per barrel - its biggest quarterly jump since the first Gulf War in 1990 - while US gasoline prices hit \$4 per gallon, the highest level since 2022.

Set against this volatile backdrop, our balanced mandate delivered another solid quarter, returning circa 2%. We are pleased to have smoothly navigated a very challenging period for financial markets, via the strategy's well diversified and differentiated portfolio positioning.

The standout contributor in the period was Guinness Global Energy (see [Featured Fund](#)), added in November 2025, and up circa 40% in Q1. We had smaller positive P&L from materials and infrastructure exposure, and two strategies - one of them a market neutral long/short fund - focused on AI beneficiaries. On the negative side, the strategy took some modest losses from a liquid macro strategy, UK equities and government bonds. In terms of trading, we reduced equity exposure early in Q1 and later added to fixed income.



Issued 31/12/2025 for Spectrum Balanced GBP (formerly Responsible Real Return)

# Asset Allocation



Fund Name	Weighting	Description	SFDR <sup>5</sup>
Alma Electron Global	6.0%	Long/short equity specialising in utilities & infrastructure	6
Baker Steel Electrum	6.0%	Investing in miners of key metals with strong ESG profiles	8
BlueBay Emerging Markets Unconstrained Bond	5.0%	Dynamic emerging markets debt investing	8
BlueBay Global Sovereign Opportunities	9.0%	Uncorrelated returns from global macroeconomic trading	8
Guinness Global Energy	5.0%	Respected energy equity team, with industry experience	6
iShares Core UK Gilts	8.0%	UK Gilts	6
M&G Asian	5.0%	Patiently awaiting opportunities in companies the team know best	8
Pictet Strategic Credit	9.0%	Strategic bond fund backed by insightful top-down thinking	6
Polar Capital Artificial Intelligence	6.0%	Investing in the global adoption and application of AI	8
Polar Capital UK Value Opportunities	6.0%	Investing in high quality UK companies at bargain prices	8
Ruffer Diversified Return International	8.0%	Macro-led multi-asset investing with a keen eye on downside risk	8
Schroder GAIA Contour Tech Equity	8.0%	Thematic long/short equity strategy specialising in tech	6
Vontobel TwentyFour Strategic Income	6.0%	Strategic multi-credit fund with a 'glass half full' approach	8
Blackrock Sterling Liquidity	2.0%	Money market fund, as an alternative to cash	8
Cash	11.0%	Money waiting to be invested	
<b>OCF: 0.72%<sup>2</sup>    Equity Beta: 0.42<sup>3</sup>    Yield: 1.83%    Bond Duration: 2.94yrs<sup>4</sup></b>			

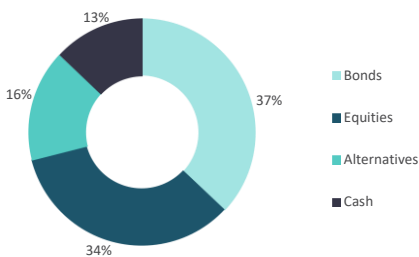
<sup>2</sup> Weighted ongoing charge figure - not including CIJL fees

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

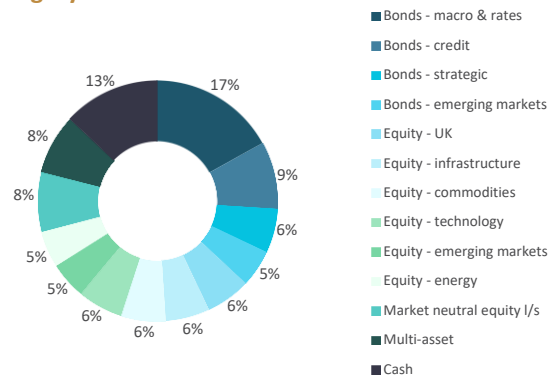
<sup>4</sup> Sensitivity to interest rate changes – applied only to bonds

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

## Asset Class Breakdown



## Category Breakdown



## Featured Fund

**The Guinness Global Energy Fund:** is managed by a highly experienced, specialist energy team with a track record stretching back over two decades. The fund invests across the global energy value chain — from the large integrated majors to exploration and production, services and midstream — in a concentrated portfolio of around 30 holdings. The research process blends detailed modelling of company fundamentals with a clear view on long-term supply and demand dynamics, enabling the team to focus on resilient, cash-generative businesses. Although this is primarily a traditional energy strategy, it is run by the same team responsible for the Guinness Sustainable Energy Fund, and ESG considerations are fully embedded in their process. The managers systematically assess ESG risks, engage directly with company management, and favour businesses demonstrating improving profiles, allows us to access a strategically important sector in a responsible way.

We reallocated to the strategy in November, seeing an attractive opportunity in the energy sector, and for the valuable portfolio diversification benefits – given rising energy prices put pressure on essentially every other segment of the market. The traditional energy sector has seen years of underinvestment while global energy and power demand continues to rise, now underpinned by the AI data center build-out and separating global supply chains. The portfolio protection aspect of course came into increasing effect across Q1, with the build-up and arrival of the US-Iran war, helping to cushion the impact of downside elsewhere.



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