

## Objective

The objective is to provide income with the potential for capital growth over any 5-year period.

## Key Facts

|                    |                                           |
|--------------------|-------------------------------------------|
| Investment Manager | <b>Town Close Financial Planning Ltd</b>  |
| Comparator         | <b>IA Mixed Investment 0-35% Shares</b>   |
| Fund Size          | <b>£27,903,456</b>                        |
| Launch Date        | <b>20 October 2025</b>                    |
| Share Class        | <b>MGTS Town Close Defensive Fund Acc</b> |
| ISIN               | <b>GB00BRC1R861</b>                       |
| OCF                | <b>0.540%</b>                             |
| Yield              | <b>TBC</b>                                |

## Market Commentary

Markets remain in a waiting phase. UK inflation is expected to fall back toward target over the coming months, largely due to base effects rather than falling prices. The price level remains high, but the pace of increase is slowing. This should allow the Bank of England to reduce interest rates gradually, particularly if growth and employment data soften as expected. We anticipate slightly more easing than markets currently price, though not enough to justify extending bond duration meaningfully at this stage.

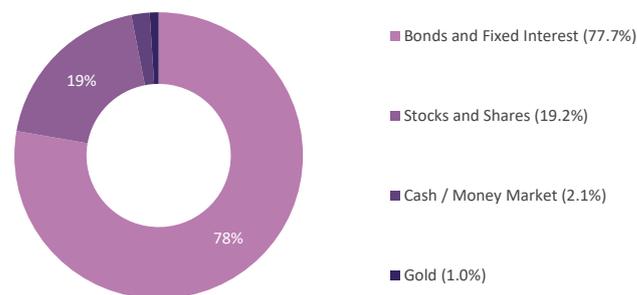
In the US, monetary policy is entering a transitional period. Attention is shifting toward the incoming Federal Reserve leadership and the evolving balance between rate cuts and balance sheet restraint. While recent tariff rulings have created procedural uncertainty, the broader policy direction is unlikely to change materially. Markets appear comfortable that short-term rates will move lower over time, even if the longer end of the yield curve remains sensitive to fiscal dynamics.

Geopolitically, risks persist but remain contained. The most significant structural risk continues to centre on China and Taiwan. Encouragingly, regional developments — particularly a firmer stance from Japan — may act as a stabilising influence rather than an accelerant. Elsewhere, markets have largely absorbed ongoing conflicts, viewing them as regional rather than systemic.

Equity valuations remain elevated in parts of the US, while other regions offer more reasonable entry points. This divergence reinforces the case for diversified global exposure. Credit spreads remain tight, limiting the case for increasing high-yield exposure at present.

Overall, portfolios remain positioned neutrally, with an emphasis on flexibility. We retain shorter-duration fixed income exposure and diversified equities, allowing participation in growth while preserving the capacity to respond decisively should volatility create more compelling opportunities.

## Asset Allocation



## Portfolio Holdings

|                                                      |               |
|------------------------------------------------------|---------------|
| <b>Global</b>                                        | <b>39.12%</b> |
| iShares £ Ultrashort Bond ETF GBP Dist               | <b>15.40%</b> |
| Vanguard Global Aggregate Bond UCITS ETF GBP Hedged  | <b>15.08%</b> |
| iShares \$ Floating Rate Bond UCITS ETF GBP Hedged   | <b>5.06%</b>  |
| iShares MSCI World Small Cap UCITS ETF               | <b>2.09%</b>  |
| HSBC Multi Factor Worldwide Equity UCITS ETF         | <b>1.01%</b>  |
| iShares Edge MSCI World Quality Factor UCITS ETF USD | <b>0.48%</b>  |
| <b>UK</b>                                            | <b>32.81%</b> |
| iShares £ Corp Bond 0-5yr GBP Dist                   | <b>10.19%</b> |
| iShares UK Gilts 0-5yr GBP Dist                      | <b>9.95%</b>  |
| iShares Core UK Gilts UCITS ETF GBP (Dist)           | <b>7.52%</b>  |
| GBP Cash                                             | <b>2.05%</b>  |
| Vanguard FTSE 100 ETF                                | <b>1.44%</b>  |
| WisdomTree Core Physical Gold USD ETC                | <b>1.00%</b>  |
| Vanguard FTSE 250 UCITS ETF                          | <b>0.66%</b>  |
| <b>North America</b>                                 | <b>22.03%</b> |
| Invesco US Trs Bd 7-10 Yr ETF USD Dis                | <b>9.48%</b>  |
| iShares \$ High Yld Corp Bd ETF GBPH Dist            | <b>5.05%</b>  |
| SPDR S&P 500 UCITS ETF USD Acc                       | <b>2.98%</b>  |
| iShares S&P 500 USD (Dist)                           | <b>1.56%</b>  |
| Invesco S&P 500 Equal Weight ETF Acc                 | <b>1.51%</b>  |
| SPDR® S&P 400 US Mid Cap UCITS ETF USD Acc           | <b>0.99%</b>  |
| iShares NASDAQ 100 ETF USD Acc                       | <b>0.46%</b>  |
| <b>Global Emerging Markets</b>                       | <b>2.13%</b>  |
| iShares Core MSCI EM IMI UCITS ETF Acc               | <b>2.13%</b>  |
| <b>Europe Ex UK</b>                                  | <b>2.06%</b>  |
| HSBC Euro Stoxx 50 UCITS ETF Inc                     | <b>2.06%</b>  |
| <b>Japan</b>                                         | <b>1.01%</b>  |
| Vanguard FTSE Japan ETF                              | <b>1.01%</b>  |
| <b>Asia Pacific ex Japan</b>                         | <b>0.83%</b>  |
| HSBC MSCI Pacific ex Japan UCITS ETF                 | <b>0.8%</b>   |

## Performance

The IA (Investment Association) Mixed Investment 0-35% Shares Sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is expected to have a similar risk profile to the Sub-fund. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

| Cumulative Performance             | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years | 10 Years |
|------------------------------------|----------|----------|--------|---------|---------|----------|
| MGTS Town Close Defensive Fund Acc | 0.52     | -        | -      | -       | -       | -        |
| IA Mixed Investment 0-35% Shares   | 1.20     | 4.84     | 7.47   | 17.58   | 11.68   | 39.93    |

| Discrete Performance               | YTD  | 2025 | 2024 | 2023 | 2022   | 2021 |
|------------------------------------|------|------|------|------|--------|------|
| MGTS Town Close Defensive Fund Acc | 0.17 | -    | -    | -    | -      | -    |
| IA Mixed Investment 0-35% Shares   | 0.99 | 8.02 | 4.37 | 6.06 | -10.22 | 2.57 |



Source: Morningstar Direct as at 30 January 2026. Performance is bid to bid with income reinvested.

**Past Performance is no guarantee of future performance and investors may get back less than the original amount invested.**

## Important Information

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