

Objective

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

Key Facts

Investment Manager	Town Close Financial Planning Limited
Comparator	IA Mixed Investment 0-35% Shares
Fund Size	£6,713,700
Launch Date	20 October 2025
Share Class	MGTS Town Close Defensive Fund Acc
ISIN	GB00BRC1R861
OCF	0.540%
Yield	TBC

Market Commentary

Markets ended the year navigating a familiar tension between easing inflation and still-restrictive monetary policy. While headline rates have begun to move lower, central banks remain cautious, keen to avoid prematurely loosening financial conditions.

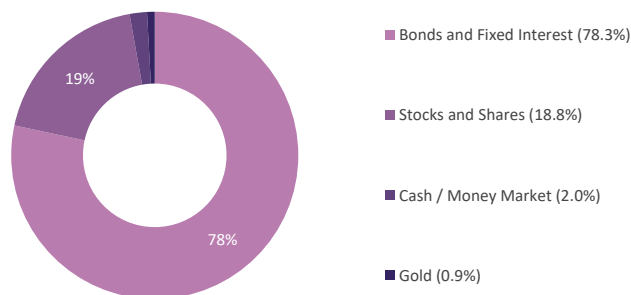
Against this backdrop, portfolio positioning remains deliberately balanced. We continue to favour short-duration fixed income, where yields remain attractive and are most sensitive to expected rate cuts. By contrast, longer-dated bonds offer less compelling risk-reward, with yields already reflecting much of the anticipated policy easing.

In credit markets, spreads in high-yield bonds are historically tight. While existing holdings continue to provide valuable income, we see limited justification for increasing exposure at current levels. Instead, we are monitoring conditions closely for a more attractive entry point should spreads widen.

Equity markets present a more nuanced picture. US valuations remain elevated, but not to levels that would justify a materially defensive stance, particularly given continued earnings resilience. Elsewhere, selected overseas markets — notably Japan and parts of Europe — offer more attractive valuations and policy tailwinds, supporting a diversified global approach.

Overall, portfolios remain positioned neutrally in terms of risk, balancing participation in growth assets with resilience should volatility increase. We believe this measured approach is appropriate as markets transition from a period of aggressive monetary tightening toward a more normalised environment.

Asset Allocation



Portfolio Holdings

Global	39.2%
iShares £ Ultrashort Bond ETF GBP Dist	15.6%
Vanguard Global Aggregate Bond UCITS ETF GBP Hedged	15.1%
iShares \$ Floating Rate Bond UCITS ETF GBP Hedged	5.0%
iShares MSCI World Small Cap UCITS ETF	2.0%
HSBC Multi Factor Worldwide Equity UCITS ETF	1.0%
iShares Edge MSCI World Quality Factor UCITS ETF USD	0.5%
UK	31.5%
iShares £ Corp Bond 0-5yr GBP Dist	10.1%
iShares UK Gilts 0-5yr GBP Dist	10.1%
iShares Core UK Gilts UCITS ETF GBP (Dist)	7.5%
GBP Cash	2.0%
Vanguard FTSE 100 ETF	1.4%
iShares FTSE 250 GBP Dist	0.6%
North America	22.6%
Invesco US Trs Bd 7-10 Yr ETF USD Dis	10.1%
iShares \$ High Yld Corp Bd ETF GBPH Dist	5.0%
SPDR S&P 500 UCITS ETF USD Acc	3.0%
iShares S&P 500 USD (Dist)	1.6%
Invesco S&P 500 Equal Weight ETF Acc	1.5%
SPDR® S&P 400 US Mid Cap UCITS ETF USD Acc	1.0%
iShares NASDAQ 100 ETF USD Acc	0.5%
Europe Ex UK	2.0%
HSBC Euro Stoxx 50 UCITS ETF Inc	2.0%
Global Emerging Markets	2.0%
iShares Core MSCI EM IMI UCITS ETF Acc	2.0%
Japan	1.0%
Vanguard FTSE Japan ETF	1.0%
Unclassified	0.9%
WisdomTree ETFS Physical Gold	0.9%
Asia Pacific ex Japan	0.8%
HSBC MSCI Pacific ex Japan UCITS ETF	0.8%

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	-	-	-	-	-	-
IA Mixed Investment 0-35% Shares	3.14	6.25	6.81	18.17	11.32	36.06
Discrete Performance	YTD	2024	2023	2022	2021	2020
MGTS Town Close Defensive Fund Acc	-	-	-	-	-	-
IA Mixed Investment 0-35% Shares	7.72	4.37	6.06	-10.22	2.57	3.98



Source: Morningstar Direct as at 28 November 2025. 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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