

Quarterly Investment Bulletin

Foresters Stakeholder (Schroders) Managed Fund

Q3 2024

Fund objective

The Foresters Stakeholder (Schroders) Managed Funds are professionally managed by Schroders with the aim to generate capital growth over the medium to long term by investing in a portfolio of UK and international company shares, global government and corporate bonds, and cash. No more than 60% of the portfolio is invested in stocks and shares. The fund has a medium-low risk profile.

Foresters Stakeholder (Schroders) Managed 1 Fund

Fund Size: £2,904.4m*

Launch Date: 1 January 2005

Foresters Stakeholder (Schroders) Managed 2 Fund

Fund Size: £94.5m*

Launch Date: 1 January 2005

Growth to 30th September 2024 (Net of charges)

	Q3	1yr	3yrs	5yrs	10yrs
1	2.1%	14.5%	5.9%	15.2%	36.8%
1A	2.2%	15.1%	7.5%	18.1%	n/a

Growth to 30th September 2024 (Net of charges)

	Q3	1yr	3yrs	5yrs	10yrs
2	1.7%	11.6%	4.1%	11.2%	31.6%
2A	1.8%	12.1%	5.7%	14.0%	n/a

Fund yearly performance

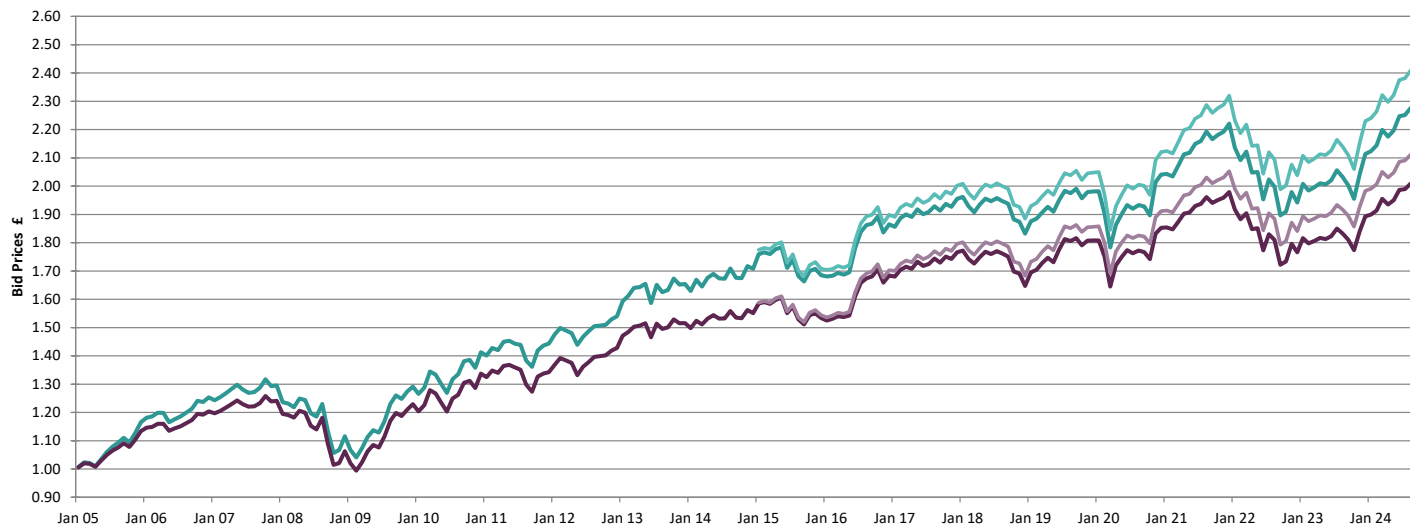
The table below shows the annual growth rate over the past 5 years.

Change in price of units over one year periods to end of September (Net of charges)

Period	2024	2023	2022	2021	2020
Stakeholder (Schroders) Managed 1 Fund	14.5%	5.6%	-12.4%	12.3%	-3.2%
Stakeholder (Schroders) Managed 1A Fund	15.1%	6.1%	-12.0%	12.9%	-2.6%
Stakeholder (Schroders) Managed 2 Fund	11.6%	5.2%	-11.3%	9.8%	-2.7%
Stakeholder (Schroders) Managed 2A Fund	12.1%	5.7%	-10.8%	10.3%	-2.2%

Cumulative Performance

This shows the growth in unit prices of the Funds. Please refer to the important note below.



Stakeholder (Schroders) Managed 1 Fund
 Stakeholder (Schroders) Managed 1A Fund
 Stakeholder (Schroders) Managed 2 Fund
 Stakeholder (Schroders) Managed 2A Fund

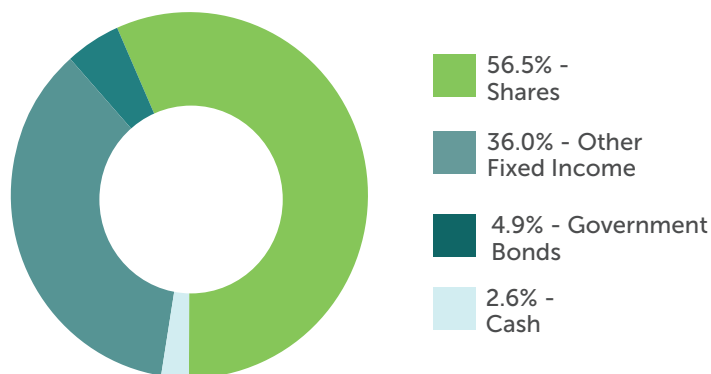
Important Note: Please remember that, with a unit-linked investment, the value of your investment may go down as well as up, and that past performance should not be seen as an indication of future performance.

The Foresters Stakeholder (Schroders) Managed 1 Funds are allocated to tax-efficient investments such as ISAs, while the Foresters Stakeholder (Schroders) Managed 2 Funds are allocated to taxable investments such as Savings & Investment Plans. Both funds follow an identical investment philosophy, although comparative performance can still be influenced by a number of factors. Most notably the Foresters Managed 1 Funds enjoy a tax-efficient way of investing and this is usually the key contributor to the differential in performance between the two fund types.

* Fund sizes are net of charges and also include the 1A and 2A funds where funds are eligible for a reduced annual management charge for Plans invested for more than 10 years.

Asset allocation (% of Fund)

The chart below shows the latest mix of investments held within our Funds, highlighting a risk-controlled balanced approach.



Top 5 global share holdings (% of shares by region)

Of the listed shares that we currently hold, our top 5 regional holdings are as follows:

	Countries/Regions	% of Shares
1	North America Equities	54.9%
2	UK Equities	18.3%
3	Emerging Markets Equities	10.0%
4	Europe ex-UK Equities	8.5%
5	Asia Pacific ex-Japan Equities	5.0%

Schroders Quarterly Review

Market/ Economic Review

- US shares advanced strongly over the quarter. The US central bank announced a 0.5% interest rate cut in September following weaker jobs data, which indicated that the unemployment rate had risen to 4.3%.
- Eurozone shares also posted gains, led by the real estate, utilities and healthcare sectors, as the prospect of lower interest rates saw investors reassess some previously out-of-favour parts of the market.
- UK shares also rose, helped initially by Labour's landslide general election win at the start of the quarter which fuelled hopes for a sustained recovery in the domestic economy. This was helped further by the Bank of England who announced its first interest rate cut in four years in August, reducing the Bank Rate by 0.25% to 5%.
- Emerging market shares outperformed developed markets in the third quarter. It was a volatile start to the period due to concerns over slowing global growth which led to share prices significantly falling. However, there was some relief as both the US and Chinese governments implemented measures to stimulate their economies. This helped emerging markets to post strong returns in September.
- Interest rate cuts in a number of major economies during the quarter, along with the prospect of more to come, helped bond markets deliver positive returns. Corporate bonds outperformed government bonds during this period.

Outlook

Consistent with the conclusion we reached over the summer, we remain in the soft landing camp when it comes to the US economy, a scenario where economic growth slows and inflation pressures ease, however a recession is avoided. Falling inflation is giving the US central bank room for manoeuvre, while labour markets remain relatively healthy. All in all, these factors lead us to maintain our positive view on equities.

We have downgraded our view on government bonds to negative, as we believe that the extent of further rate cuts expected by investors still seems excessive, particularly for US bonds.

Nonetheless, in the longer term, we expect bonds to become more attractive as a means of protecting against recession risks.

Schroders

Schroders is a global investment manager with broad expertise across international public and private investment markets. With over 200 years of expertise, and c.6000 people based in 38 locations around the world, they use their professional expertise to make active investment choices to help customers achieve their long-term financial goals. Schroders global assets under management were £773.7bn at 30th June 2024.

Approach to ESG

ESG stands for Environmental, Social and Governance. The multi-asset team at Schroders recognise that ESG trends such as globalisation, changing political landscapes, ecosystem disruption, urbanisation and climate change may have a material impact on investments. At the heart of the team's investment philosophy is the belief that through analysis of ESG factors, better investment decisions can be made. Schroders utilise their comprehensive experience and expertise to integrate ESG analysis into their investment process on your behalf.