

Quarterly Investment Bulletin

Foresters Stakeholder (Schroders) Managed Fund

Q4 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: £2,998.3m*

Launch Date: 1 January 2005

Foresters Stakeholder (Schroders) Managed 2 Fund

Fund Size: £96.5m*

Launch Date: 1 January 2005

Growth to 31st December 2024 (Net of charges)

	Q4	1yr	3yrs	5yrs	10yrs
1	1.1%	9.6%	4.4%	17.0%	35.7%
1A	1.2%	10.2%	5.9%	20.0%	n/a

Growth to 31st December 2024 (Net of charges)

	Q4	1yr	3yrs	5yrs	10yrs
2	0.8%	7.5%	2.9%	12.6%	31.3%
2A	0.9%	8.1%	4.4%	15.5%	n/a

Fund yearly performance

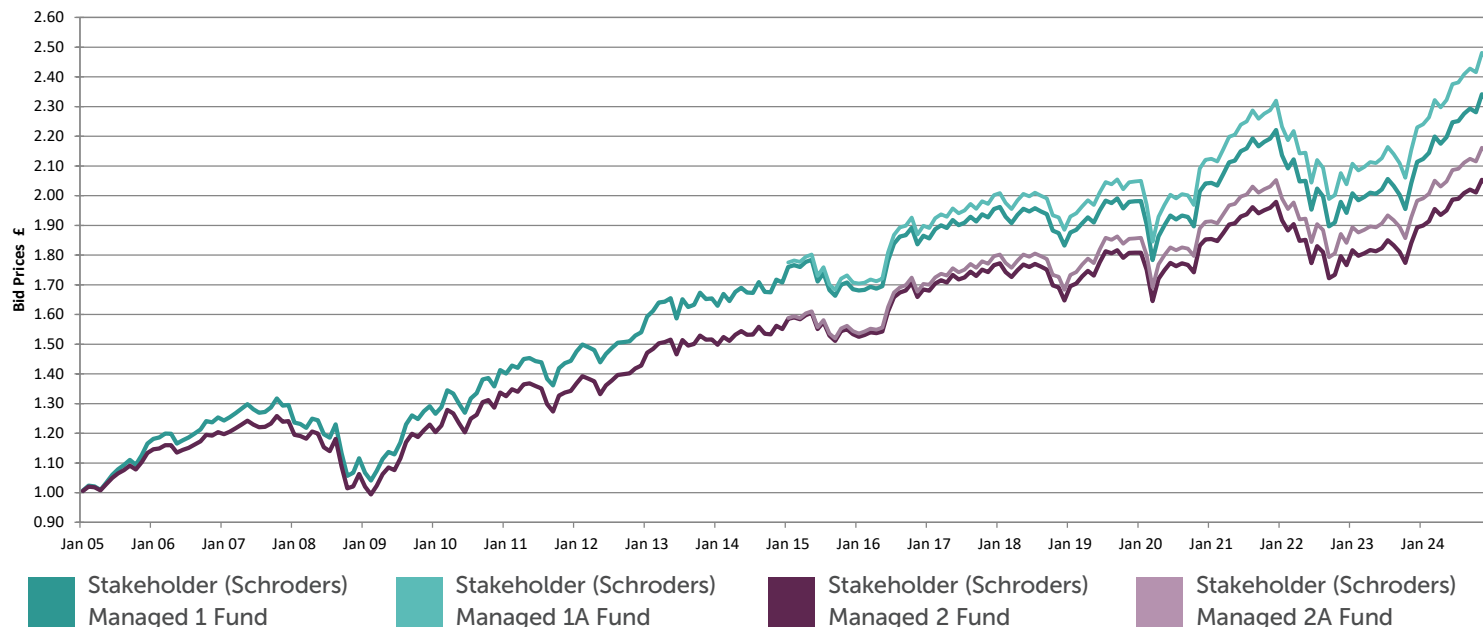
The table below shows the annual growth rate over the past 5 years.

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

Period	2024	2023	2022	2021	2020
Stakeholder (Schroders) Managed 1 Fund	9.6%	8.9%	-12.6%	8.8%	3.0%
Stakeholder (Schroders) Managed 1A Fund	10.2%	9.4%	-12.2%	9.4%	3.6%
Stakeholder (Schroders) Managed 2 Fund	7.5%	7.2%	-10.8%	6.8%	2.5%
Stakeholder (Schroders) Managed 2A Fund	8.1%	7.7%	-10.3%	7.4%	3.0%

Cumulative Performance

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



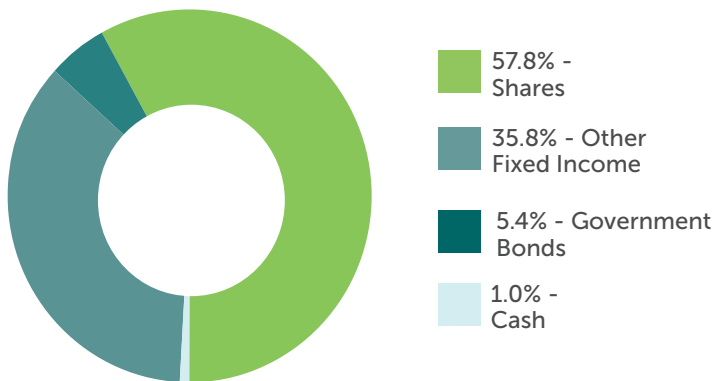
Important Note: Please remember that, with a unit-linked investment, the value of your investment may go down as well as up, and that past performance should not be seen as an indication of future performance.

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	57.8%
2	UK Equities	16.6%
3	Emerging Markets Equities	9.9%
4	Europe ex-UK Equities	9.1%
5	Asia Pacific ex-Japan Equities	3.7%

Schroders Quarterly Review

Market/ Economic Review

- US shares made gains in the fourth quarter, supported by Donald Trump's victory in the presidential election amid hopes that his policies will support domestic economic growth. However, there was a pullback in December after the US central bank indicated that higher inflation may result in fewer interest rate cuts in 2025 than financial markets had been anticipating.
- By comparison, Eurozone shares declined amid fears of a recession. There was political instability in France and Germany, as well as concerns over potential trade wars with the US following Donald Trump's victory in the US election.
- UK shares also fell over the quarter. In October, the UK's new Chancellor of the Exchequer, Rachel Reeves, laid out plans for £40 billion of tax rises with the increase in the national insurance tax on employers hurting business sentiment, in particular.
- As with Eurozone shares Emerging market shares weakened in the face of investor concerns about the impact of Donald Trump's intended trade tariffs on the region, particularly on China.
- Fixed income markets faced significant volatility in the final quarter of the year. US government bond prices dropped in October, driven by concerns over potential inflationary policies linked to a possible Republican victory in the November elections. Inflation data released later that quarter showed prices had unexpectedly increased, resulting in rising bond yields and falling prices as markets adjusted to fewer anticipated rate cuts for 2025.

Outlook

As we enter 2025, leaving aside political risks, the economic backdrop remains benign. Inflation has mostly moved in the right direction and interest rates are generally falling in the US and Europe.

Our expectation is that economic growth will reaccelerate as we progress through 2025. There is the potential for US equities to perform well, particularly given Trump's focus on deregulation and corporate tax cuts. This could boost US growth at the expense of its neighbours, but we also expect more monetary stimulus outside the US to offset this.

Overall, we remain positive on equities. We are neutral on government bonds, as despite prices flagging as cheap, the US economy is not yet faltering. However, we recognise that bonds can provide a useful hedge 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.6,000 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.