# JANUARY 2026
# MARKET UPDATE & INVESTMENT REPORT

## GUINNESS MULTI-ASSET FUNDS

GUINNESS GLOBAL INVESTORS

POWERED BY

Brewin Dolphin

This is a marketing communication. Please refer to the Prospectus, supplement and KID/KIIDs for the Funds before making any final investment decisions. This document is presented to you in your capacity as a Professional Client and is not for general distribution to Retail Clients. Should you receive this document as a Retail Client you should disregard its content and take no action based upon it.

# CONTENTS

# THE MONTH IN A MINUTE

## DECEMBER OVERVIEW

Global markets delivered strong and resilient performance in the fourth quarter of 2025, capping a year marked by solid gains across most asset classes. Equity markets ended 2025 near record or multi-year highs, supported by easing inflation, resilient economic fundamentals, and growing expectations that major central banks—led by the US Federal Reserve—would continue lowering interest rates in 2026 . Notably, non-US equities outperformed US markets for the first time in several years, driven by a weaker dollar, more attractive valuations overseas, and a partial rotation away from highly valued US technology stocks.

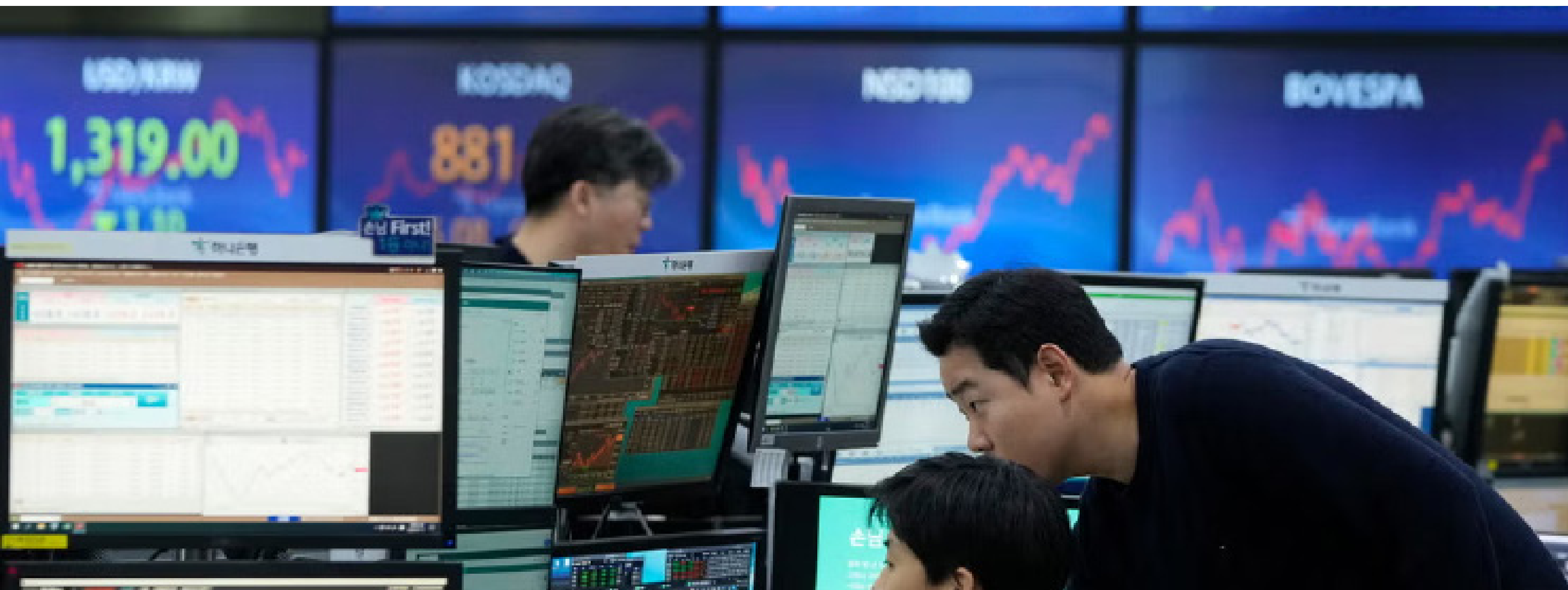
The MSCI World Index returned 21% (USD terms) for the full year. While technology and growth sectors continued to dominate performance, signs of market broadening emerged late in the year, benefiting value-oriented and international markets. In the US, equities rose despite political disruptions and labor market cooling. The S&P 500 delivered a near 18% annual gain, supported by rate cuts, solid earnings, and sustained—though increasingly selective—enthusiasm for artificial intelligence (AI). Market leadership narrowed, however, raising concerns about technology valuations and the durability of AI-driven gains.

European equities significantly outperformed, with the MSCI EMU Index posting returns exceeding 40% in US dollar terms. Investor confidence was supported by easing financial conditions, improving growth forecasts, and resilient labor markets, even as manufacturing activity remained weak. UK equities also enjoyed one of their strongest years in over a decade, driven by globally exposed companies and attractive valuations, while Japanese equities advanced amid political stability, fiscal stimulus, and ongoing corporate governance reforms, despite rising bond yields and valuation concerns.

Emerging markets outperformed the US in the quarter, led by technology-heavy economies such as Korea and Taiwan, while China lagged due to renewed property-sector stress. Asia ex-Japan equities benefited from sustained AI-related demand and improving domestic conditions in several Southeast Asian economies.

Bond markets were more mixed, with UK gilts outperforming. US Treasuries had modest returns, whilst Japanese government bonds sold off sharply. Commodities saw notable divergence: precious metals surged amid geopolitical and inflation concerns, while oil prices fell due to oversupply.

Overall, markets demonstrated resilience despite political uncertainty and slowing growth. Looking ahead to 2026, the outlook remains cautiously optimistic, with diversification and selectivity becoming increasingly important amid higher valuations, persistent macro and geopolitical risks.



# THE MONTH IN NUMBERS

| As at 31/12/2025 | Guinness Multi-Asset Balanced Fund | | | Guinness Multi-Asset Growth Fund | | |
|---|---|---|---|---|---|---|
| | Strategic Asset Allocation | Tactical Asset Allocation | Difference vs SAA | Strategic Asset Allocation | Tactical Asset Allocation | Difference vs SAA |
| **Cash** | 2.5% | 3.5% | 1.0% | 2.5% | 2.5% | 0.0% |
| **Bonds** | 22.5% | 21.5% | -1.0% | 12.0% | 11.0% | -1.0% |
| Government Bonds | 8.5% | 9.5% | 1.0% | 4.5% | 5.5% | 1.0% |
| Inflation Linked Bonds | 3.0% | 5.0% | 2.0% | 1.5% | 3.5% | 2.0% |
| Corporate Bonds | 11.0% | 7.0% | -4.0% | 6.0% | 2.0% | -4.0% |
| **Equities** | 68.0% | 69.0% | 1.0% | 83.5% | 84.5% | 1.0% |
| UK equities | 2.5% | 2.5% | 0.0% | 3.1% | 3.1% | 0.0% |
| International equities | 65.5% | 66.5% | 1.0% | 80.4% | 81.4% | 1.0% |
| US | 45.1% | 45.1% | 0.0% | 55.4% | 55.4% | 0.0% |
| Europe ex UK | 7.3% | 7.9% | 0.6% | 9.0% | 9.4% | 0.4% |
| Japan | 3.6% | 3.5% | 0.0% | 4.4% | 4.4% | 0.0% |
| Asia ex Japan | 9.5% | 10.0% | 0.5% | 11.7% | 12.2% | 0.5% |
| **Alternatives** | 7.0% | 6.0% | -1.0% | 2.0% | 2.0% | 0.0% |
| Hedge funds/alternatives | 4.0% | 2.0% | -2.0% | 1.0% | 0.0% | -1.0% |
| Commercial property | 1.5% | 1.5% | 0.0% | 0.5% | 0.5% | 0.0% |
| Gold | 1.5% | 2.5% | 1.0% | 0.5% | 1.5% | 1.0% |

| As at 31/12/2025 in GBP | Euro STOXX | MSCI AC Asia Pacific ex Japan | MSCI Emerging Markets | MSCI UK | S&P 500 | TSE TOPIX |
|---|---|---|---|---|---|---|
| 1m | 2.2% | 1.3% | 1.5% | 2.2% | -1.5% | -0.8% |
| 3m | 5.4% | 3.7% | 4.8% | 7.1% | 2.7% | 2.7% |
| 6m | 11.9% | 15.7% | 18.1% | 15.4% | 12.9% | 13.4% |
| 1yr | 32.2% | 20.6% | 24.4% | 25.8% | 9.3% | 16.7% |
| 3yr | 62.1% | 37.0% | 41.0% | 48.3% | 64.3% | 44.4% |
| 5yr | 75.1% | 24.8% | 24.8% | 90.0% | 95.0% | 40.2% |
| 10yr | 185.5% | 147.1% | 145.9% | 132.8% | 314.3% | 126.2% |

*Source: RBC Brewin Dolphin, Guinness Global Investors*

# ASSET ALLOCATION OVERVIEW

Positive Asset Class View
Negative Asset Class View

## EQUITIES

We expect the global economy to continue to expand, which is consistent with corporate profits going up. We also believe there is the potential for AI themes to drive both strong economy wide productivity and continued solid profit gains among the AI pick and shovel plays. However, we believe only a small equity overweight is appropriate. Most economies are close to full employment and there isn't much scope for labour force participation to rise. Meanwhile, US president Trump's immigration clampdown is weighing on US labour force growth. The upshot is that there's limited room for job growth. Further, US equity valuation multiples, concentration risk, and growth expectations are all elevated, and signs of froth among the AI plays have emerged. Finally, the large increase in US tariffs should weigh on global growth and result in higher US inflation than would otherwise be the case.

## BONDS

Our sense is that there is a greater risk that global bond yields rise rather than fall from current levels. In Japan, slightly more pro-growth fiscal policy settings should help further solidify the re-emergence of inflation, eventually leading to additional BoJ rate normalization and further upside in JGB yields. In Europe, improving region-wide growth momentum should keep pushing government bond yields higher, and French bonds probably deserve to be trading on a bigger risk premium given the political backdrop and ugly debt arithmetic. In the US, in our base case scenario that sees economic growth slow, but not excessively, there is limited room for Fed rate expectations to move lower. Meanwhile, we expect the US term premium and inflation expectations to rise. We expect Gilts to build on recent outperformance as relatively high UK inflation eases. We continue to favour government over corporate bonds. With spreads tight and given our desire to stick with a small equity overweight, our bond positioning acts as a partial portfolio hedge against recession risk.

## ALTERNATIVES

We have just increased our overweight in gold. We acknowledge that gold is looking pricey on many metrics, such as relative to the US CPI index. We also note that sentiment toward gold is bullish, which indicates that a lot of the good news is in the price. While there will undoubtedly be pullbacks, we believe the fundamental outlook remains solid. Central banks should continue to buy gold, there's room for investors to raise their allocations, and gold would benefit if the dollar continues to depreciate, which remains a reasonable assumption. Gold also acts as a good portfolio hedge against several risks that would prompt either a decline in real bond yields, a rise in inflation, or a mix of both. Falling real yields and rising inflation is good for gold given that it yields nothing and is a scarce asset. Among the more notable risks are a Chinese invasion of Taiwan, a deterioration in US relations with China and/or Europe, higher than expected inflation, and if the tariff impact ends up being greater than the consensus expects.

## CASH

We hold an overweight in cash, which provides some ammunition we can deploy when the outlook for other typically higher yielding asset classes improves.

# EQUITY ALLOCATION BY REGION

### US EQUITIES

The US should maintain the productivity growth advantage it has enjoyed against the rest of the developed world. Meanwhile, the US equity market has outsized exposure to surging demand for AI goods and sevices. Nevertheless, we hold a tactical neutral position in the US, for several reasons. There are signs of froth around the AI plays. While we believe that AI will be a transformative technology, there are lingering questions about whether the returns generated by providers of AI services will be high enough to justify both the massive levels of investment in the space, and the extended valuations the AI pick and shovel plays trade on. In addition, the S&P 500 excluding the magnificent 7 also trades on a large P/E premium to the world ex US market. Furthermore, our sense is that the dollar has scope to decline further over the medium/longer-term. A weak dollar would weigh on US equity relative performance in common currency terms. Weaker labour force growth due to the Trump administration's immigration clampdown and the potential for tariff-related pain are additional concerns.

### EUROPE EX UK EQUITIES

We remain modestly overweight Europe ex UK. The region's valuation metrics are significantly less demanding than the US. And the euro exchange rate remains cheaply valued vs the dollar relative to estimates of the purchasing power parity conversion rate, suggesting it has scope to strengthen further over the longer-term. If correct, that would support Europe ex UK equity relative performance in common currency terms. We expect only modest corporate profit growth given subdued European economic growth prospects. But a big boost to German defence and infrastructure spending should help close the growth gap with the US somewhat. Europe would also perform relatively well in the even that some of the hot air comes out of the AI trade, as Europe has relatively low exposure to it.

### UK EQUITIES

UK relative performance should continue to be closely linked to global value vs growth style performance, given its relatively hight weightings in value-oriented sectors such as financials and commodities, and low exposure to growth-oriented sectors such as tech. Some exposure to the value plays that the UK is so heavily weighted in is appropriate, in our view. Although the domestic economic outlook is less important for UK equity relative performance given the high international exposure of the names that

make up the UK large cap index, it still matters. Indeed, there is a positive relationship between the performance of UK vs global GDP and UK vs global equity performance. The UK economic growth outlook appears lacklustre. This is offset somewhat by the fact that the UK equity market trades on very undemanding valuation multiples.The UK economic growth outlook appears lacklustre. This is offset somewhat by the fact that the market equity market trades on very undemanding valuation multiples.

## JAPAN EQUITIES

Japan has implemented shareholder friendly reforms, which could help drive a further expansion in relatively depressed price-to-book multiples. Japan is now experiencing a healthy dose of inflation, with wage growth strengthening. Importantly, inflation expectations have also picked up. However, demographics amount to a major structural headwind for Japanese equity relative performance. Meanwhile, with the unemployment rate low and labour force participation high, Japan does not have much scope to put idle economic resources to work to drive cyclical growth.

## ASIA EX JAPAN & EM EQUITIES

China continues to battle multiple structural headwinds. That said, various revelations this year in areas like AI and EVs have served as good reminders that China excels at innovation. Chinese productivity growth has been much stronger than any other major country over the years, and that is likely to remain the case going forward. In addition, there's been a thawing in the relationship between the Communist party and big business. Finally, with deflation a much bigger risk than inflation, there is lots of scope for the authorities to pursue more stimulative monetary and fiscal policy. In Asia ex Japan more broadly, we are drawn to the structural growth that India offers, not least because it's still at a very early stage of development, with lots of upside. Another attraction is Taiwan and the exposure to semiconductors that comes with it, which can be bought more cheaply than the US-exposed names. South Korea also has relatively high AI exposure, particularly in memory, and that market also trades on relatively low valuation metrics.

**AT A GLANCE...**

# THE MULTI-ASSET BALANCED FUND

## MEDIUM RISK

You are prepared to have more than half of your investment held in equities with the aim of achieving a higher investment return over the long term. The greater allocation to equities means your portfolio may experience heightened levels of volatility over the investment term.

The portfolio will typically include two thirds of the assets invested in equities whilst the remainder will be split between cash, fixed income and alternatives. You are prepared to accept fluctuations in the value of your portfolio to achieve your investment goals.

The Fund is actively managed without reference to a benchmark and invests in funds in a range of different asset classes. The investment objective is to provide capital appreciation over the long term. Returns will be generated through both capital growth and income, with a bias towards developed and liquid capital markets. The risk will be diversified by holding collective investments in a range of asset classes and geographies. The management of the portfolio aims to meet the objective conservatively by taking managed risk through fund selection and asset allocation. The portfolio is based on the Brewin Dolphin International MPS Passive Plus Balanced Strategy.

## ASSET ALLOCATION

| | |
|---|---|
| Equities | 69.3% |
| Fixed Income | 21.5% |
| Alternatives | 5.5% |
| Cash | 3.8% |

## EQUITY ALLOCATION

| | |
|---|---|
| USA | 45.6% |
| Other International (DM) | 19.8% |
| UK | 2.5% |
| Other International (EM) | 1.4% |
| Cash | 3.8% |

*Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change*

| Holding | % Weight |
|---|---|
| iShares Core S&P 500 UCITS ETF USD Dist | 18.5% |
| SPDR S&P US Dividend Aristocrats UCITS ETF | 10.0% |
| Invesco EQQQ Nasdaq-100 UCITS ETF | 8.6% |
| Vanguard S&P 500 UCITS ETF | 8.5% |
| Vanguard FTSE Developed Europe ex UK UCITS ETF | 7.8% |
| iShares Global Corp Bond UCITS ETF | 7.0% |
| HSBC Global Government Bond UCITS ETF S2CH | 6.5% |
| iShares Global Inflation-Linked Bond Index Fund US Dollar Hedged | 5.0% |
| Vanguard Investment Series PLC - Pacific Ex-Japan Stock Index Fund | 4.4% |
| Xtrackers CSI300 Swap UCITS ETF | 4.1% |
| Fidelity MSCI Japan Index Fund | 3.5% |
| iShares Core UK Gilts UCITS ETF USD Hedged (Dist) | 3.0% |
| iShares Core FTSE 100 UCITS ETF USD | 2.5% |
| iShares Physical Gold ETC USD | 2.1% |
| Amundi Index FTSE EPRA NAREIT Global | 1.4% |
| Lyxor MSCI Emerging Markets Ex China UCITS ETF | 1.4% |
| Winton Trend Fund (UCITS) I USD Acc | 0.7% |
| BNY Mellon Global Funds plc - Global Dynamic Bond Fund | 0.7% |
| JPM Global Macro Opportunities USD | 0.6% |

*Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change*

## RISKS

The Fund is a multi-asset fund investing primarily in other funds ("Underlying Funds") which may invest in equities, Government Bonds, fixed interest securities (which may include sub-investment grade securities), property and other investments. Investors should be willing and able to assume the risks of equity investing. The value of an investment can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Further details on the risk factors are included in the Fund's documentation, available at www.guinnessgi.com/literature

AT A GLANCE...

# THE MULTI-ASSET GROWTH FUND

## MEDIUM/HIGHER RISK

You are seeking to generate higher investment returns through a high exposure to equities to help achieve your long-term investment goals.

The portfolio will typically have a very high proportion of your investment held in equities and very low levels of fixed income, cash and alternative asset classes.

A larger proportion invested in equities is likely to lead to increased volatility in the overall value of the portfolio.

The Fund is actively managed without reference to a benchmark and invests in funds in a range of different asset classes. The investment objective is to provide capital appreciation over the long term. Returns will be generated through both capital growth and income, with a bias towards developed and liquid capital markets. The risk will be diversified by holding collective investments in a range of asset classes and geographies. The management of the portfolio aims to meet the objective conservatively by taking managed risk through fund selection and asset allocation. The portfolio is based on the Brewin Dolphin International MPS Passive Plus Growth Strategy

## ASSET ALLOCATION

| | |
|---|---|
| Equities | 84.6% |
| Fixed Income | 11.0% |
| Alternatives | 1.5% |
| Cash | 2.9% |

## EQUITY ALLOCATION

| | |
|---|---|
| USA | 55.9% |
| Other International (DM) | 24.1% |
| UK | 3.0% |
| Other International (EM) | 1.6% |
| Cash | 2.9% |

*Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change*

| Holding | % Weight |
|---|---|
| iShares Core S&P 500 UCITS ETF USD Dist | 18.5% |
| Vanguard S&P 500 UCITS ETF | 14.2% |
| SPDR S&P US Dividend Aristocrats UCITS ETF | 12.7% |
| Invesco EQQQ Nasdaq-100 UCITS ETF | 10.6% |
| Vanguard FTSE Developed Europe ex UK UCITS ETF | 9.4% |
| Vanguard Investment Series PLC - Pacific Ex-Japan Stock Index Fund | 5.2% |
| Xtrackers CSI300 Swap UCITS ETF | 5.1% |
| Fidelity MSCI Japan Index Fund | 4.3% |
| iShares Global Inflation-Linked Bond Index Fund US Dollar Hedged | 3.5% |
| iShares Core FTSE 100 UCITS ETF USD | 3.0% |
| HSBC Global Government Bond UCITS ETF S2CH | 3.0% |
| iShares Core UK Gilts UCITS ETF USD Hedged (Dist) | 2.5% |
| iShares Global Corp Bond UCITS ETF | 2.0% |
| Lyxor MSCI Emerging Markets Ex China UCITS ETF | 1.6% |
| iShares Physical Gold ETC USD | 1.0% |
| Amundi Index FTSE EPRA NAREIT Global | 0.5% |

*Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change*

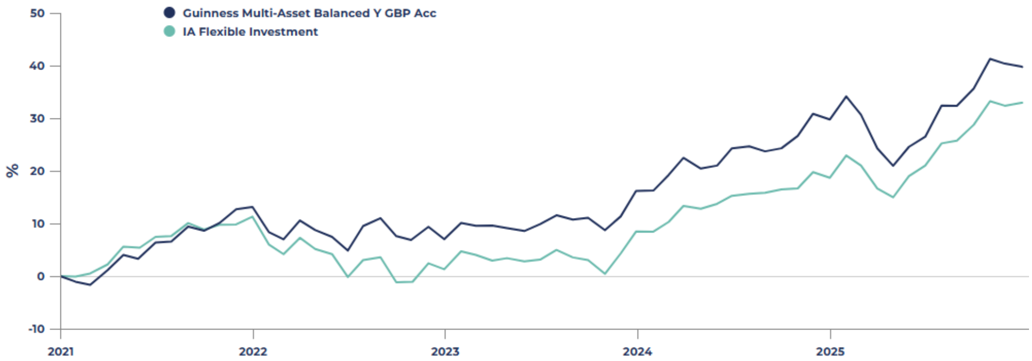
## RISKS

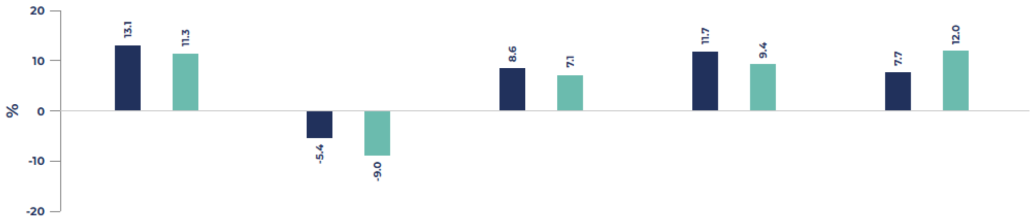
The Fund is a multi-asset fund investing primarily in other funds ("Underlying Funds") which may invest in equities, Government Bonds, fixed interest securities (which may include sub-investment grade securities), property and other investments. Investors should be willing and able to assume the risks of equity investing. The value of an investment can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Further details on the risk factors are included in the Fund's documentation, available at www.guinnessgi.com/literature

# PERFORMANCE SINCE RELAUNCH OF STRATEGY (31.12.2020)

### MULTI-ASSET BALANCED FUND

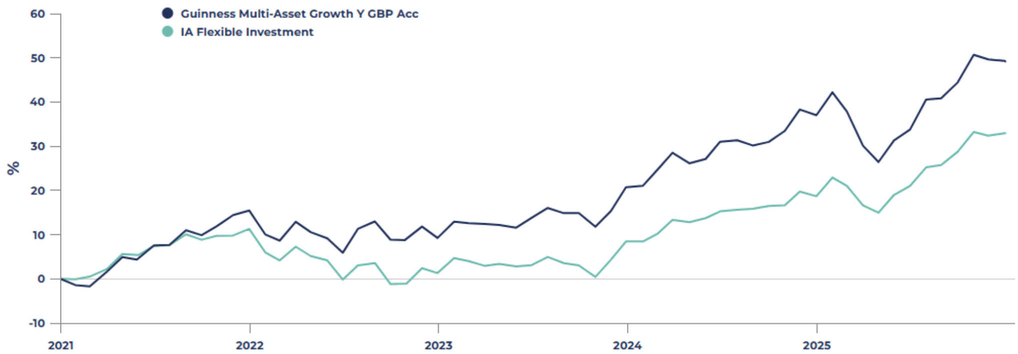
Past Performance does not predict future returns

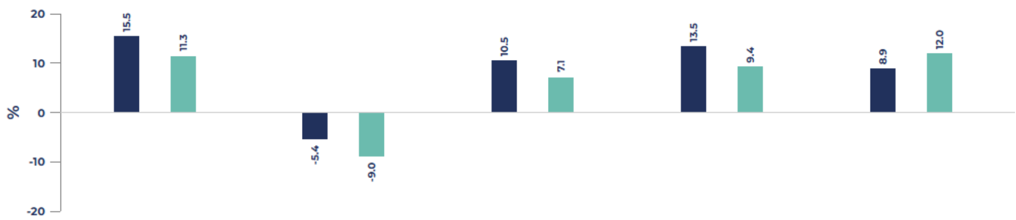



### MULTI-ASSET GROWTH FUND

Past Performance does not predict future returns




The Funds are in the IA Flexible investment Sector. FE fundinfo net of fees to 31.12.25. Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The OCF of the Multi-Asset Growth Fund is 0.97%, the OCF of the Multi-Asset Balanced fund is 0.98% OCF. which are the current OCFs over the calendar year 2025. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return.

# EXPERT THINKING

When you invest with Guinness Global Investors you have a team of experts working for you.

## STRENGTH AND DEPTH

They are part of our broader team who collaborate to interpret the wider market and economic environment and identify those funds that meet our standard for investment, adding up to the strength and depth of insight we need to deliver for you.

## MEET THE GUINNESS TEAM

### JONATHAN WAGHORN, CO-MANAGER

Jonathan joined Guinness Global Investors in September 2013 and is co-manager on the Guinness Multi-Asset range.

### WILL RILEY, CO-MANAGER

Will joined Guinness Global Investors in May 2007 and is co-manager on the Guinness Multi-Asset range.

## MEET THE RBC BREWIN DOLPHIN TEAM

### DAVID HOOD, HEAD OF INVESTMENT SOLUTIONS

David joined RBC Brewin Dolphin in March 2009 as a quantitative analyst. He heads up the investment solutions team which specialises in model portfolio, fund construction and risk analysis.

*"The Guinness Multi-Asset fund range follows a tried and tested investment approach so our investors can be confident about what to expect from it."*

- David Hood,
Head of Investment Solutions

**GUY FOSTER,**
**HEAD OF RESEARCH**

Guy is our Chief Strategist and oversees our broader team, which uses its collective expertise to make both strategic and tactical recommendations for asset allocation by RBC Brewin Dolphin.

**JANET MUI,**
**INVESTMENT DIRECTOR**

Janet is investment director at RBC Brewin Dolphin. As part of the research team, Janet is responsible for the commentary and communication of RBC Brewin Dolphin's macro/investment views to clients and the media.

## NOTES

# IMPORTANT INFORMATION

Issued by Guinness Global Investors a trading name of Guinness Asset Management which is authorised and regulated by the Financial Conduct Authority. This document is provided for information only. All the information contained in it is believed to be reliable but may be inaccurate or incomplete; it should not be relied upon. It is not an invitation to make an investment nor does it constitute an offer for sale. OCFs for all share classes are available on www.guinnessgi.com. If you decide to invest, you will be buying units/shares in the Fund and not investing directly in the underlying assets of the Fund. Telephone calls will be recorded.

**Documentation**
The documentation needed to make an investment, including the Prospectus, supplement, the Key Information Document (KID), the Key Investor Information Document (KIID) and the Application Form, is available in English from the website www.guinnessgi.com , or free of charge from:-

The Manager: Waystone Management Company (IE) Limited (Waystone IE) 2nd Floor 35 Shelbourne Road, Ballsbridge, Dublin DO4 A4E0, Ireland; or, the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Waystone IE is a company incorporated under the laws of Ireland having its registered office at 35 Shelbourne Rd, Ballsbridge, Dublin, D04 A4E0 Ireland, which is authorised by the Central Bank of Ireland, has appointed Guinness Asset Management Ltd as Investment Manager to these funds, and as Manager has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

**Investor Rights**
A summary of investor rights in English, including collective redress mechanisms, is available here: https://www.waystone.com/waystone-policies/

**Residency**
In countries where the Funds are not registered for sale or in any other circumstances where their distribution is not authorised or is unlawful, the Funds should not be distributed to resident Retail Clients.

**NOTE: THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS.**

The Funds are sub-funds of Guinness Asset Management Funds PLC (the “Company”), an open-ended umbrella-type investment company, incorporated in Ireland and authorised and supervised by the Central Bank of Ireland, which operates under EU legislation. If you are in any doubt about the suitability of investing in these Funds, please consult your investment or other professional adviser.

GUINNESS
GLOBAL INVESTORS