

EdenTree Multi-Asset Balanced Fund



Performance	3 months	6 months	1 year	3 years	ITD*
Fund Performance (B Class)	1.9%	3.4%	9.4%	22.3%	8.1%
IA Mixed Investment 40-85% Shares**	3.3%	8.8%	11.6%	31.4%	22.9%
Sector Quartile	4	4	4	4	4

Source: Morningstar. Figures compared on a Bid to Bid basis with Net Income Reinvested. Data as at 31.12.2025. *Inception date: 01.07.2021

Market review

Equity markets extended their rally in the final quarter of the year, despite ongoing political uncertainty and heightened geopolitical tensions. In the US, the longest government shutdown on record disrupted the release of official economic data, while private data indicators pointed to labour market weakness and mounting pressure on consumers from rising living costs. The Federal Reserve (Fed) cut its benchmark interest rate by 25 bps in both October and December, bringing the target range to 3.50%-3.75%, although the pace of policy easing may slow in 2026 amid concerns over persistently strong inflation.

UK and European markets performed well over the quarter. In December, the Bank of England (BoE) cut its benchmark interest rate by 25 basis points (bps) to 3.75%, while the European Central Bank left its benchmark policy rate unchanged at 2.00% as expected, with upward revisions to inflation contributing to a more hawkish outlook.

The MSCI World Index climbed by 3.3% in sterling terms. In the US, the S&P 500 Index and the NASDAQ Composite added 2.7% and 2.8%, respectively, in sterling terms. In the UK, the FTSE All-Share rose 6.4% in sterling terms, with large companies outperforming small and mid-caps. Meanwhile, in Europe, the FTSE World Europe Index ex UK rose 6.3% in sterling terms. Japan's Topix gained 2.7% in sterling terms, and the MSCI Emerging Market Index climbed 4.8% in sterling terms. In addition, 'value' outperformed 'growth' during the quarter, and metals extended their strong 2025 rally, with gold, silver and copper all posting double-digit gains over the quarter.

Fixed income markets were largely subdued, given that the Fed's monetary easing was largely already priced in and there was little economic data in the US for markets to respond to. Over the period, 10-year US government bond yields remained around 4.2%. In Europe, the German 10-year government bond yield rose from 2.7% to 2.9% over the quarter.

Performance and activity

The EdenTree Multi-Asset Balanced Fund delivered positive returns during the quarter but underperformed the IA Mixed Investments 40-85% sector over the period. The Fund's cautious positioning – reflecting the high level of macroeconomic uncertainty – weighed on relative performance.

Within the Fund's equity allocation, the portfolio's exposure to European equities, through its holding in EdenTree's European Equity Fund, was a key contributor to performance. Its previous overweight exposure to the financial sector, notably banks, has been brought closer to neutral in recent months, but financials continued to contribute positively. In terms of the EdenTree Multi-Asset Balanced Fund's wider geographic equity allocation, the portfolio's underweight exposure to the US proved to be a tailwind in the fourth quarter, with the prior outperformance of the technology sector stalling amid concerns about valuations.

The Fund's UK equity exposure proved to be a drag on performance in relative terms. Its holdings in the EdenTree UK Equity Fund and the EdenTree UK Equity Opportunities Fund have a significant focus on small and mid-cap companies, a segment of the market that underperformed amid concerns about softer economic growth and caution around the outcome of November's budget. The Fund's exposure to global equities via EdenTree's Global Equity Fund contributed positively to the Fund's performance in absolute terms, but relative gains for the Green Future Fund were impacted by its lack of exposure to key rallying sectors such as healthcare and financials.

The contribution to performance from the Fund's fixed income holdings was broadly positive, with value stemming from the EdenTree Sterling Bond Fund.

The portfolio's green infrastructure exposure, which is held via the EdenTree Green Infrastructure Fund, was weighed down by weak forward energy prices and wind energy production falling short of expectations. However, optimism that interest rates are finally coming down provided a welcome boost to the Fund's UK real estate exposure, which is held through a mix of UK real estate investment trusts (REITs), although the overseas REITs offset some of these gains.

Notice to Investors

It has been announced that the EdenTree Multi-Asset Balanced Fund will close on 29 January 2026. Since its launch, the Fund has remained below the size required for such funds to be commercially viable. Given that we do not see demand for the Fund increasing in the future, we have decided to terminate it in accordance with the FCA rules. Full information on the closure of this Fund can be obtained by clicking [here](#).

Performance	Discrete Rolling 12 months	12 months to 31/12/2021	12 months to 31/12/2022	12 months to 31/12/2023	12 months to 31/12/2024	12 months to 31/12/2025
Fund Performance (B Class)		-14.1%	8.6%	2.9%	9.4%	
IA Mixed Investment 40-85% Shares**		-10.1%	8.1%	8.9%	11.6%	
Sector Quartile		4	2	4	4	

*Inception date: 01.07.2021

**As the Fund invests in a range of assets, investors may compare the Fund's performance to the Investment Association Mixed Investment Sector 40-85% shares. Funds in this sector must have between 40% to 85% invested in company shares. However, the Manager is not bound or influenced by the sector category when making investment decisions.

Past performance is not necessarily a guide to future returns.

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Or call our support team on [0800 011 3821](tel:08000113821)**

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