THORNTONS INVESTMENTS

Thorntons Progressive
Investor Factsheet Q3 2024

Investment Objectives

The Thorntons Progressive model portfolio aims to provide a medium to high risk investment that generates capital growth and some income over a five-year investment period. Typically the majority of the portfolio will be invested in international and UK equities with the balance spread across property, alternative assets and corporate bonds. The model is invested across a portfolio of funds and exchange traded instruments.

Five-year annualised volatility target of 10.5 to 12.6

Key Facts

Historic Model Yield	2.4%
Five Year Monthly Volatility	11.4
Estimated OCF of model	0.45%
Investment fee	0.2% (VAT Exempt)
Comparison Benchmark	IA Mixed Investment 40-85% Shares

Data sourced from Financial Express as at 30 September 2024

Date of Inception 31 December 2014

Managers

Matt Strachan BSc (Hons) Econ, ACSI
Matt is the CIO at Thorntons Investments and has over 30 years of international investment management experience, including managing an OBSR rated N American fund.

Ciaran Garvey BSc Econ & Fin, MSc Fin, FCSI
Ciaran is an investment manager at Thorntons Investments, he has over 10 years industry experience after graduating from University College Dublin and Heriot Watt University.

Performance from Inception

Progressive Model Total Return 31/12/14 -30/09/2024

A - *Thorntons Progressive Portfolio*
B - *IA Mixed Investment 40-85% Shares*

31/12/14 - 30/09/24
Data from FE fundinfo

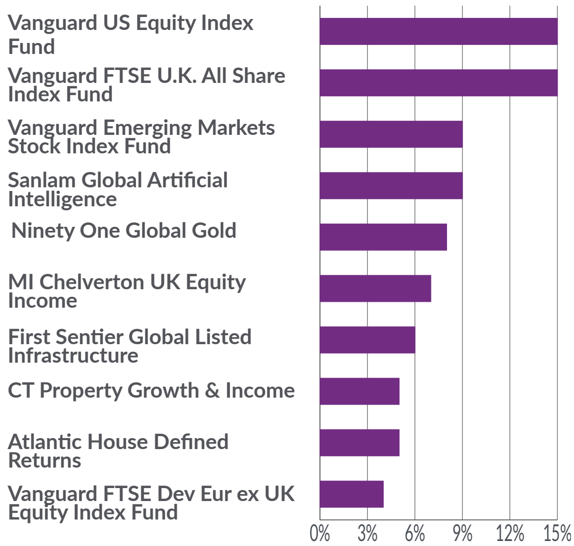
Performance - Cumulative	Q3	YTD	1 year	3 years	5 years	Incept
Thorntons Progressive Model Portfolio	2.5%	10.2%	17.1%	12.6%	30.5%	76.3%
IA Mixed Investment 40-85% Shares Sector	1.6%	7.6%	13.9%	7.5%	25.2%	69.4%

Discrete Calendar Year	2023	2022	2021	2020	2019
Thorntons Progressive Model Portfolio	9.8%	-9.6%	10.7%	4.8%	15.4%
IA Mixed Investment 40-85% Shares Sector	8.1%	-10.0%	10.9%	5.3%	15.8%

Industry Allocation

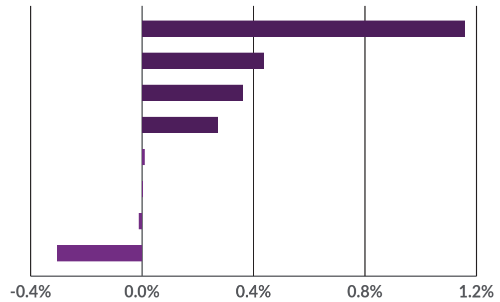
- 46.0% - International Equities
- 22.0% - UK Equities
- 19.0% - Other
- 6.0% - Bonds
- 5.0% - Property
- 2.0% - Cash

Top Ten Holdings



Top And Bottom Contributors To Performance Q3 2024

- Ninety One Global Gold
- CT Property Growth & Income
- First Sentier Global Listed Infrastructure
- Vanguard FTSE U.K. All Share Index Fund
- Vanguard FTSE Dev Eur ex UK Eqty Index Fund
- Vanguard US Equity Index Fund
- Vanguard Japan Stock Index Fund
- Sanlam Global Artificial Intelligence



Platform Availability

abrdn, Fidelity International, M&G wealth, nucleus, Scottish Widows, transact take control, wealthtime, Quilter, 7IM

Market Commentary

Although there have been plenty of developments to distract and concern, including a sharp drop in equity markets at the start of August, financial markets generally took a glass-half-full view on prospects over the quarter. Much of the positive side of the ledger has focused on central bank implementation of interest rate cuts across much of the world, including here in the UK and most importantly in the US. Inflation reports have been drifting down and heading in the right direction towards targeted levels.

Although other economic data prints have been uninspiring (weak in Europe), there has been enough activity to encourage the view that recession can be avoided and the fabled 'soft-landing' achieved. Bonds responded well to falling inflation and interest rate cuts, with UK gilts returning 2.3% over the quarter.

UK stocks returned 1.3%, despite sterling strengthening by nearly 3% over the quarter; sterling strength is normally seen as a drag on overseas earnings for UK companies. The strength of sterling clipped the returns from other stock markets, making US equities slightly negative, despite a positive return in dollar terms. There were two notable events for stock markets during the quarter, the first a 'flash crash' in Japanese equities at the start of August, when the market plunged more than 12%, in one day, following a rapid strengthening of the yen after the Bank of Japan made a long-awaited increase in interest rates. Most of the fall was recovered the following day, but it highlighted that there is still a lot of leverage and stress across financial markets following the unprecedented period of quantitative easing. The second event came right at the end of the quarter, when Chinese stocks surged following a series of stimulus measures by the Peoples Bank of China and promise of government fiscal support.

As the world works its way through the record roster of general elections, Labour's win in the UK looks like one of the more stable. Indeed, Japan has just called a snap election for the end of October, to help ratify the authority of the new prime minister. The key election we now wait for is the US election on November 5th, where the two presidential candidates offer widely different policy outcomes. In the UK we have the new Labour government's first budget at the end of October, which is causing a degree of concern given the hairshirt political language in advance. Hopefully, there will be a sensible balance struck between spending and taxation, but the recent rise in long bond yields reflects worries that budget deficits will not be tackled, both here and abroad.

Industrial commodity prices were weak due to concerns about the health of the Chinese economy, in particular, but there have been some sharp rallies just after quarter end on hopes demand will be boosted by their promised stimulus. Oil was one of the weakest commodities over the quarter, as demand concern outweighed worries about intensifying hostilities in the Middle East. However, again there has been a price spike at the start of October, following the Iranian missile attack on Israel. Given the scalation of military action it is no surprise that gold was the best performing financial asset, +6.7% in sterling terms.

Portfolio Commentary Q3 2024

The Progressive portfolio made further gains, returning 2.5% over the third quarter, with most investments making a positive contribution. UK investment continued to perform well, with Chelverton UK Equity Income +2.9% and Vanguard FTSE UK All Share Index +2.2%. During the quarter we sold Martin Currie UK Equity Income, which had risen 3.4%, and added to smaller company investment in the Chelverton fund. The star performer was Ninety One Global Gold which delivered nearly half the portfolio return, +14.8%, as the gold price moved higher on lower interest rates and heightened Middle East tensions. Also performing well was CT Property Growth & Income, +8.9%, as interest returned to the sector. We sold the investment in Royal London Sterling Extra Yield Bond fund, +2% at that point, reinvesting in Royal London Short Duration Gilts, +0.6%, which we expect to be a bigger beneficiary on interest rate cuts.

Negative performers were Sanlam Global Artificial Intelligence, -3.4%, as market interest broadened out from its fixation on AI, and Vanguard Japan Stock Index Fund, -0.4%, as the Japanese market suffered from the flash crash in August. Other stock markets were much calmer, with US and European equity investment barely changed over the quarter. As well as property seeing a return of interest, infrastructure also saw a recovery (as another beneficiary of lower interest rates) with First Sentier Global Listed Infrastructure +6.1%. The change in sentiment will have caught some out and reinforces the importance of diversity across the portfolio.

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