Shackleton
Britain's financial adviser

# VT Esprit Careful Growth

Portfolio Date: 31/08/2025

## Investment Strategy

The investment objective of the VT Esprit Careful Growth fund is to achieve a level of investment return in excess of the benchmark over the longer term (5 years+). The fund will be actively managed in order to achieve its objective by investing in a globally diversified range of asset classes including equities, fixed income, money market instruments, cash, property and commodities.

## Fund Information

| | Inception Date | ISIN | IA Sector | OCF | Share Class AUM | 12 Month Yield |
|---|---|---|---|---|---|---|
| C Acc | 01/09/2023 | GB00BQ2KRJ72 | Mixed Investment 0-35% Shares | 0.68% | £ 167,914,902 | 3.32% |
| Acc | 23/01/2018 | GB00BF0Q2S42 | Mixed Investment 0-35% Shares | 0.93% | £ 17,379,337 | 3.33% |

## Monthly Commentary

**What happened in markets?**

August was a relatively calm month with most equity regions posting modest but positive returns, pushing global equities to new all-time highs once again. Japanese equities were the outlier in this respect, returning almost 5% over the month having underperformed the other major developed equity markets since the start of the year. Japan offers relatively attractive starting valuations and positive earnings growth, even though the central bank appears to have more work to do to tame inflation.

Despite the relatively calm nature of equity markets, the release of July's US jobs report surprised markets with jobs growth missing expectations, but perhaps even more surprising was the downward revisions to the June and May data. Treasury yields fell sharply as a weaker labour market increased the odds of a rate cut by the US Federal Reserve at its September meeting.

Attention was also focussed on long-dated government bonds, where borrowing costs in the UK, France and Japan continued to rise, adding to pressures on the UK Chancellor ahead of her Autumn budget. Meanwhile, the French government is on the verge of collapse as it seeks to tackle a mounting budget deficit.

**What is the outlook?**

The Fed are expected to reduce interest rates in September following a weaker-than-expected July jobs report, and the release of August's report will be closely watched. With downside risks to growth starting to emerge, the justification for further rate cuts is growing, something which will placate the Trump administration and should support equity valuations, provided economic growth remains positive.

In some areas of the world fiscal policy is at odds with monetary policy. The UK is a good example, where increases in the minimum wage and employer National Insurance contributions created cost pressures for businesses, which have been passed onto the consumer via higher prices. This leaves the Bank of England unable to cut rates more aggressively, despite a weakening growth outlook.

Despite the headwinds faced by long-dated government bonds, a prolonged period of above-target inflation with economic activity underpinned by government spending should be supportive for risk assets such as equity markets, and inflation hedges such as gold and other real assets.

## Why Invest

**Simplicity**
A single fund to meet your investment needs

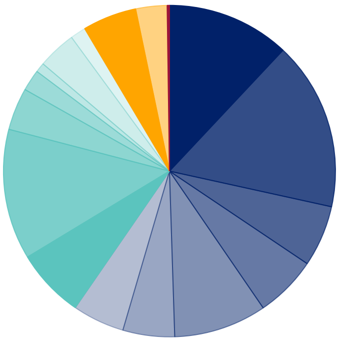
**Diversification**
Access a range of asset classes, investment styles and geographies

**Actively managed**
The fund will change as market conditions and the economic cycle evolves

**Expertise**
The managers share 60 years investment experience

## Asset Allocation

### VT Esprit Careful Growth



| | % |
|---|---|
| UK Government Bonds | 12.0 |
| Global Government Bonds | 16.5 |
| Sterling Corporate Bonds | 6.0 |
| Global Corporate Bonds | 6.0 |
| Strategic Bonds | 9.0 |
| High Yield Bonds | 5.0 |
| Emerging Market Bonds | 5.1 |
| UK Equities | 6.7 |
| US Equities | 12.7 |
| European Equities | 4.1 |
| Japanese Equities | 2.1 |
| Pacific ex Japan Equities | 0.9 |
| Emerging Market Equities | 3.7 |
| Thematic/Small Cap | 1.5 |
| Infrastructure | 5.3 |
| Gold | 3.1 |
| Cash | 0.2 |
| **Total** | **100.0** |

## Top 10 Holdings

### VT Esprit Careful Growth

| | Portfolio Weighting % |
|---|---|
| Vanguard US Government Bond Index | 12.4 |
| Amundi UK Government Bond ETF | 12.0 |
| Artemis Short Duration Strategic Bond Fund | 6.1 |
| abrdn Global Corporate Bond Screened Tracker | 6.0 |
| iShares Corporate Bond Index | 6.0 |
| SPDR S&P 500 ETF | 5.4 |
| Vanguard Euro Government Bond Index | 4.1 |
| HSBC Global EM Government Bond Index | 3.6 |
| BNY Mellon Efficient Global High Yield Beta | 3.5 |
| L&G Global Infrastructure Index | 3.1 |

Source: Morningstar Direct

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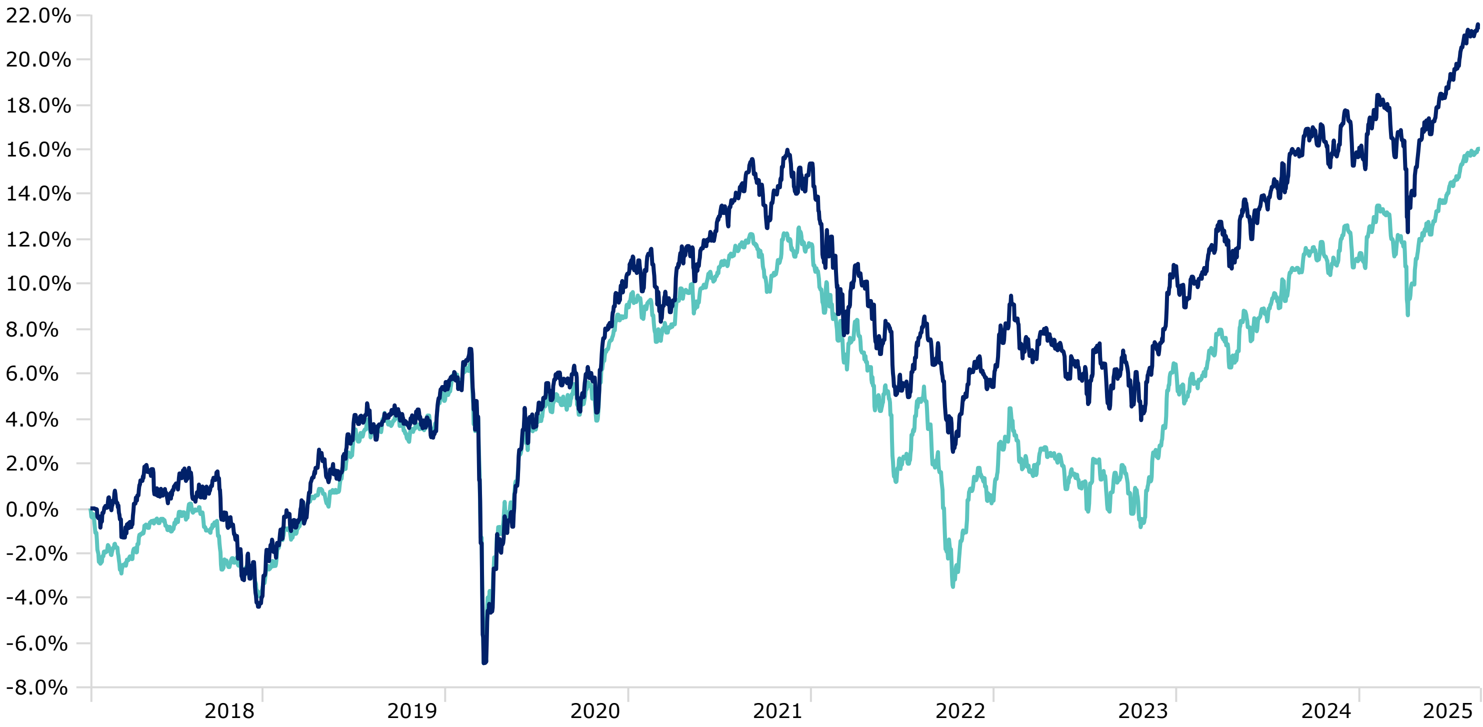
# VT Esprit Careful Growth

## Investment Growth

Time Period: 24/01/2018 to 31/08/2025




VT Esprit Careful Growth C GBP Acc
IA Mixed Investment 0-35% Shares

Source: Morningstar Direct, Total return, GBP, Perfomance is for the C Acc unit but prior to 01/09/2023 it is the Acc unit

## Cumulative Returns

| | YTD | 1 Year | 3 Years | 5 Years | 10 Years | 15 Years |
|---|---|---|---|---|---|---|
| VT Esprit Careful Growth C GBP Acc | 4.98 | 4.78 | 13.34 | 14.85 | — | — |
| IA Mixed Investment 0-35% Shares | 4.46 | 4.79 | 12.86 | 10.91 | 34.53 | 66.38 |

## Discrete Calendar Years

| | YTD | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| VT Esprit Careful Growth C GBP Acc | 4.98 | 4.41 | 5.10 | -8.63 | 4.45 |
| IA Mixed Investment 0-35% Shares | 4.46 | 4.37 | 6.06 | -10.22 | 2.57 |

## Important Information


12 Month yield: The amount of income generated by the fundin the last 12 months expressed as a percentage of the previous month end price. Where distribution status is shown as 'Acc' this yield is automatically reinvested into the fund but may still generate a liability to income tax depending on individual circumstances.
OCF: The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the fund. It is made up of the Annual Management Charge (AMC), the underlying fund charges, and other operating costs.
Performance figures are net of the underlying fund charges and gross of adviser and platform charges. Deduction of these fees and charges will impact on the performance shown.
This information was compiled and produced by Shackleton Advisers Limited using source data provided by Morningstar.

Source: Morningstar Direct