

Close Tactical Select Passive Funds

Monthly fund manager update
November 2024



Weixu Yan
Managing Director, Head of Passives

MONTH IN REVIEW

Developed market equities rallied strongly in November led higher by the dominant US indices after Donald Trump and the Republican Party swept to a decisive victory in the US Election. Certain sectors like US small cap and financials rallied most significantly, while other areas like healthcare and emerging markets lagged.

Year-to-date returns for the Close Tactical Select Passive Fund range are as follows with the respective Investment Association (IA) sector peer groups in brackets:

- Close TSP Conservative
+8.52% (+7.20%),
- Close TSP Balanced
+10.42% (+10.19%)
- Close TSP Growth
+12.51% (+10.40%).

Within our equity allocation, our best performing holdings in November were the LGIM Cyber Security UCITS ETF, which was up +11.12%, followed closely by the SPDR S&P 500 US Financials UCITS ETF, which advanced +10.91%. The recent rally in financials has been so strong that year-to-date performance is closing in on that of Information technology sector. At the other end of the scale, the SPDR S&P 500 healthcare position was a laggard through November, up only +0.87%, as investors anticipate US healthcare sector reforms may adversely impact the sector during Trump's second term. The worst performing equity holdings, however, proved to be

theXtrackers Euro Stoxx 50 UCITS ETF, which was down -1.68%, and the Amundi MSCI EM UCITS ETF, which fell a very similar -1.65%.

Fixed income was slightly positive for the month, with longer duration bonds outperforming short duration. The SPDR UK Gilt 15+ UCITS ETF, returned +2.97%, making it our best performing fixed income holding in November.

Our diversifiers performed broadly as we would generally expect, with the broad commodities tracker, the UBS CMCI Composite UCITS ETF up +1.47%, while gold, our uncertainty gauge, was down circa -1.80% after a very strong run for most of the year. Our absolute return fund, the Trium Alternative Growth fund, added +1.07% over the month, while the iShares FTSE Global infrastructure UCITS ETF was a beneficiary of the Trump election win, and the best performing alternative within the portfolios, advancing +4.55% in November.

GENERAL POSITIONING

We are looking to unwind a few of our ballast positions now that some uncertainties have been removed. For example, we have taken some profits and reduced our position to physical gold, and we have been unwinding our healthcare position.

We have kept our slight underweight in fixed income overall, while we are also maintaining an overweight allocation to equities, specifically in the US.

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