

# Fairstone James Hambro & Partners 8

## Investment Aim

The portfolio is designed to provide risk adjusted returns. It aims to achieve capital appreciation and reduce investment risk through diversification across asset classes and geographies.

This portfolio is managed to maximise risk adjusted returns within a target volatility range of 13.6% and 17.2% over rolling 10-year time periods. This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

Ranking the risk on a scale of between 1 and 10, where 1 is the lowest, we place this portfolio as 8.

## Investment Growth

Time Period: 01/04/2021 to 31/03/2026



|                                     | Cumulative Performance |         |         | Calendar Year Returns |       |       |       |        |       |
|-------------------------------------|------------------------|---------|---------|-----------------------|-------|-------|-------|--------|-------|
|                                     | 1 Year                 | 3 Years | 5 Years | YTD                   | 2025  | 2024  | 2023  | 2022   | 2021  |
| Fairstone James Hambro & Partners 8 | 9.55%                  | 25.10%  | 25.53%  | -3.90                 | 8.56  | 12.63 | 8.57  | -10.47 | 12.32 |
| IA Global                           | 13.15%                 | 31.69%  | 38.37%  | -2.69                 | 10.82 | 12.80 | 12.66 | -11.34 | 17.57 |

| Portfolio Overview                         | Investment Style Map | Risk Scale   |
|--|----------------------|--|
| Portfolio Manager: James Hambro & Partners |                      | <p><b>8</b></p> <p>Target 10 Year Volatility</p> <p>This portfolio is managed to maximise risk adjusted return within a target volatility range of between 13.6% and 17.2% over a rolling 10-year time periods. This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.</p> |
| Investment Universe: Multi-Instrument      |                      |  |
| Yield: 0.00%                               |                      |  |
| Portfolio Start Date: 01/10/2019           |                      |  |
| Ongoing Fund Costs: 0.40%                  |                      |  |
| DFM Fee: 0.25%                             |                      |  |
| Total Portfolio Charge: 0.65%              |                      |  |



**Portfolio Manager, Head of Professional Adviser Services**

## Billy Hughes

Billy joined James Hambro & Partners in 2011 after obtaining an honours degree in Economics at Cardiff University. After a year working within the Operations department, Billy headed up Treasury and the Dealing team before moving to the investment team in 2015. In 2018 Billy became a Portfolio Manager helping to support and grow JH&P's Professional Adviser Services business. In 2024 Billy was promoted to Head of Professional Adviser Services having co-run the team since 2022.

## Investment Adviser's Market Commentary

Our central thesis has been that the AI-led boom had begun to broaden to a wider industrial manufacturing recovery both in the US, but also across the wider global economy, supporting opportunities for growth beyond America. Alongside continued material government support for infrastructure and business and the fading influence of tariff uncertainty, stable inflation meant that central banks were more likely to cut rates than to hike them, providing a supportive environment for investing.

However, our assertion was that the most likely challenges to this positive scenario were either inflation remaining stubbornly high or where President Donald Trump's unpredictability threw a spanner in the works. It now looks like the latter factor most certainly has challenged the status quo, which has subsequently increased the threat of the former.

The decision by the US along with Israel to attack Iran has of course created a hornet's nest of geopolitical issues that could reverberate around the world for a long time. Our focus however is on the investment ramifications; quite clearly there is only one central narrative in terms of the global economy and markets that has emanated from this war, and that is the story of oil.

No matter how much it might have looked like technology and artificial intelligence were taking over our lives, it still turns out that not much can happen without the energy source that has spurred global industry over the past century. Given the importance of the Gulf states to global energy production, with around a quarter of the world's oil and gas coming through the Strait of Hormuz, Iran's response to the attack has threatened huge disruption of the global supply of oil and placed substantial pressure on prices of Brent crude oil. Costs have shot up from \$72 a barrel the day before hostilities to \$104 as of writing this article, a climb of 44 percent.

Oil has been the principal catalyst for the nature and scale of reaction from markets, which, rather than speculative or hysterical as can often happen in times of stress, has been largely rational and controlled thus far. The S&P 500, which has dipped a relatively modest 3.5 percent since the first day of the war, has been remarkably sanguine about one of the most significant conflicts in recent years – a war where the strategic goals are not exactly clear and where it seems the US may have underestimated both the staying power of the ruling regime and its ability to cause sustained economic and military havoc. But in fact markets have proven reasonably precise in assessing risks and impacts; the reason why the US has not been hit so much as others is because of the country's substantial domestic energy resources. This insulates them from disruption of supply, with added resilience from their status as a net-exporter.

In a news cycle dominated by the current conflict it may be hard to perceive that businesses continue to operate and that life goes on. Still, the choking off of the global oil supply is a major concern for both businesses and consumers.

The key element in this environment is time – the longer the crisis continues the less able, even those with their own oil sources or reserves (i.e. the US and China), can remain relatively immune and the more damage that will be done to the economy. Historical precedent would point to a benign outcome. Over the past four decades there have been 21 US air strike campaigns in the Middle East, and on 95% of occasions the S&P 500 has been higher eight weeks later. Whilst avoiding complacency, now is a time for perspective rather than panic.

With a portfolio primed for growth but constructed to be resilient to shocks such as this we are not taking any precipitate action today. Focus remains on our process of examining our equity portfolio to find the most valuable opportunities across the globe whilst assessing any specific vulnerabilities to any deterioration in the current situation. Our fixed income investments remain tilted towards the prospect of inflation staying higher for longer, while gold and hedge fund assets help protect and diversify our portfolio amid the current ructions.

## Stock in Focus

### Brookfield

Headquartered in Toronto, Brookfield Corporation is a Canadian conglomerate with a 100+ year history of owning and operating critical infrastructure assets which act as the backbone of the global economy. Brookfield manages over \$1tn of assets through its three-quarters ownership stake of Brookfield Asset Management which is complemented by a range of other business interests spanning infrastructure, renewable energy and real estate, private funds and a rapidly growing wealth and retirement solutions business.

Brookfield Corporation is one of the world's leading alternative asset managers with a long track record of superior capital allocation. The company has deep sector specific expertise across infrastructure, renewables and private equity and credit, with secular tailwinds ranging from decarbonisation to the rise of artificial intelligence. The company's assets are economically resilient through significant contractual, inflation-linked earnings and these cashflows are set to grow considerably in the next few years.

Brookfield Corporation's prize asset is its three-quarters ownership stake in Brookfield Asset Management (BAM) which boasts over \$1tn of assets. BAM is an asset-light business that benefits from significant scale advantages as sovereign wealth funds, endowments and other institutional investors consolidate their investments with a diminishing pool of the largest asset managers. This has driven 18% growth in Brookfield fee-related earnings over recent years with Brookfield investing \$170bn of its own perpetual internal capital alongside its fee-paying clients.

Importantly, when Brookfield Corporation spun off BAM in 2022, in an effort to highlight BAM's value, Brookfield Corporation retained a preferred claim on BAM's private funds (100% claim on carried interest from funds existing pre-2023, one-third claim thereafter). These private funds are currently making minimal contribution to Brookfield's earnings due to few realised transactions. However, as they enter their monetisation windows, these funds should deliver over \$5bn of realised capital interest over the next 3 years.

Alongside BAM, Brookfield continues to grow its Wealth Solutions division, an insurance business which specialises in the provision of long-dated annuities. The long-dated nature of this capital is well-suited to Brookfield's long-term investments in infrastructure, real estate and credit assets. Brookfield has been growing this business rapidly both organically and through acquisitions such as, recently, Just Group, a UK annuity and pension provider with growth coming at attractive rates of return.

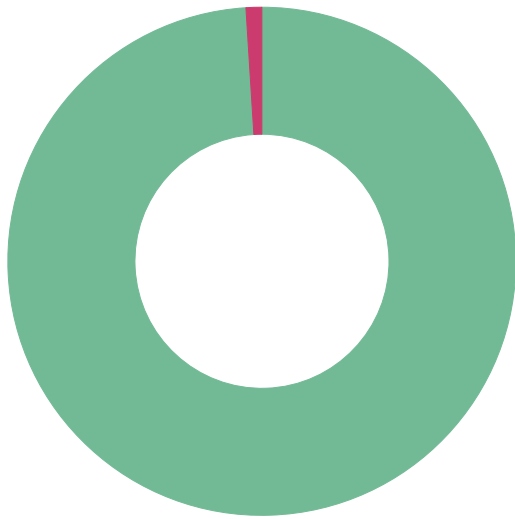
Together, these multiple growth levers should support significant growth in distributable earnings – the company's equivalent of earnings per share – with management targeting c.25% compound growth over the next 5 years and c.15% growth over the long term. This should translate into nearly \$50bn of cashflow by 2030 which, excluding the c.\$17bn required to capitalise the Wealth Solutions business and make other investments, would leave Brookfield with c.\$30bn of capital to return to shareholders or just under one-third of the current market capitalisation.

Despite this, Brookfield Corporation's shares continue to trade at an attractive valuation relative to its prospects, past and peers with medium-term catalysts such as potential inclusion in US equity indices.

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## Asset Allocation

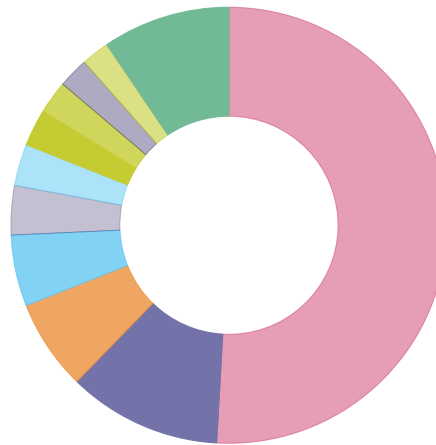
Portfolio Date: 23/02/2026



|              | %            |
|--------------|--------------|
| Equities     | 99.0         |
| Cash         | 1.0          |
| <b>Total</b> | <b>100.0</b> |

## Equity Breakdown

Portfolio Date: 31/03/2026



|                | %            |
|----------------|--------------|
| United States  | 50.9         |
| United Kingdom | 11.4         |
| Japan          | 6.7          |
| France         | 5.3          |
| China          | 3.7          |
| Hong Kong      | 3.1          |
| South Korea    | 2.7          |
| Sweden         | 2.5          |
| Canada         | 2.3          |
| Taiwan         | 2.1          |
| Other          | 9.5          |
| <b>Total</b>   | <b>100.0</b> |

## Portfolio Breakdown

|   | Sub Asset Class     | Portfolio Weighting % |
|---|---------------------|-----------------------|
| <b>Equities</b>                         | —                   | <b>99.00</b>          |
| James Hambro Harrier Glbl Eqs B GBP Acc | Global Equity       | 99.00                 |
| <b>Cash</b>                             | —                   | <b>1.00</b>           |
| BlackRock ICS Sterling Liq Premier Acc  | Cash & Money Market | 0.75                  |
| CASH                                    | Cash & Money Market | 0.25                  |

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## Target Market

Access to the portfolios is only available to investors on the recommendation of a financial adviser and it is the role of the adviser to determine the appropriateness and suitability of the portfolio to each investor's own personal needs, objectives and preferences.

**Type of investors:** Given the nature of non-complex UCITS funds the service is suitable for retail investors, professional clients and eligible counterparties. The service is predominantly designed for the use of retail investors.

**Investors' knowledge and experience:** Investors with basic, informed or advanced knowledge and experience of capital markets and investment risks and of funds and their characteristics.

**Clients' financial situation with a focus on the ability to bear losses:** Investors have a tolerance to fluctuations in capital invested and potential capital loss.

**Clients' risk tolerance and compatibility of the risk/reward profile of the product with the target market:** Due to the volatility of the markets in which the service may invest e.g. equity, bond and property markets the service has a risk and reward profile that is compatible with clients who have a risk tolerance aligned to the Investment Aim of the portfolio. Investors should be willing to accept price fluctuations in exchange for the opportunity of possible higher returns.

**Clients' objectives and needs:** Depending on the duration of the investment the portfolio may be suitable for clients who have a medium-term investment horizon (at least 5 years).

**Clients who should not invest (the 'negative-target market'):** This portfolio is deemed incompatible for clients who require full capital protection and/or are seeking on-demand full repayment of the amounts invested or who are fully risk averse/have no risk tolerance.

## Important Notices

This factsheet is for illustrative purposes only. Investments linked to this model portfolio may not exactly replicate the model portfolio described due to differences in timing of the initial investment or rebalancing differences resulting from minimum transaction size limits or fund availability on the platform or provider.

Please note that platform and financial advice fees are not included.

Where we have provided commentary on specific companies, this commentary is not investment research as defined by the Financial Conduct Authority and has not been prepared in accordance with legal requirements designed to promote the independence of research

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The information in this document was prepared on the date shown below and is believed to be correct but cannot be guaranteed. The value of investments and the income from them can go down as well as up and investors may not recover the amount of their original investment. The sterling value of overseas investments, and the income from them, will fluctuate as a result of currency movements. Past performance is not a guide to future performance.

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## Important Notices – James Hambro & Partners

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Information within this document is correct As of 31/03/2026

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