46th Edition - January 2026

TopFunds Guide

Investing After the Easy Years

Global markets are changing. Here's how serious investors adapt.

Inside This Edition

- **Anything But America (ABA):**
  Why global capital is quietly rotating away from the US
- **Commodities Reawakened:**
  Gold, energy, uranium – opportunity beyond the headlines
- **AI Mania vs Reality:**
  Invest now, later, or not at all?
- **The Lucky Generation Runs Out of Road:**
  What sequence risk really means for Baby Boomers
- **Growth 4× the Index:**
  How disciplined fund selection has delivered long-term outperformance

Essential reading for private investors since 2003

"Far superior to anything else we receive." J.Taylor

....far superior to anything else we receive from other organisations

J. Taylor

You've probably delivered better returns than anyone else we've been with over 40 years. Thank you for what you have achieved for us.

P. Duffy

I have nothing but praise

R. Smith

What you tell us

I would highly recommend this family practice to anyone who wants to deal with real advisers who base their advice on informed research

T. Morton-Jones

It is good to know the first class service I have experienced over many years in my dealings with Dennehy Weller & Co still prevails

G. Bridge

Thanks again for your great work – I really do feel that you have our interests at heart

D. Parkinson

During the last few months we have experienced a lot of disappointing inefficiencies from companies up and down the land, so your performance stands out as very welcome and a refreshing change

T. Warburg

Contents

dennehy wealth

A JOINT PRODUCTION

FundExpert
Smart research. Better investing.

‘Times like this require the eyes of an artist who sees the broad shape of things, not an analyst who sees data points.’
Peggy Noonan, Wall Street Journal

‘Simplicity is the ultimate sophistication.’
Leonardo da Vinci

‘One of the funny things about the stock market is that every time one person buys, another sells, and both think they are astute.’
William Feather

‘Gradually and then suddenly.’
Ernest Hemingway, The Sun Also Rises

‘You better start swimmin’,
Or you’ll sink like a stone,
For the times they are a changin” – Bob Dylan

‘Cash combined with courage in a time of crisis is priceless.’
Warren Buffet

‘Where is the wisdom we have lost in knowledge? Where is the knowledge we have lost in information?’
T. S. Elliot

‘The conventional view serves to protect us from the painful job of thinking.’

TopFunds Guide - Essential Reading For The New Era

We designed the TopFunds Guide to make it easier for you to find what is relevant to you. Parts 1 and 2 will be relevant to all readers, and parts 3 and 4 are designed for DIY or self-directed investors.
A mostly benign 40 year cycle for financial markets and investors is over. Our objective is to help you adjust to whatever lies ahead, which is assured to be different.

As always, do let us have your feedback, so that TopFunds Guide can improve with every edition.

1. In Focus

1.1 THE NEW REALITY - A FRACTURED WORLD

As we enter 2026, what once felt like a transition now feels like a condition. Our new era is structurally less stable, fundamentally fragmented, and far less forgiving of complacency.

The early years of this decade were defined by shock and adjustment, and more recently by denial. Far too many investors largely chose to ignore self-evident vulnerabilities, encouraged by the perpetual sales machine which is our investment industry.

This isn't a healthy foundation for long-term wealth building, particularly for retail investors who cannot afford to be caught on the wrong side of a violent reversal. Baby Boomers, often called The Lucky Generation, have just about run out of road, as we explore on pages 11.

More positively, opportunities which have been in plain sight for a number of years are beginning to pay off. Money which might have been sucked into the US mania is, very much thanks to Trump's insanity, now being siphoned off to other parts of the world. For example, Asia including China, Europe, gold and metals, and even the UK, as you will see on page 6.

No one rings a bell when the old order dies and the new one begins. Confusingly, they overlap. This means that in the early years of the new era, we are almost certain to encounter some severe downdrafts.

Midst the death throes of the old era, you can certainly make money, but must not make lazy assumptions about the risks, nor be seduced by the cheerleaders who pop up everywhere.

Us humans don't like change, so the temptation is to hang on, and pretend nothing has changed. The reality is that markets may continue to rise, and we explore the opportunities in these pages. But the margin for error is thin, and the cost of being wrong is high. Your time will be well spent informing yourself on the many historical precedents.

One of the positive features of this new era is that opportunities are broadening out. Away from the most crowded trades, particularly in AI and tech, valuations are more reasonable and reforms to unlock productivity are more tangible. Parts of Asia continue to benefit from long-term structural change. Japan's corporate evolution remains underappreciated. The UK, long neglected, offers selective value alongside the prospect of policy shifts (more U-turns!).

Income in the form of dividends has also reasserted itself as a serious tool for investors, not merely for cushioning volatility but for compounding returns in an uncertain world. With careful fund selection, income can once again play a central role in portfolios.

The purpose of the *TopFunds Guide* is not to predict the next twist in the turbulence, but to help investors think clearly within it. By focusing on fundamentals, behaviour and valuation, rather than headlines and hype, we aim to provide a framework for navigating 2026 with discipline, realism and confidence.

1.2 GOOD-BYE AMERICA – HELLO REST OF WORLD

What a start to 2026. You can be forgiven for feeling whiplashed—between Trump's latest tariff tantrums, AI mania melting like snow in spring, and headlines screaming both doom and boom within the same breath. Yet beneath the noise, a powerful investment theme is crystallising with remarkable clarity: **ABA—Anything But America**.

This realignment is driven by extreme valuation, policy flip-flops, fractured geopolitics, and plain old-fashioned common sense. And it's not coming from fringe contrarians—it's being acted upon by central banks and institutions, who've quietly begun voting with their feet, along with many retail investors.

Let's be clear: the US has dominated global portfolios for over a decade. From the 2009 lows through the pandemic liquidity surge and into the AI-fuelled euphoria of 2024, the S&P 500 became less an index and more a religion.

For years, the belief in "US exceptionalism" justified sky-high valuations, blind faith in Big Tech, and near-total portfolio concentration in dollar-denominated assets. At its peak, the US stock market accounted for **more than half** of global equity value—greater than the combined markets of China, Japan, Germany, the UK, France, India, Brazil, Italy, Spain, Mexico, and Canada.

The Unravelling of American Exceptionalism

Such bubbles and investor manias don't burst because they're big—they burst because confidence evaporates. And confidence in the American model is more than fraying at the edges:

- Trump's return has injected profound uncertainty: threats of capital controls, punitive tariffs, erratic economic management, and bizarre attacks on allies. Foreign investors are increasingly spooked.
- Meanwhile, US fiscal policy grows ever more unhinged—tax cuts for the wealthy funded by record bond issuance, all while bond interest payments eat up a quarter of government tax revenue.
- One valuation measure for the S&P, the Shiller CAPE ratio, is around 40, more than double its long-term average—a level only seen before in 1929 and 2000, and you know what happened next.
- Yet household equity exposure in the US is at an all-time high, leaving them horribly exposed. After all, they are exceptional. Aren't they?

In short, the US is behaving less like a safe haven and more like an emerging market with nuclear weapons.

And global investors are noticing.

Valuations Matter

Those who've "got religion" over US Exceptionalism shouldn't read any further. The rest of you, please read on.

You've now seen this written many times, and the risk is that you relax. ***"It hasn't happened so it won't"*** is the refrain of ordinarily clever and accomplished people, but who don't understand that they are emotionally engaged with their investing rather than objectively.

For the S&P 500 to merely get back to its long term average Shiller CAPE ratio, it needs to fall by 56%.

If it was to plumb historic lows it would crash 88%.

To return to its long term average price/book ratio it would fall 49%.

If unlucky enough to challenge historic lows, it would plummet 74%.

Stark indeed. It is a similar picture if you look at how far the US market would have to fall to meet the modest valuations of other markets.

To meet current valuations for the UK/Europe, Japan, and China, the S&P 500 would need to fall 65%, 72%, 74% respectively, based on price/book ratios.

The Great Rotation Begins

None of the above is secret. Global investors just needed an excuse to start moving their pieces in another direction.

With the S&P up a mere 7% in sterling terms last year, the rest of the world staged a quiet comeback:

- **Europe ex-UK:** +30%
- **China:** +25%
- **Japan:** +23%
- **UK (FTSE 100):** +20%
- **Brazil:** +31%

Latin America, written off as uninvestable for a decade, delivered **30–40%** gains. With juicy yields (Aberdeen Latin American offers **5.6%**) and tight commodity supply, the region is shedding its "dog" status.

And then there's **China**—a pragmatic market focused on manufacturing, green tech, and AI for real-world application. Remember the Chinese AI launch earlier in the year, DeepSeek? It didn't just rival the US's OpenAI—it exposed the fragility of the US AI monopoly. Chinese equities responded with quiet strength, up **26% in 2025**.

The **Value-style of investing**, long overlooked in the Growth-style dominated 2010s, was resurgent. In Q4 2025, UK Value funds like **Schroder Income** rose **~8%**, double the FTSE 100's gain. The **iShares Value Factor ETF** jumped **9%**, while the equivalent tech-heavy Momentum ETF lagged at just **3%**.

Commodities are to buzzing too, very much led by gold in 2025. **See pages 8-9 for more detailed analysis and how the opportunities should unfold from here.**

The Trump Catalyst

Love him or loathe him, Donald Trump is accelerating the ABA trend. His "America First" policies are having the paradoxical effect of making the world say: ***Fine. We'll go elsewhere***.

Tariffs punish US consumers, and global businesses look elsewhere for markets – less choice means higher US prices. Threats to seize foreign assets or US assets held by foreigners, fundamentally undermines confidence. Bullying the Fed undermines confidence in US institutions. Add to that an assassination here, a kidnap there, and it is self-evident that the old order, and a decent level of stability and predictability, is dead. What we have is a once-in-a-generation shift in economic and geopolitical power. And in such transitions, capital flees the old centre (US) and seeks new anchors (ABA).

How to Play ABA in 2026

1. Embrace Global Value, where funds like **JOHCM Global Equity Income or Artemis Global Select** offer diversified exposure to undervalued companies outside the US tech bubble.

2. Revisit the UK, which will benefit from falling interest rates, particularly domestically focussed small/mid-caps.

3. Allocate to Commodities. Gold led in 2025, but broaden your exposure e.g. **JPM Natural Resources**. Higher risk investors could consider more targeted plays e.g. uranium (nuclear revival) and platinum (hybrid vehicle demand), both of which are accessible via ETFs and more diversified funds (see pages 8-9).

4. Watch Japan and Europe. Japan's corporate reforms and shareholder-friendly policies are bearing fruit. Europe's defence and green infrastructure spend could ignite a multi-year cycle.

A Word of Caution

ABA isn't about trying to time the top in the US and the bubble bursting. It's about recognising that the risk/reward balance has shifted decisively. You don't need to predict a crash to act prudently. As Buffett says, *"Risk comes from not knowing what you're doing."*

The US may still rally—melt-ups happen in manias. Meanwhile, ABA offers **lower valuations, higher yields, improving fundamentals, and reduced political risk**.

So while the headlines obsess over Trump's latest tweet or assassination or kidnap or land grab, smart money is quietly building positions in overlooked corners of the globe. Continuing to do the same in 2026 is sensible.

" Keep up the great service Brian and the team- it is really appreciated."

S.B.
February 2022

1.3 COMMODITIES – A MOSAIC OF OPPORTUNITY

It's easy to get swept up in the drama of commodities. Gold miners surged **160%**, silver and platinum soared **90–110%**, and even long-forgotten corners like uranium enjoyed explosive rallies. Yet to lump all commodities together, as if they move in lockstep, is a classic investor error. The truth is that commodities are not a single asset class but a mosaic of distinct parts, each driven by its own supply-demand dynamics, political forces, and investor psychology.

The key to making money in commodities from this point is to understand these nuances. The excitement in commodities still has legs if you know how to play it.

A Year of Divergence, Not Uniformity

Let's start with performance. Yes, precious metals lit the fuse. Physical gold rose **53%** in 2025; gold miners more than doubled. But oil? Barely positive. Agriculture? Largely flat. Copper spent much of the year drifting—only to spike **23%** in a single week on tariff fears, then reverse just as violently.

This divergence matters. It tells us that the commodity rally isn't being driven by one monolithic force (like inflation alone, as some suggest), but by multiple, overlapping trends. Gold thrives on fear; oil on growth; copper on infrastructure; wheat on weather etc.

Typical Commodity Cycle

The commodity cycle moves in big waves. Massive investment leads to over-supply, which means prices suffer prolonged falls, and investment dries up for years, often because some new mania attracts investor cash. Then supplies begin to dwindle, and prices begin to pick up, and a new round of investment begins, and a new bull market.

Here is a simple model of the new commodity bull market, in three stages:

1. **Gold (and miners) lead** as stress increases
2. **Energy and industrial commodities** follow as supply constraints bite
3. **Miners outperform the underlying commodities** as capital returns

We've likely moved from Stage 1 to Stage 2.

- Energy equities remain historically cheap and ignored
- Oil, gas, uranium and other metals are still priced for pessimism, not reality.
- Financial assets (such as tech/AI) still reflect a low-volatility world that may no longer exist.

Gold Myth Or Magic

Because gold is in the headlines, it generates outsized interest. We do not know whether gold will continue going up from here. But we can allow history and experience to guide us.

In our January 2024 edition we highlighted the potential in gold from the Autumn 2023 low. In particular saying "the best returns will be enjoyed by gold miners", not buying gold itself. The highlighted fund, Ninety One Global Gold is since up 246%, and gold gained 146%.

There is no magic in gold. We have often highlighted some of the silly things said about gold, often by some very clever people, for whom we have the greatest respect, but who have a blind spot when it comes to gold. Gold is not a safe haven. Nor a hedge against inflation. It is not insurance. It is not money (or you would be able to use it to buy stuff in M&S).

Many investors forget, or have never known, that governments are known to intervene and officially regulate gold prices. This means that in a crisis gold can be about as useful as a chocolate teapot e.g. from 1933 private ownership of gold was banned in the US. So much for its safe haven status or store of value.

And it has suffered prolonged downturns just like any other asset e.g. in 2011, many investors piled in midst sovereign debt fears, convinced it was the new "safe haven." Over the next four years, gold fell **45%**, and gold miners dropped **70%**.

Sometimes gold just seems to go out of fashion, and that is a time to pay attention to opportunities, as we did in early 2024. Right now? We are not saying it is over. Just be careful and don't get all emotional about owning gold. As Jeremy Grantham puts it: ***"Excitement is the enemy of returns."***

Uninvestable Oil – Buy?

A year or two ago you were told China was uninvestable. Actually it has done rather well. During the last year, aided and abetted by a hapless Budget, you have been told that the UK is uninvestable. It has been just fine, at least measured by the FTSE 100 index (and better than the US). Throughout this period we have highlighted the opportunity in both. Sometimes you must go against the crowd, and when they say something is "uninvestable" it is more often than not a green light.

You are being told oil is uninvestable. We lean on experts in this field and they tell us "oil inventories are falling relative to seasonal requirements, while demand continues to trend higher". The International Energy Agency (IAE) says demand for oil will keep rising until at least 2050. This while the US shale supply, which has been dominant in recent years, is rolling over. Another case of a commodity with falling supply, rising demand, and complete lack of investor interest.

Twin Potential – Platinum and Palladium

In the commodities universe the discussion is typically about oil and gold, perhaps copper. But the potential is much wider. Platinum peaked back in 2008, 18 years ago, and only began to break out of its downtrend in 2025, yet still remains more than 30% below that peak.

As in other instances we discuss here, supply may not meet demand in 2026, and this should be met by higher prices as demand continues to grow. 65% of platinum production goes into car catalytic converters, which will be obsolete in electronic vehicles (EVs). Not good. Except that this thesis is unravelling:

*"Recent disappointments in global EV sales have already begun to chip away at the most aggressive forecasts for EV adoption... analysts are now beginning to consider a **more nuanced scenario**"*

This is a scenario in which petrol cars maintain growth "well into the 2030s". A much less discussed trend is the rise of the hybrid vehicle, which (experts tell us) offers superior energy efficiency to EVs ***and*** traditional vehicles, and these hybrids require more PGMs (platinum group metals). There is talk of a "surge in demand" for platinum triggered both by this trend and new car emissions regulations around the globe, which will require a sharp increase in platinum use.

Investor interest is not just turning to gold, with great fanfare, but more quietly to assets like platinum. The supply/demand imbalance is not a secret, nor the cheapness of platinum miners. The stealth selling of US assets by global institutions which will likely feed the flows to these alternative assets.

There have been false starts, notably in 2022, when commodity prices soared on the Russian invasion. But the Trump factor, and drip-drip exit from American assets, could be just the catalyst (no pun intended!) needed by commodities in general and platinum in particular.

Glowing Potential – Uranium

Uranium is essential for nuclear power. Nuclear used to be regarded as dirty and unsafe. Now the opposite is the case. Japan suffered a notable disaster at Fukushima in 2011, yet has now re-started 14 nuclear reactors. Now nuclear is not just regarded as clean and safe but also reliable – it doesn't depend on the weather.

Governments are rapidly getting on board e.g. the US has pledged to quadruple nuclear capacity by 2050. Reactor requirements are expected to grow by a third by 2030, and double by 2040. The World Nuclear Association has warned that the industry risks a severe supply crunch e.g. prices will have to go a lot higher to meet demand and encourage new mines.

Commodity experts Goehring and Rozencwaig tell us that ***"From an energy perspective, this is perhaps the most transformative development in human history."*** They might be over-egging it. But the potential is reasonably clear, whether you are a politician, climate activist, or investor – a rare alignment.

But be warned – 10-20% moves in a day are not uncommon. If you are a self-directed investor, and this interests you, be sure you are comfortable with extreme volatility.

In summary, there is considerable potential in the commodities universe, and we have touched on a few of the opportunities above. While you can achieve a direct exposure to each through ETFs, you can access the wider potential through a fund such as JPM Natural Resources or, narrowing it down a bit more, BlackRock World Mining or Investec Global Energy. If you opt for the ETFs, do bear in mind that 10-20% swings in a day are not unusual. So take care, and understand the risks.

1.4 TRUMP BOOM! AND IT'S NOT WHAT YOU THINK

Talk of a boom doesn't have to mean financial markets blowing up. There is the tantalising positive possibility that we might see a distinctly Trump-ish boom inflating the US stock market even higher, which would enable other world markets to continue making notable progress in 2026. Here's the detail.

Under Trump's tenure, wealthier Americans and corporates have benefited disproportionately. Generous tax policies and regulatory leniency have supported asset prices at the very top of the market. Ordinary Americans, by contrast, have felt the effects of rising costs and stagnating wages. The gap between winners and losers has widened, and more Americans now find themselves financially vulnerable.

With Mid Term elections in November 2026, Trump's Republicans will take a beating based on current polls and a handful of elections in recent months. He now has a narrow time window in which to shore up political support and regain ground lost over the past year. The pressures are both economic and political: higher borrowing costs, slowing consumer confidence, and uncertainty among small businesses have each dampened activity.

The next few months are a tightrope for Trump. Any misstep risks not only political fallout but also market turbulence. But if he avoids doing anything too stupid (obviously a big assumption), he could push the US equity bubble to even greater extremes.

He has a number of tools, such as:

- Direct stimulus to low income households e.g. Tax rebates helicoptered into their bank accounts
- Price controls on essentials such as pharmaceuticals or food are another possibility.
- Cap bond yields somehow, to avoid them spiking as they reflect rising inflation risks – such a spike could blow up financial markets.
- Most market-sensitive would pressure on the Federal Reserve to cut interest rates.

All of this would require subtlety and attention to detail. Not Trump's strengths, nor obviously those of the intellectual pygmies and sycophants which surround him. Nonetheless, a re-focussing on those November 2026 elections might change the current tendency to chaos and blunt instruments.

If the worst case was to be merely increased US volatility, this would provide a positive window for other world markets to continue the progress of 2025.

The flow of money being redirected to the World ex-US will almost certainly increase this year. There was not a stampede out of the US in 2025. Rather the huge sums which were flowing into the US saw some re-direction, though the scale is not clear, as no institutions wanted to do this too publicly, lest they suffer Trump's ire. Having said that, in recent weeks one or two institutions are more openly expressing their disquiet about unfolding events in the US and are, carefully, voting with their feet.

Many economies are more conventionally positioned for expansion, with expectations of falling interest rates and structural reforms. This can release pent-up demand from companies and consumers who have been hesitant to spend or invest midst the chaos of 2025. Businesses previously constrained by tariff regimes uncertainty might accelerate capital expenditure, though the tariff issue is far from dead. Consumers, also cautious last year, may resume spending on durable goods and services.

The interplay between the US and global markets will be crucial.

For long term investors, the challenge will be to balance the risk of sharp US downside against the rewards elsewhere.

The US will dominate headlines, but discipline, diversification, and a solid defence will enable investors to navigate the turbulence, and capture the global opportunities.

1.5 THE LUCKY GENERATION JUST RAN OUT OF ROAD

It has been a long and fruitful 40 year journey for the Baby Boomers. It is over. This desperately needs to be understood, along with adjustments which are needed to embrace the opportunities on this new journey.

In more than three decades of explaining investment "risk" to clients, we have often made an unfashionable point: sometimes you are simply unlucky. No amount of clever fund selection or confident forecasting can entirely remove that reality.

One line, repeated in successive editions of the T*opFunds Guide* and in countless client discussions since the 1990s, remains as relevant today as it was then:

"Sometimes you are just unlucky. Could our parents or grandparents have predicted that they would live through the Great Depression, the Wall Street Crash, and two World Wars?"

The textbooks refer to this as sequence risk. In part, it reflects randomness — the bad luck of major market falls occurring at the wrong time in your life. But history also tells us that such periods are rarely bolts from the blue. The risks preceding the Wall Street Crash were visible to anyone prepared to look: extreme valuations, manic investor behaviour, and excessive debt. These conditions are not unfamiliar today.

Sequence risk is about the order in which returns arrive, and whether your portfolio can withstand severe losses at the precise moment when they are most important to you – when you have probably stopped accumulating wealth, and now you want to harvest it, enjoy it.

Never has a single UK generation been so exposed to this risk.

If you are over 60, you are part of the Baby Boomer generation — a cohort that has benefited enormously from a 40-year tailwind of falling inflation and interest rates, and making easy money from investing and house prices. It's over. It's no longer easy, much of what we learnt must be unlearnt, and opportunities exist (and they certainly do exist) but in a much more complex world.

Yet much of the financial services industry continues to behave as if little has changed, offering reassurance where caution is required. This matters for two reasons. The investment industry is heavily dependent on Baby Boomer wealth. More importantly, many Baby Boomers are totally dependent on this accumulated wealth, but they have no meaningful defence in place against the scale of problems which history informs us are baked into current markets, particularly US markets.

History offers sobering examples:

- It took 16 years for US equities to recover their 1966 peak.
- It took 16 years for the technology index to regain its 2000 high.
- It took 34 years for the Japanese market to recover after 1989.

In each case, markets fell between 50% and 80%.

Now consider the impact if, during such a period, you also needed to withdraw 4% a year to fund your living costs. The mathematics become unforgiving. Our financial planning models show that even disciplined investors can face a serious risk of running out of money, turning what should be a secure retirement into a prolonged period of anxiety for both investors and their families.

This is why we are deeply sceptical of the notion of what many call a ***"safe withdrawal rate"***. There is no such thing. Two variables remain unknowable: the sequence of returns you will experience, and how long you will live. Pretending otherwise is dangerous.

Thankfully there are three things that investors (and their advisers) can do. Most investors do, thankfully, have some flexibility: contingency funds, adjustable spending, and the ability to change course if conditions deteriorate. Ensure you have an exposure to the range of opportunities in this new era. And lastly, have a stop-loss strategy, so that small losses do not become unacceptably large through inaction.

If you do not feel you have these three elements, do talk to your Dennehy Wealth adviser.

"I am very happy at the info that you have made available in a very friendly format."

R.P.
April 2022

1.6 ARTIFICIAL INTELLIGENCE – WHAT IS IT? INVEST OR NOT?

Artificial intelligence (AI) isn't new—it's been quietly developing since the 1950s. But it truly captured the world's attention in November 2022, when OpenAI launched ChatGPT. But what is it, and how does this relate to the investment opportunities?

What Is AI?

AI is like a chef who's never tasted food. They've studied thousands of recipes and can mix ingredients in surprising, sometimes brilliant ways. But they can't tell if the soup is too salty or if the cake brings back childhood memories. They follow patterns, not taste buds or personal memories.

It learns by spotting patterns in huge piles of information, not by living life like we do. So it's brilliant at finding answers, writing stories, or even helping doctors—but it doesn't have feelings, common sense, or real experience. It's a tool, like a calculator that got really good at guessing answers based on mountains of data— it's guessing, but in a very smart, statistical way.

The AI Explosion

With the launch of ChatGPT, almost overnight, millions of people were chatting with an AI bot that could write essays, draft emails, explain complex topics, and even crack jokes. Suddenly, AI wasn't just for scientists or tech insiders—it was in everyone's pocket.

Soon after, a wave of competitors followed: Google's Bard (now Gemini), Microsoft's Copilot, Anthropic's Claude, and others. These tools made AI feel magical—like having a very smart PA.

Imagine a general practitioner in a small town who used to rely on experience (always limiting to an extent) or outdated textbooks. Now, with AI, she can instantly access summaries of thousands of recent medical studies, helping her spot rare conditions or suggest better treatments—all in seconds while with the patient.

The AI Investment Bubble

As the public marvelled at these advances, investors imaginations ran riot, and rushed in. But that emotional panic to get rich quick is very dangerous to your wealth.

In 2025, the five mega tech companies spent $332 billion. But their AI income was just $29 billion. Increasingly it is unclear how they can make enough money to justify that spending. And they aren't all going to be winners, plus they have (better?) Chinese products breathing down their necks.

History offers many warnings. During the dot-com bubble of the late 1990s, internet stocks skyrocketed on hype alone—only to crash hard in 2000. Similarly, the railroad and telegraph booms of the 1800s saw fortunes made and lost before those technologies truly matured. AI may be following the same pattern: massive excitement, overinvestment, then a painful correction.

Consider this simple analogy: AI today is like the early days of electricity. In the 1880s, inventors like Edison showed off dazzling lightbulbs, and towns rushed to wire up—but it took decades before factories, homes, and hospitals fully harnessed electric power. The initial frenzy didn't deliver instant transformation, but the long-term impact was revolutionary.

The same will likely happen with AI. Yes, the current investment bubble may burst. Companies that promised miracles will fade away. Investors who expected quick returns will lose patience and a lot of money. But the core technology won't disappear. Over time, AI will quietly reshape medicine, education, transportation, and climate science—much like computers did after their own rocky beginnings.

So while headlines scream about AI taking over the world tomorrow, the real story is slower, steadier, and more profound. The bubble may pop, but AI itself? It's here to stay—and its best contributions to humanity are still ahead. But don't lose your shirt on AI hype in the meantime.

2. What's Hot, What's Not

A dramatic reversal of fortunes compared to the last edition. Eleven sectors delivered double-digit returns over 6 months versus just one this time last year. Commodities have surged from near worst to first, while China continues to hold up near the top. The volatility story remains unchanged with the average difference between best and worst fund 30% in just six months. This underscores yet again that sector selection alone isn't enough. You must have a clear, simple and proven process to select funds within any one sector and apply it with discipline - see pages 15 and onwards.

Sector	6 Month Perormance	Best fund %	Worst fund %	Difference Best/Worst %
Commodity/Natural Resources	26.93	97.82	-0.75	98.57
China/Greater China	19.12	67.85	8.51	59.34
Latin America	17.6	20.23	9.44	10.79
Global Emerging Markets	16.74	38.43	-8.31	46.74
Asia Pacific Excluding Japan	16.02	25.73	0.75	24.98
Technology & Technology Innovation	13.31	36.29	-9.18	45.47
North American Smaller Companies	12.7	39.14	0.22	38.92
Japan	12.66	32.38	-2.87	35.25
Specialist	12.57	95.16	-6.47	101.63
North America	10.54	36.71	-3.25	39.96
Global	10.25	68.12	-9.67	77.79
Flexible Investment	9.85	39.66	-3.4	43.06
Global Equity Income	9.29	21.21	-3.65	24.86
Global EM Bonds Blended	9.1	11.79	5.4	6.39
UK Equity Income	8.83	17.57	-5.67	23.24
Mixed Investment 40-85% Shares	8.76	15.2	-3.01	18.21
Europe Excluding UK	8.13	17.5	-6.42	23.92
UK All Companies	7.17	20.22	-10.34	30.56
Mixed Investment 20-60% Shares	6.63	13.31	0.74	12.57
Mixed Investment 0-35% Shares	5.05	7.49	2.23	5.26
European Smaller Companies	4.73	12.35	-2.91	15.26
Targeted Absolute Return	4.58	11.84	-3.6	15.44
Sterling High Yield	3.73	6.43	1.53	4.9
Sterling Strategic Bond	3.53	6.64	0.51	6.13
Sterling Corporate Bond	3.35	4.83	2.11	2.72
Property Other	2.5	14.86	-9	23.86
UK Gilts	2.4	4.13	1.71	2.42
UK Direct Property	-0.55	3.37	-19.83	23.2
UK Smaller Companies	-0.59	11.14	-6.71	17.85
India/Indian Subcontinent	-2.3	3.42	-8.05	11.47

Commodities Stage Spectacular Comeback

What a difference a year makes. The Commodity/Natural Resources sector rocketed to the top with a **26.93%** average return over 6 months, a stunning turnaround from the **-4.17%** we saw in the last edition. Precious metals were the key driver, with funds overweight here cleaning up - the best returned almost **98%**, but if you selcted the wrong fund you actually lost money.

As we've said before, this sector **needs care**. Specialist funds focused on one area, such as gold or oil, can deliver spectacular returns when they get it right, as precious metals funds did this time. But they can also create significant volatility when the wind changes. For many, the sensible choice for greater peace of mind remains a generalist commodity fund, such as JPM Natural Resources. The gold mining funds, such as Ninety One Global Gold, are for those comfortable with higher risk and sharper swings.

China Stays the Course

China holds its ground in second place with an average return of **19.12%**, building on momentum from government stimulus that began in September 2024. Investors are slowly returning and the government has pledged to further step-up policy support this year. The **59.34%** gap between top and bottom performers shows the market remains challenging to navigate.

This isn't a market you can buy blindly. Returns depend heavily on choosing the right funds, and sharp ups and downs should be expected.

The "Anything But America" (ABA) Trade Takes Hold

There's been a clear rotation away from US dominance. Emerging markets that were ignored for years have re-emerged, with Latin America up **17.6%**, Global Emerging Markets up **16.74%**, and Asia Pacific Ex Japan up **16.02%**. Meanwhile, North America managed an average **10.54%, with a substanital growth gap between the best and worst**.

Money is hunting for growth beyond expensive US markets, and value is coming back into favour over growth. **The market has broadened** beyond the Magnificent 7 concentration that drove returns for so long. This rotation could have legs for many years to come.

Global Emerging Markets certainly needed a tight process to select winners, with the gap between top and bottom being a huge 46% over a mere 6 months.

UK Unloved But Stirring?

The mood music in the UK remains grim, and for smaller companies, the market agrees. UK Smaller Companies sit second from bottom over six months, while UK All Companies managed 7.17% as the bigger names in the UK have **started to show signs of life**.

The FTSE 100 delivered an excellent 2025, hitting all-time highs in recent weeks, suggesting something is shifting beneath the surface.

On the journey from "uninvestable", **large caps typically move first**. Small and mid-caps follow and this potential is easier to see from the perspective of an overseas investor, not clouded by domestic negativity. They observe that the UK remains cheap versus the world, with smaller companies at an even steeper discount to their larger peers. The UK sectors offer some of the richest pickings by using our Dynamic ratings for selecting funds with the greatest potential.

Bonds Holding Steady But Cracks Show

Global EM Bonds posted **9.1%** after years of disappointment, benefitting from falling interest rates and the broader pick-up in emerging markets.

Sterling High Yield came in at 3.73%, though **a few cracks started to appear** in credit markets after some high-profile bankruptcies. As the JP Morgan boss warned, "when you see one cockroach, there are probably more". A reminder that hidden problems may be lurking beneath the surface.

Lastly Targeted Absolute Return. For a supposedly low risk sector, the gap between best and worst was a chunky 15%, and you lost money if you selected badly. Definitely a sector where you should look under the bonnet and properly understand the risks.

3. How to Select Funds For Growth

This is the exciting bit! Yet we have to start with the bad news. **95%.**

95% is the proportion of funds which ***fail*** to consistently beat an undemanding benchmark.

In straightforward terms it means that 95% of funds are no better than mediocre.

But don't worry because there are well-proven methods to select funds where you have a high probability of doing somewhat better than mediocre – a lot better - as you will see in a moment.

Depending on how much you wish to be involved in the investing process, you have two broad options:

- If you are already an advised client of **Dennehy Wealth**, or are considering that option, below we will show you what we do.

Or

- If you are a self-advised or **DIY investor**, in a moment we will show you how you might approach your fund selection.

How Dennehy Wealth Do It

If you would like us to do the work for you, Dennehy Wealth have a **Discretionary Fund Management service** (or DFM for short) and this kind of service will suit you if:

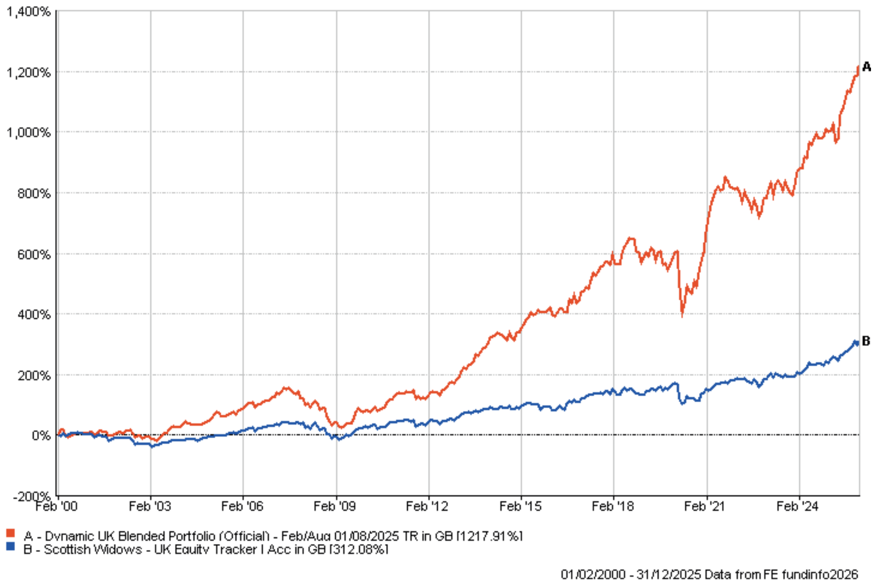
- You manage your own investments but the time and mental energy required is becoming a burden.

Or

- Your current adviser appears complacent on risk or performance, and you suspect you could be doing better.

We have a number of discretionary portfolios, and each is designed to meet the needs of investors with different objectives and attitudes to risk.

Chart 1: Dynamic UK Blended vs Index Tracker (2000-2026)



Building Blocks – How Our Portfolios Are Put Together

Each of our discretionary portfolios are built using a number of clearly defined **building blocks**, with each building block typically having a geographic focus (for example the UK, Europe, or Asia).

At the bottom of the previous page you can see how one UK building block, what we call "UK Blended", has performed from 2000 to 2026 i.e. up 1,218% versus 312% for an index tracking fund.

Similarly, on pages 19-22 we look in detail at the performance of four key fund sectors using the same methodology.

For example, our **Asia building block** has generated growth of almost twice that of the average fund since 2000.

This is not cherry-picking. It is the result of a repeatable process applied consistently over time.

Magic Or Insight?

Having just said that 95% of funds are mediocre at best, it would be reasonable to feel either impressed or sceptical when seeing these results. Possibly both! Yet there is no magic involved.

The approaches that work best in investing are **well established and supported by volumes of research** stretching back decades and tested across many markets and time periods.

In a nutshell there are only **four reliable ways** for investors to significantly improve their odds of beating the average. The most powerful, and easy to apply, is called **Momentum investing**.

In simple terms this means backing what is already working. Research shows that if a fund has been among the top performers in its sector over the last six months, it has a higher probability of being an above-average performer over the next six months.

" Thanks again for all of your adaptive analysis in these dramatic & vulnerable times.."

A.J.
March 2022

Very straightforward – and it works.

The evidence of the success of this process can be seen clearly in the performance charts already shown, and in the sector analysis on pages 19-22.

Not Always So Simple! Why Defence Matters

Momentum investing works brilliantly in 9 years out of 10 (though don't take this ratio too literally!). But in the 10th year more flexibility is required.

Selecting funds in this way is what we call our **Attack**.

But every successful strategy also needs a **Defence**.

Our "Defence" is our **stop-loss discipline**. For example, when a fund falls by 10%, we sell it. We are not trying to time the market. We are simply preventing a manageable loss from turning into a damaging one.

Think of it as stepping under shelter when the weather turns bad, rather than standing still and hoping for the best.

Such a defence is vital when markets are very vulnerable, as are the pivotal US markets as we write. This approach applies to all of our portfolios, and we believe it is irresponsible to not have such a discipline to prevent the very sharpest losses, which can leave your portfolio down and out for years.

Selecting Funds As A DIY Investor

The alternative to our "done-for-you" DFM service is to do it yourself, and many of you do.

Just for you, back in 2012 we created **FundExpert**.

FundExpert provides:

- Clear identification of funds with Momentum, sector by sector
- Automatic reminders when reviews are due
- Alerts when fund prices fall (our stop-loss alerts)
- Tools to help you stay disciplined among the noise

We encourage you to fully explore these features at ***FundExpert.co.uk***

To illustrate how a DIY investor might choose funds with Momentum, we introduced a simple example portfolio last year. Below is an updated version for 2026.

A Simple Global Portfolio: An Example

Assume you are comfortable with mainstream equity markets and want global exposure, with a slight UK bias (common among UK investors). A simple structure might look like this:

UK	30%
Europe	20%
Asia	20%
North America	20%
Commodities/Real Assets	10%

You would then populate each of these elements by turning to the **sector tables in Section 4**, selecting the top three Momentum funds in each sector. For commodities however you might prefer using one or two diversified commodity funds or ETFs, depending on your preference.

This results in a portfolio of 13-14 funds – enough diversification without becoming unwieldy. As a general guide for DIY investors, we would usually recommend **no more than 15 funds**, as otherwise monitoring becomes impractical. Also you should have **no less than 5%** of the total value in each fund, or the impact on overall performance is too small. This kind of discipline is important for you as a self-directed investor.

As a DIY investor you will have your own views, and it is easy to adjust the above if you want to include Japan, or India for example. The important part is that you have a clear structure and a repeatable framework.
This is your Attack, and your Defence is your stop-loss approach that we have covered.

SECTOR	FUND IDEAS EXAMPLE
UK All Companies:	
10%	**Artemis SmartGARP UK Equity**
10%	**Dimensional UK Value**
10%	**Invesco UK Enhanced Index**
Europe ex UK:	
7%	**Artemis SmartGARP European Equity**
7%	**WS Ardtur Continental European Inst**
6%	**First Trust Eurozone AlphaDex ETF**
Asia ex Japan:	
7%	**AB Asia Ex Japan Equity Portfolio**
7%	**Baillie Gifford Pacific**
6%	**Nomura Asia Ex Japan High Conviction**
North America:	
7%	**iShares Nasdaq US Biotechnology ETF**
7%	**Vanguard US Opportunities Investor**
6%	**iShares Edge MSCI USA Value Factor ETF**
Commodities	
10%	**JPM Natural Resources**

Next Steps As A DIY Investor

Once selected, your funds should be reviewed every six months.

To do this effectively:

- Make sure you are registered on FundExpert.
- Input your purchased funds into your portfolio by using the "Fund Search" tool and then "Add To Portfolio".
- Choose a stop-loss level i.e. we alert you when a fund falls in value by that amount.
- To ensure you receive an alert for your review period, go to "My Account", "Email Preferences", tick "Dynamic Review Period Alert" and select the review period for your funds.

4. TopFunds Sector by Sector

This section is for DIY investors, those who prefer to select their own funds. You can read much more about how to do this on the FundExpert website, along with the tools to make fund selection very easy.

Your Attack

At its core, the process is simple. Focus on the sectors you want exposure to, and within those sectors select the funds with the **greatest momentum**.

In the following pages the top-rated funds are listed sector by sector. Within each sector table we show you at least the best 10 funds.

On pages 19-22 we provide a bit more detail on four of the sectors, which includes past performance using this methodology.

Our long term research across all sectors shows that you are **typically** better to select the top 3 funds in the sector, which we have highlighted in bold at the top of each table.

For example, if your portfolio is made up of four sectors, you will be holding 12 funds, three from each sector.

The funds in the following tables are the leading momentum funds as of 1st January 2026. These are updated at the beginning of every month on FundExpert, so if you are reading this in a later month, do use FundExpert.co.uk to update your selections.

Your Review – Staying With The Leaders

Momentum changes and so you should review your funds every six months. The funds identified in this section had the greatest momentum on 1st January 2026. Your next review point will therefore be 1st July 2026.

This review process is simple to carry out on FundExpert, and it ensures you remain invested in the strongest funds within each sector.

If you don't already do this, or don't know how to do this, do get in touch, and we will send you through the "how to" guide.

It is important that you do this, so you stay in the top performing funds, which will change regularly.

Your Defence

"The first rule of investing is not to lose money" said Warren Buffett.

While losses cannot be avoided entirely, they can be controlled.

A stop-loss means that you decide you will sell your fund if it falls by a certain amount – so you literally **stop the loss from getting any bigger**.

For example, you might decide to **sell if the fund falls by 10%**. Use the unique Stop Loss Tool on FundExpert to set this level, and when it is hit you will receive an alert.

You are not trying to time the market when you apply a Stop Loss. It is simply a form of risk control to prevent a relatively small loss becoming unacceptably large.

Such a defence remains vital in volatile markets, particularly with ongoing uncertainties around tariffs, inflation and geopolitics.

Your Risk

In these tables you will see a figure labelled **Monthly Risk** (also called Value at Risk or VaR).

This number means that in 19 months out of 20 you should not, on average, expect a larger fall in the capital value than this number. But do note that in the 20th month the loss might be more severe (October 1987 being an extreme example, with a 20%+ fall in one month).

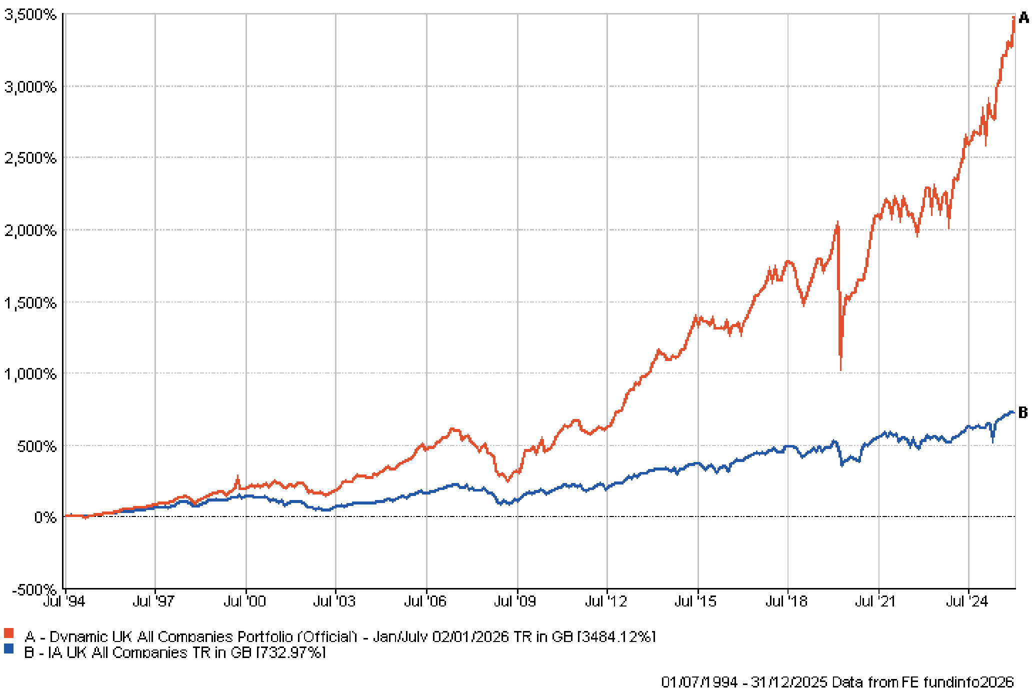
Dynamic UK All Companies

To the right are the funds with momentum right now. The past performance on the chart below is based on the top 3 funds being selected, and adjusted, every 6 months. We also show additional funds in the table as the top 3 might not be on your platform.

The key observation from the chart below is that a portfolio selected by using our Momentum approach has grown more than 4.7 times the sector average, a huge uplift in growth by application of a straightforward process i.e. growth of 3,579% versus 757% since 1994.

NAME	6 Month %	1 Year %	MONTHLY RISK
UK All Companies			
Artemis SmartGARP UK Equity in GB	**20.22**	**39.86**	**-5.6**
Dimensional UK Value in GB	**19.92**	**34.05**	**-5.75**
Invesco UK Enhanced Index (UK) TR in GB	**16.13**	**27.36**	**-4.58**
BNY Mellon UK Opportunities (Responsible) TR in GB	15.77	30.85	-5.75
M&G Recovery in GB	15.42	22.53	-6.16
abrdn UK Equity Enhanced Index in GB	15.26	26.59	-4.62
HSBC FTSE 100 Index in GB	15.25	25.47	-4.92
L&G UK 100 Index Trust in GB	15.13	25.53	-5.02
BNY Mellon UK Equity TR in GB	14.96	28.52	-5.23
JPM UK Equity Plus in GB	14.94	27.64	-4.91
iShares MSCI UK UCITS ETF in GB	14.84	25.32	-4.97
Marks & Spencer UK 100 Companies in GB	14.73	26.04	-5.15
iShares 100 UK Equity Index (UK) in GB	14.58	25.6	-5.48
Vanguard FTSE 100 Index Unit Trust in GB	14.56	25.73	-5.25
Vanguard FTSE 100 UCITS ETF TR in GB	14.53	25.68	-4.4
iShares Core FTSE 100 UCITS ETF TR in GB	14.52	25.64	-4.99
iShares Core FTSE 100 UCITS ETF GBP in GB	14.52	25.64	-5
HSBC FTSE 100 UCITS ETF TR in GB	14.51	25.64	-5
Xtrackers FTSE 100 Income UCITS ETF TR in GB	14.49	25.62	-5.04
JPM UK Equity Core in GB	14.36	25.4	-4.63

Chart 2: Dynamic UK All Companies



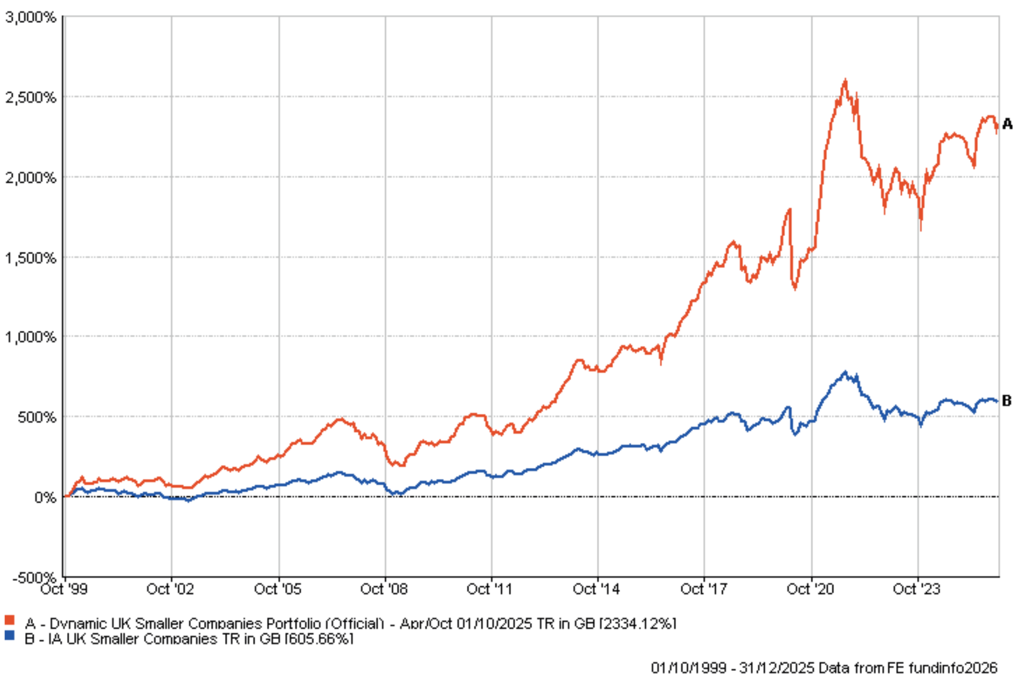
Dynamic UK Smaller Companies

To the right are the funds with momentum right now. The past performance on the chart below is based on the top 3 funds being selected, and adjusted, every 6 months. We also show additional funds in the table as the top 3 might not be on your platform.

The key observation from the chart below is that a portfolio selected by using our Momentum approach has grown more than 3.8 times the sector average, a huge uplift in growth by application of a straightforward process i.e. growth of 2,334% versus 606% since 1999.

NAME	6 Month %	1 Year %	MONTHLY RISK
UK Smaller Companies			
IFSL Marlborough Nano-Cap Growth	**6.53**	**13.6**	**-9.25**
IFSL Marlborough UK Micro-Cap Growth	**5.55**	**9.02**	**-5.69**
iShares MSCI UK Small Cap UCITS ETF	**4.46**	**15.3**	**-8.05**
L&G UK Smaller Companies Trust	3.16	6.96	-7.11
Dimensional UK Small Companies	3.06	13.4	-6.79
Schroder UK Dynamic Smaller Companies	2.89	8.26	-5.64
WS Gresham House UK Micro Cap	2.74	7.97	-4.01
Fidelity UK Smaller Companies	2.5	9.41	-6.22
River Global RGI UK Listed Smaller Companies	2.48	9.11	-6.46
FP Octopus UK Micro Cap Growth	2.38	0.14	-5.66

Chart 3: Dynamic UK Smaller Companies



Dynamic Asia Pacific

To the right are the funds with momentum right now. The past performance on the chart below is based on the top 3 funds being selected, and adjusted, every 6 months. We also show additional funds in the table as the top 3 might not be on your platform.

The key observation from the chart below is that a portfolio selected by using our Momentum approach has grown nearly twice that of the sector average, another huge uplift in growth by application of a straightforward process i.e. growth of 1,084% versus 568% since 2000.

NAME	6 Month %	1 Year %	MONTHLY RISK
Asia Ex-Japan			
AB Asia Ex Japan Equity Portfolio	**25.73**	**32.12**	**-7.46**
Baillie Gifford Pacific	**25.36**	**28.83**	**-7.75**
Nomura Asia Ex Japan High Conviction	**24.44**	**23.26**	**-8.75**
Veritas Asian	23.87	29.85	-7.43
Royal London Asia Pacific ex Japan Equity Tilt	23.69	30.07	-8.43
Fidelity Asia	23.22	25.68	-7.28
M&G Asian	23.22	28.75	-5.95
HSBC Pacific Index	22.6	29.22	-6.03
iShares Pacific ex Japan Equity Index	22.57	29.03	-6.63
Quilter Investors Asia Pacific (ex Japan) Large-Cap Equity U2	22.57	26.84	-5.75

Chart 4: Dynamic Asia (ex Japan)

Dynamic Mixed 20-60%

To the right are the funds with momentum right now. The past performance on the chart below is based on the top 3 funds being selected, and adjusted, every 6 months. We also show additional funds in the table as the top 3 might not be on your platform.

The key observation from the chart below is that a portfolio selected by using our Momentum approach has grown more than twice that of the sector average, another huge uplift in growth by application of a straightforward process i.e. growth of 267% versus 120% since 2006.

NAME	6 Month %	1 Year %	MONTHLY RISK
Mixed 20-60			
Carmignac Portfolio Emerging Patrimoine	**13.31**	**21.41**	**-3.4**
Artemis Monthly Distribution	**12.13**	**23.07**	**-2.93**
Premier Miton Cautious Monthly Income	**11.89**	**19.83**	**-3.06**
Premier Miton Cautious Multi Asset	11.73	18.55	-3.49
PIMCO GIS Balanced Income and Growth Inst Hedged	11.24	20.34	-4.11
Jupiter Merlin Income Portfolio	9.94	15.28	-4.06
Margetts MGTS Sentinel Navigator	9.9	22.58	-3.43
Schroder Diversified Growth Inst	9.47	12.3	-2.48
IFSL Titan Mazarin Cautious	9.33	10.58	-2.37
Schroder Sustainable Future Multi-Asset	8.94	12.65	-2.61

Chart 5: Dynamic Mixed 20-60%

NAME	6 Month %	1 Year %	MONTHLY RISK
China			
GS China A-Share Equity Portfolio	**32.53**	**26.03**	**-8.63**
JSS Equity All China	**29.98**	**27.31**	**-11.34**
AB China A Share Equity Portfolio	**29.07**	**23.77**	**-7.82**
Ninety One China A Shares	26.47	23.41	-8.05
Allianz All China Equity	25.64	30.9	-10.11
T. Rowe Price China Evolution Equity	25.11	25.82	-10.23
iShares MSCI China A UCITS ETF	24.47	17.32	-8.25
Amundi MSCI China A UCITS ETF	24.35	14.99	-8.78
Xtrackers MSCI China A UCITS ETF	24.31	17.37	-10.93
HSBC MSCI CHINA A UCITS ETF	24.22	17.29	-8.25
Commodities and Natural Resource			
WS Amati Strategic Metals	**97.82**	**162.09**	**-10.64**
UBS Solactive Global Pure Gold Miners UCITS ETF	**71.62**	**152.62**	**-12.37**
WisdomTree Strategic Metals and Rare Earths Miners UCITS ETF	**69.46**	**98.54**	
Tutman FS SVS Baker Steel Electrum	69.41	82.68	-11
Orion Resource Equities	55.25	86.72	-6.21
BlackRock World Mining	50.85	60.22	-10.89
Quilter Investors Natural Resources Equity	33.18	37.86	-8.89
JPM Natural Resources	32.26	40.77	-8.25
iShares Global Clean Energy Transition UCITS ETF	27.76	35.99	-11.19
LO Transition Materials	27.11	30.2	-5.92
European ex-UK			
Artemis SmartGARP European Equity	**17.5**	**55.91**	**-5.99**
WS Ardtur Continental European Inst	**17.49**	**44.58**	**-6.26**
First Trust Eurozone AlphaDEX UCITS ETF	**16.57**	**47.1**	**-7.09**
UBS MSCI EMU Value UCITS ETF	16.38	44.15	-6.39
Amundi MSCI EMU Value Factor	16.33	44.52	-6.2
WS Lightman European	15.67	31.41	-5.63
Liontrust European Dynamic	14.6	29.3	-6.63
HSBC GIF Euroland Value	14.46	38.87	-6.76
Schroder European Recovery	14.35	35.71	-6.47
Invesco European Equity (UK)	14.3	30.78	-6.11

NAME	6 Month %	1 Year %	MONTHLY RISK
Global Emerging Markets			
Nomura Emerging Markets	**38.43**	**58.56**	**-7.98**
Schroder Global Emerging Markets	**25.9**	**30.72**	**-6.84**
Baillie Gifford Emerging Markets Growth	**24.76**	**33.17**	**-7.68**
Redwheel Next Generation Emerging Markets Equity	24.43	30.5	-4.73
Princpal GIF Origin Global Emerging Markets	24.11	40.21	-6.27
Robeco Emerging Stars Equities	23.87	40.77	-7.22
Pacific North of South EM All Cap Equity	23.26	29.87	-5.98
Fidelity Emerging Markets	23.2	29.43	-7.12
Nomura American Century Emerging Markets Transition Impact Equity	23.13	26.57	-7.59
TM Redwheel Global Emerging Markets Fund	22.94	30.98	-7.35
Global Growth			
iShares Gold Producers UCITS ETF	**68.12**	**136.7**	**-10.32**
L&G Battery Value-Chain UCITS ETF	**62.9**	**60.31**	**-8.3**
WisdomTree Battery Solutions UCITS ETF Unhedged	**44.09**	**44.43**	**-8.64**
Contrarius Global Equity Fixed Fee Class	42.41	42.54	-11.97
Invesco Solar Energy UCITS ETF	42.16	36.48	-15.12
Active Niche Luxembourg Selection Fund Active Solar	39.2	23.95	-16.67
GMO Climate Change Transition Investment	34.02	28.91	-11.02
GMO Climate Change Select Transition Investment	32.92	27.9	-10.64
Invesco Global Clean Energy UCITS ETF	30.38	32.49	-10.57
Equitile Feeder	27.9	40.95	-8.44
Heptagon Kopernik Global All Cap Equity	26.37	52.2	-5.68
Schroder Global Alternative Energy	24.6	29.31	-10.33
Artemis SmartGARP Global Equity	24.02	32.36	-4.9
Polar Capital Artificial Intelligence	23.23	26.38	-8.8
Redwheel Global Intrinsic Value	23.18	36.49	
Invesco Defence Innovation UCITS ETF	22.9	45.57	
Amundi MSCI Smart Mobility	22.77	19.29	-11.51
FI Institutional Global Small Cap Equity D2 Unhedged	21.79	14.38	-9.69
WS Blue Whale Growth	21.79	28.42	-10.22
iShares Edge MSCI World Value Factor UCITS ETF	21.68	30.65	-4.49

NAME	6 Month %	1 Year %	MONTHLY RISK
Japan			
New Capital Japan Equity Inst	**32.38**	**19.89**	**-7.57**
Nomura Japan Strategic Value ID Hedged	**24.47**	**38.31**	**-6.34**
Barclays Globaless Japan M Hedged	**23.3**	**24.44**	**-6.82**
WS Morant Wright Nippon Yield	23.01	29.9	-5.69
Man Japan Core Alpha C Professional	21.38	25.1	-6.39
M&G Japan	20.75	22.17	-6.56
WS Morant Wright Japan	20.56	29.34	-5.78
Quilter Investors Japanese Equity	19.78	21.44	-6.82
JK Japan Fund	18.63	28.84	-7.66
Xtrackers Nikkei 225 UCITS ETF	18.37	19.74	-8.42
North America			
iShares Nasdaq US Biotechnology UCITS ETF	**36.71**	**23.72**	**-9.89**
Vanguard US Opportunities Investor	**25.34**	**21.29**	**-7.64**
iShares Edge MSCI USA Value Factor UCITS ETF	**22.4**	**22.94**	**-7.55**
Alger Alger American Asset Growth	22.37	25.47	-11.78
SSGA SPDR MSCI USA Value UCITS ETF	20.17	18.95	-7.39
BlackRock US Dynamic	19.42	21.73	-7.14
FI Institutional US All Cap Equity Selection Sterling Class	18.5	11.91	-9.24
Artemis US Select	18.46	10.02	-7.93
Xtrackers MSCI USA Information Technology UCITS ETF	18.33	15.18	-10.99
M&G North American Value	17.66	11.6	-6.06
Specialist			
WS Ruffer Gold	**95.16**	**168.78**	
Tutman FS SVS Baker Steel Gold & Precious Metals	**87.88**	**184.9**	**-12.49**
Ninety One Global Gold	**85**	**165.13**	**-10.95**
Jupiter Gold And Silver	84.18	169.48	-11.98
BlackRock Gold & General	76.44	147.34	-11.08
Quilter Investors Precious Metals Equity	76.06	142.91	-10.65
Pictet Biotech	61.63	41.58	-11.41
Polar Capital Biotechnology	50.92	31.87	-9.83
Candriam Equities L Biotechnology R Cap	48.05	30.16	-9.21
HSBC MSCI Korea Capped UCITS ETF	46.6	85.47	-11.48

" I would like to thank you for your advice and assistance over the past few years, which I have found invaluable. "

A.R.
December 2022

NAME	6 Month %	1 Year %	MONTHLY RISK
Sterling Corporate Bonds			
Man Sterling Corporate Bond Fund Professional	**4.83**	**10.83**	**-1.95**
NB Corporate Hybrid Bond	**4.65**	**11.93**	**-1.83**
Royal London Sterling Credit	**4.15**	**9.23**	**-2.84**
Schroder Long Dated Corporate Bond	3.83	6.52	-6.48
Royal London Corporate Bond	3.76	8.35	-2.87
Royal London Investment Grade Short Dated Credit	3.73	7.75	-1.48
Muzinich Global Market Duration Investment Grade	3.7	10.64	
Royal London Corporate Bond Monthly Income Trust	3.68	8.09	-2.65
Aegon Sterling Corporate Bond	3.6	8.03	-3.05
iShares Core £ Corporate Bond UCITS ETF Hedged	3.59	10.27	-1.95
Sterling High Yield			
Invesco High Yield (UK)	**6.43**	**9.25**	**-1.55**
Federated Hermes Global High Yield Credit Engagement	**6.02**	**0.96**	**-1.88**
NB Neuberger Berman Short Duration High Yield Engagement	**5.74**	**0.6**	**-1.46**
Liontrust GF High Yield Bond	4.74	9.81	-2
Aegon High Yield Bond	4.59	9.95	-1.58
Schroder High Yield Opportunities	4.01	9.13	-1.5
JPM Global High Yield Bond	3.94	8.82	-2.53
Baillie Gifford High Yield Bond	3.85	7.64	-2.98
Barclays Globaless Global High Yield Bond M Hedged	3.75	7.84	-2.22
BNY Mellon Global High Yield Bond Inst	3.74	8.6	-2.1
Sterling Strategic Bonds			
Capital Group UK Global High Income Opportunities	**6.64**	**3.53**	**-2.8**
NB Global Flexible Credit Income	**6.23**	**1.44**	**-2.04**
Muzinich Dynamic Credit Income	**5.35**	**-0.26**	**-1.41**
PIMCO GIS Diversified Income I Hedged	5.08	10.28	-2.46
Royal London Sterling Extra Yield Bond	5.08	10.3	-2.8
Nomura Global Dynamic Bond I Hedged	5.06	10.15	-2.44
PIMCO GIS Income Inst Hedged	4.76	10.44	-1.96
Man Dynamic Income	4.73	11.2	0.31
HSBC GIF Global Bond Total Return	4.7	-0.78	-2.27
Marks & Spencer High Income	4.7	8.44	-2.95

NAME	6 Month %	1 Year %	MONTHLY RISK
Targetted Absolute Return			
AQR Managed Futures UCITS	**11.25**	**20.27**	**-3.92**
Polar Capital Global Absolute Return	10.53	7.83	-1.54
VT Avastra Global Diversified Assets	9.82	14.15	-2.79
AQR Style Premia UCITS	8.92	24.17	-6.2
Trium ESG Emissions Improvers	8.23	11.06	-1.89
CT Dynamic Real Return	8.17	11.55	-3.06
BNY Mellon Real Return Inst	7.73	12.19	-2.47
Quilter Investors Global Equity Absolute Return	7.6	16.54	-1.01
UK Equity Income			
UBS UK Equity Income	**17.57**	**25.99**	**-5.69**
VT Munro UK Equity Income	**17.35**	**28.91**	**-5.28**
Vanguard FTSE UK Equity Income Index	**17.02**	**31.19**	**-5.87**
WS Canlife UK Equity Income	16.21	25.2	-4.93
TM Redwheel UK Equity Income	16.04	27.61	-5.73
BNY Mellon UK Income Inst	15.93	29.59	-5.24
HSBC Income	15.47	25.72	-4.84
Man Income Fund C Professional	15.33	27.06	-5.46
Redwheel UK Value	15.06	27.22	-5.92
M&G Dividend	14.44	26.86	-5.65
Schroder UK-Listed Equity Income Maximiser	14.43	22.96	-4.63
iShares UK Dividend UCITS ETF	14.36	31.99	-5.85
M&G Charifund	14.16	24.59	-5.18
Schroder Income	13.43	27.35	-5.55
Lazard Multicap UK Income	13.2	19.34	-5
Janus Henderson UK Equity Income & Growth	13.07	26.69	-5.13
JPM UK Equity Income I Net	13.05	26.5	
JOHCM JOHCM UK Equity Income	13.04	24.32	-6.66
FTF ClearBridge UK Equity Income	12.88	21.76	-4.86
Barclays UK Equity Income	12.8	27.89	-5.22

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