



July 2025

# REALM BALANCED PORTFOLIO: FACT SHEET

## Portfolio Objective:

The investment objective is to grow the capital value of the portfolio. The Realm Balanced Strategy is designed for an investor with a time horizon of more than 5 years, and a medium tolerance for risk that can accept moderate variation or disruption to capital value or current income in order to achieve their longer-term objective.

The Realm Balanced Strategy is a diversified portfolio of investments in a range of asset classes that is managed by a process of active asset allocation and investment selection. The portfolio is composed of active funds, passive trackers where applicable and investment trusts.

Annual Management Fees:	1%
Minimum Investment:	£100,000
Average number of holdings:	30-40
Rebalancing frequency	Dynamic
Base Currency:	Sterling
Strategy Inception:	Aug 2016
Benchmark:	IA Mixed Investment 20-60

## Asset allocation range

Asset type	Range Percentage
Equity	30-60
Fixed Income	15-50
Property	0-15
Alternatives	0-30
Cash	0-30

## Market Commentary:

Global Equities posted strong gains in the month of July resulting in a third straight month of positive returns, driven by favourable macroeconomic conditions. A benign interest rate environment and easing liquidity conditions due to central bank actions boosted investor sentiments. In the US, the benchmark S&P 500 index & the Tech Heavy Nasdaq index gained 2.2%, 3.7% respectively. UK's FTSE 100 and Germany's DAX index posted 4.2% and 0.7% respectively. Most of the Asian Indices too posted gains with South Korea's Kospi index topping the table with a 5.6% monthly return.

US corporates have largely reported strong earnings performance for the second quarter of 2025 ending in June. As per factset, more than 80% of the corporates which have declared results until August 6<sup>th</sup> have exceeded wall street expectations. Meanwhile, US non-farm payrolls rose by 73K jobs in July which was well below the estimates of 110k. The lower than estimated initial reading for July along with around 258K combined downward revision for May and June suggests a rapid cooling down of labour markets in the US. CPI inflation rose to 2.7% in June, from 2.4% in May. The S&P Global US Composite PMI rose to 55.1 in July 2025, as against June's reading of 52.9, the manufacturing sector too posted modest growth. US 10 year Treasury Bond yields remained stable in July, while the dollar gained against most of the major currencies.

The UK economy contracted by 0.1% in May as against 0.1% growth forecasted in the Reuters Poll. While the services sector posted a marginal growth, declines in industrial output and construction dragged down overall output. The country's labour market remained weak with the unemployment rate at 4.7% (in the three months to May), thereby reaching the highest level since July 2021. Inflation rate rose to 3.6% in June (from 3.4% in May) impacted by upward pressure from transport prices.

The BOE which had maintained rates in the June meeting has now announced a rate cut in August due to the sustained weakness in the economy and labour markets.

The European economy witnessed stronger than expected growth in 1Q2025, which is however followed by weaker prospects for the remainder of the year. The European Central Bank (ECB) kept interest rates unchanged in July, despite the lingering trade uncertainty stemming from US President Donald Trump's back and forth announcements on tariffs. ECB's latest decision effectively marks the end of the current easing cycle after eight cuts over the past year even as Inflation hit the Central Bank's 2% target in June. Brent crude prices rose by 5% in July to close above USD70/ barrel.

### Investment strategy

The higher weighting in the portfolios to European and Asian equities have helped in the year to date performances of the portfolios, a combination of a weaker USD and non-US equities making up ground versus US equities on account of cheaper valuations has assisted our performance. While recent inflation numbers on both sides of the Atlantic have remained sanguine, there is a concern that potential geo-political events may spook oil prices and in-turn inflation. While equities make all the headlines, we do see opportunities in fixed income, in particular with corporate bonds where yields are well supported by stable balance sheets.

Global emerging markets continue to trade at reasonable valuations and in general are seeing a favourable macro-economic backdrop, we are looking to add to this exposure both via both equities and fixed income. As the markets adjust to the Trump tariffs and in some cases looking beyond them, we are seeing pockets of value emerge.

## Portfolio Performance (%)

Through to 31st July 2025

Name	Inception Date	1m	3m	6m	Ytd	1y	3y	5y	Inception
REALM Balanced Portfolio	29-Aug-16	2.49	5.94	1.70	5.91	6.14	19.07	31.34	39.43
Portfolio Benchmark		1.96	5.62	2.88	5.34	6.74	16.30	24.46	34.11

Source: FE Analytics. Note: The performance numbers in the table above are shown before deduction of fees.

## Risk Statistics

Risk Statistics	FE Risk Score	Portfolio Risk Level Suitability		
		Short Term (3-7yrs)	Medium Terms (8-15yrs)	Long Terms (15yrs+)
Realm Balanced Portfolio	60	Moderate to Adventurous	Moderate	Cautious to Moderate
Portfolio Benchmark	48			

Source: FE Analytics.

## Total Portfolio: Asset Allocation (%)

Global Fixed Interest	17.6%
European Equities	16.4%
North American Equities	16.2%
UK Equities	8.5%
Japanese Equities	5.5%
Asia Pacific Emerging EQ	5.4%
UK Gilts	4.3%
Property	4.3%
Asia Pacific Equities	3.5%
Other Assets	8.8%
Money Market & Cash	9.6%



## HOW TO INVEST:

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## CONTACT DETAILS

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## Top 10 Holdings

Invesco Global Bond	6.3%
Marlborough Global Bond	4.5%
iShares UK Gilts Index Fund	4.3%
Invesco Monthly Income Plus	4.2%
L&G Global Health & Pharms Index Trust	3.7%
M&G North American Value Fund	3.6%
Fundsmith Equity	3.6%
Blackrock Continental Europe	3.3%
Jupiter Japan Income	3.1%
X-trackers X DAX	3.1%

## Top Regional Weightings (%)

North America	23.5%
UK	21.2%
Europe Ex UK	20.8%
Pacific Basin	6.5%
Japan	5.5%
Europe (incl UK)	2.5%
Emerging Americas	1.8%
Asia Pacific	1.7%
Other Regions	2.0%

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