

FOR PROFESSIONAL ADVISERS ONLY

Bespoke Portfolio Service

Quarterly performance
ARC Private Client Indices

Q1 March 2025



In association with



Brooks Macdonald Bespoke Portfolio Service (BPS) performance vs ARC Private Client Indices (PCI) Q1 2025

Rolling 12 month performance (%)							Cumulative performance (%)					
		12 months to 31.03.21	12 months to 31.03.22	12 months to 31.03.23	12 months to 31.03.24	12 months to 31.03.25			1 year to 31.03.25	3 years to 31.03.25	5 years to 31.03.25	10 years to 31.03.25
Low Risk	BM BPS Low Risk	13.38	0.83	-4.97	6.31	3.50	Low Risk	BM BPS Low Risk	3.50	4.56	19.54	26.69
	ARC Sterling Cautious PCI	11.34	1.62	-4.25	4.30	3.21		ARC Sterling Cautious PCI	3.21	3.08	16.62	23.23
	Relative performance	2.04	-0.79	-0.73	2.01	0.28		Relative performance	0.28	1.48	2.91	3.47
Low-to-Medium Risk	BM BPS Low- to- Medium Risk	20.42	2.18	-5.05	8.15	3.03	Low-to-Medium Risk	BM BPS Low- to- Medium Risk	3.03	5.80	30.18	40.48
	ARC Sterling Balanced Asset PCI	17.86	3.46	-4.52	7.19	2.69		ARC Sterling Balanced Asset PCI	2.69	5.10	28.15	37.30
	Relative performance	2.56	-1.28	-0.54	0.97	0.34		Relative performance	0.34	0.70	2.03	3.18
Medium Risk	BM BPS Medium Risk	28.91	2.93	-5.23	10.56	2.28	Medium Risk	BM BPS Medium Risk	2.28	7.16	42.20	54.45
	ARC Sterling Steady Growth PCI	23.53	4.64	-4.52	9.24	2.06		ARC Sterling Steady Growth PCI	2.06	6.46	37.62	52.42
	Relative performance	5.38	-1.71	-0.71	1.31	0.22		Relative performance	0.22	0.70	4.58	2.02
Medium-to-High Risk	BM BPS Medium- to- High Risk	38.06	2.13	-6.13	12.64	1.52	Medium-to-High Risk	BM BPS Medium- to- High Risk	1.52	7.34	51.35	69.50
	ARC Sterling Equity Risk PCI	30.35	4.84	-4.61	10.99	1.25		ARC Sterling Equity Risk PCI	1.25	7.19	46.49	64.81
	Relative performance	7.71	-2.71	-1.52	1.66	0.27		Relative performance	0.27	0.15	4.85	4.69
High Risk	BM BPS High Risk	43.23	1.44	-6.90	13.37	0.99	High Risk	BM BPS High Risk	0.99	6.59	54.86	77.82
	ARC Sterling Equity Risk PCI	30.35	4.84	-4.61	10.99	1.25		ARC Sterling Equity Risk PCI	1.25	7.19	46.49	64.81
	Relative performance	12.88	-3.40	-2.29	2.38	-0.26		Relative performance	-0.26	-0.61	8.36	13.00

Past performance is not a reliable indicator of future results. All figures are rounded to 2 decimal places. Please note that due to rounding, the figures shown in this table may not precisely add up to the totals/differentials shown. All performance figures are net of underlying fund charges and Brooks Macdonald management fees but gross of professional adviser charges. Deduction of these fees will impact on the performance shown. The value of investments, and the income from them, may go down as well as up and neither is guaranteed. Investors could get back less than they invested. Source: Brooks Macdonald, Asset Risk Consultants (ARC) Research Limited www.suggestus.com. All data as at 31 March 2025



Q1 2025: Navigating Volatility – UK & Europe Outperform, Diversification Supports Returns

Following a strong year for equities, global markets faced headwinds in Q1, delivering negative returns in sterling terms and underperforming fixed income.

Our diversified approach, across regions, investment styles, fixed income, and alternatives, helped us navigate this more challenging environment.

Global equities, previously driven by mega-cap tech stocks and optimism around US economic strength, faced new headwinds. In January, the news of DeepSeek's AI Model briefly unsettled markets as investors considered its potential to disrupt the dominance of US tech giants. By February, softer US economic data, tariff uncertainty, and inflation fears weighed on sentiment, particularly for small and mid-cap stocks.

In contrast UK and European equities delivered positive returns for sterling-based investors. Large-capitalisation companies led the way in Europe, particularly in the financial and defence sectors, buoyed by expectations of increased government spending led by Germany. Monetary policy also diverged: both the Bank of England and European Central Bank cut interest rates, while the US Federal Reserve held rates steady. Bond yields broadly fell, and prices rose amid rising growth risks. US dollar weakness and a strong rally in gold were also notable themes over the quarter.

Strategic Outlook

As we look ahead, we have shifted to a neutral stance on equities, removing our long-standing preference for equities over bonds that has supported returns in recent years. This reflects our view that the outlook for risk assets from here has weakened.

While equity markets have partially recovered from recent volatility, we believe the economic consequences of recent US trade policy, particularly the uncertainty surrounding tariffs, will weigh on business confidence, consumer sentiment, and corporate earnings in the months ahead. In this environment, diversification and disciplined risk management remain central to our positioning.

In fixed income, we prefer shorter maturities, which offer attractive returns without the added risk of longer-term bonds. Our bond mix includes both government and high-quality corporate bonds, avoiding riskier corporate debt due to the current risk-return trade-off. These bond holdings help balance the risks taken with equity investments.

Alternative investments continue to provide valuable diversification, offering returns that are less correlated with traditional asset classes. This category includes structured products, which can offer higher returns and more predictable outcomes.

Overall, our diversified approach is designed to help portfolios remain resilient as we navigate the economic uncertainties of the year ahead.

Brooks Macdonald BPS Low, Low to Medium, Medium and Medium to High Risk returns have outperformed their respective ARC Peer Group comparator indices over 1, 3, 5, and 10 years, as of 31 March 2025.

Key Drivers of Q1 performance:

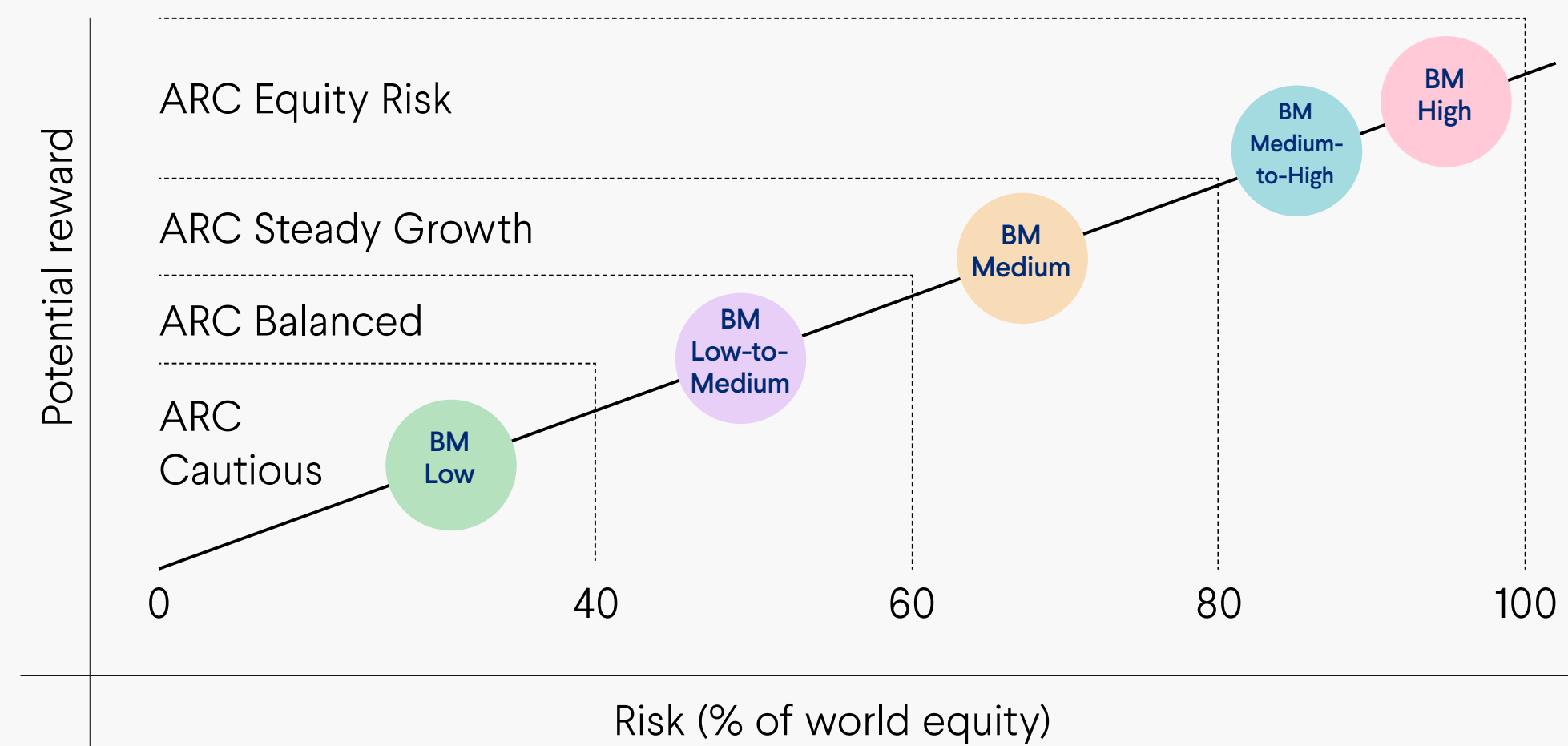
UK equities outperform: The UK market returned 5.09% in Q1, outperforming global equities ex-UK, which declined by -4.60% for sterling-based investors. Our overweight allocation to UK equities recognises the market's structural tilt towards value-oriented sectors such as financials and resources. These sectors play a key role in our investment strategy, offering attractive valuations and income characteristics. This exposure also provides diversification benefits when combined with our growth allocations in other regions.

Equity Investment Style Balance: Maintaining a balanced exposure across both value and growth equities remains a cornerstone of our investment strategy. During the first quarter, market leadership shifted, with technology stocks, previously strong performers, experiencing a pullback. In this context, our allocations to international value strategies contributed positively to relative performance, highlighting the benefits of a diversified style approach in navigating evolving market dynamics.

Source Brooks Macdonald, MSCI: please see important information. As at 31 March 2025

Brooks Macdonald BPS portfolios mapped against ARC's PCI risk categories

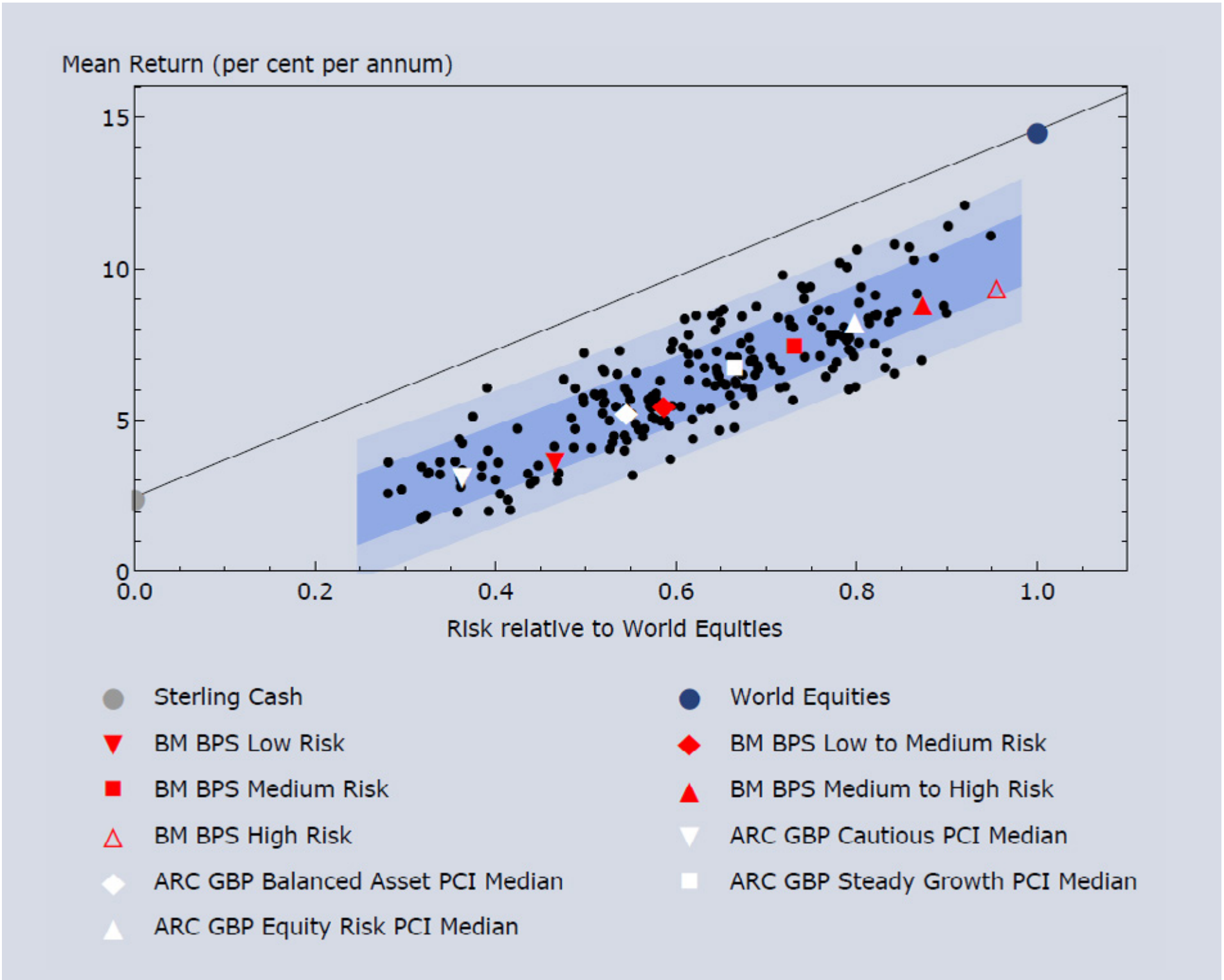
- ARC's PCI are broken down into four risk categories, each based on equity risk.
- Brooks Macdonald's five risk-rated portfolios are profiled to ARC's PCI risk categories.
- In this report, equity risk means the percentage of historic risk relative to world equities.



The diagram is for illustrative purposes only.
Source: Asset Risk Consultants (ARC) Research Limited www.suggestus.com

This chart shows the five-year risk-return characteristics for each Brooks Macdonald risk profile, alongside the PCI Data Contributor averages and the Sterling PCI Medians of ARC's four PCI risk categories.

Return vs risk (5 Years)



Past performance is not a reliable indicator of future results. All performance figures are net of underlying fund charges and Brooks Macdonald management fees but gross of professional adviser charges. Deduction of these fees will impact on the performance shown. Source: Brooks Macdonald, Asset Risk Consultants (ARC) Research Limited www.suggestus.com. As at 31 March 2025.



BM BPS Low Risk

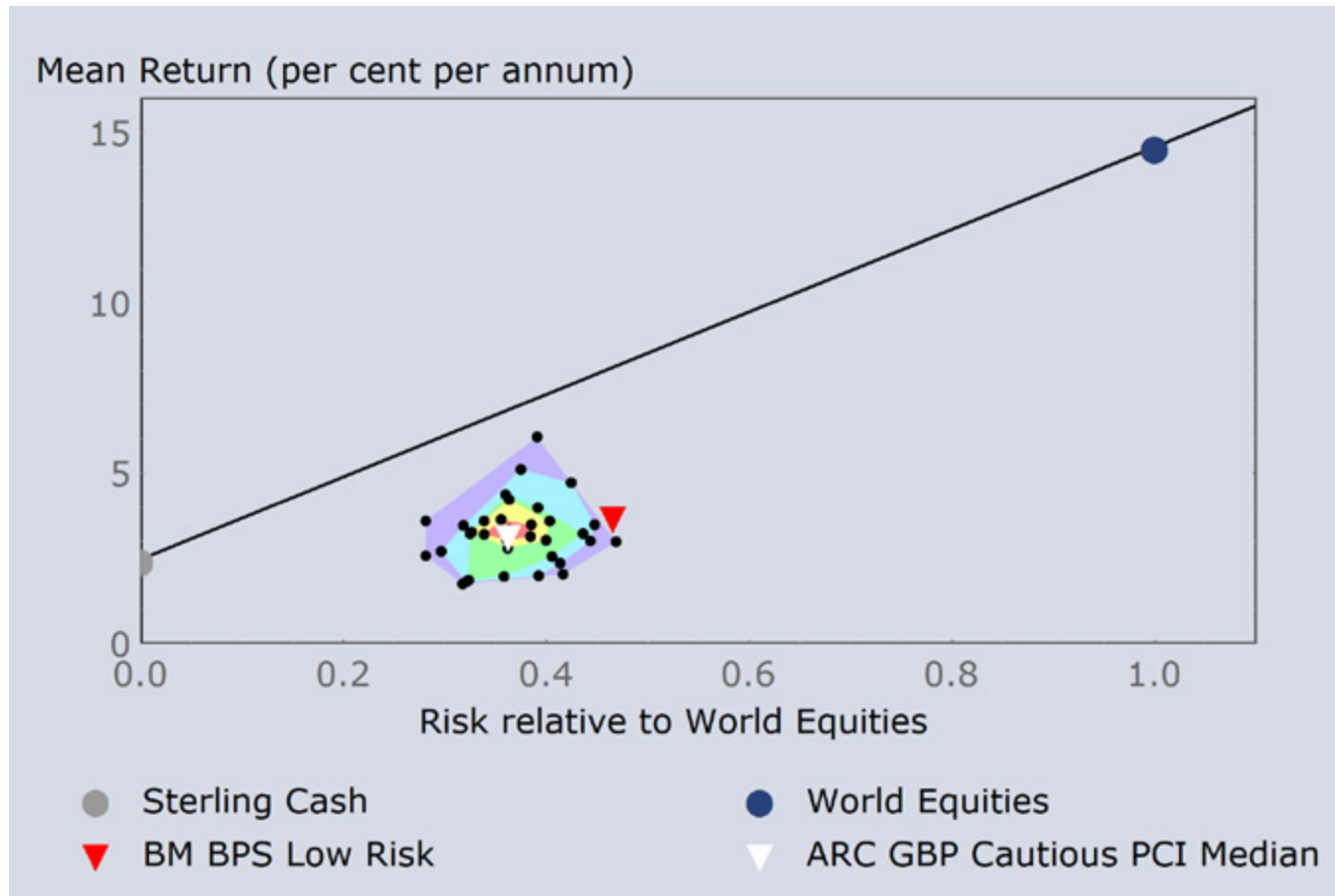
Our Low-Risk portfolios have a strategic equity range of 10-30%.

The average BM BPS Low risk portfolio has outperformed the ARC Sterling Cautious PCI over 1, 3, 5 and 10-year periods. The 5 year return is in the top quartile of the ARC Sterling Cautious peer group.

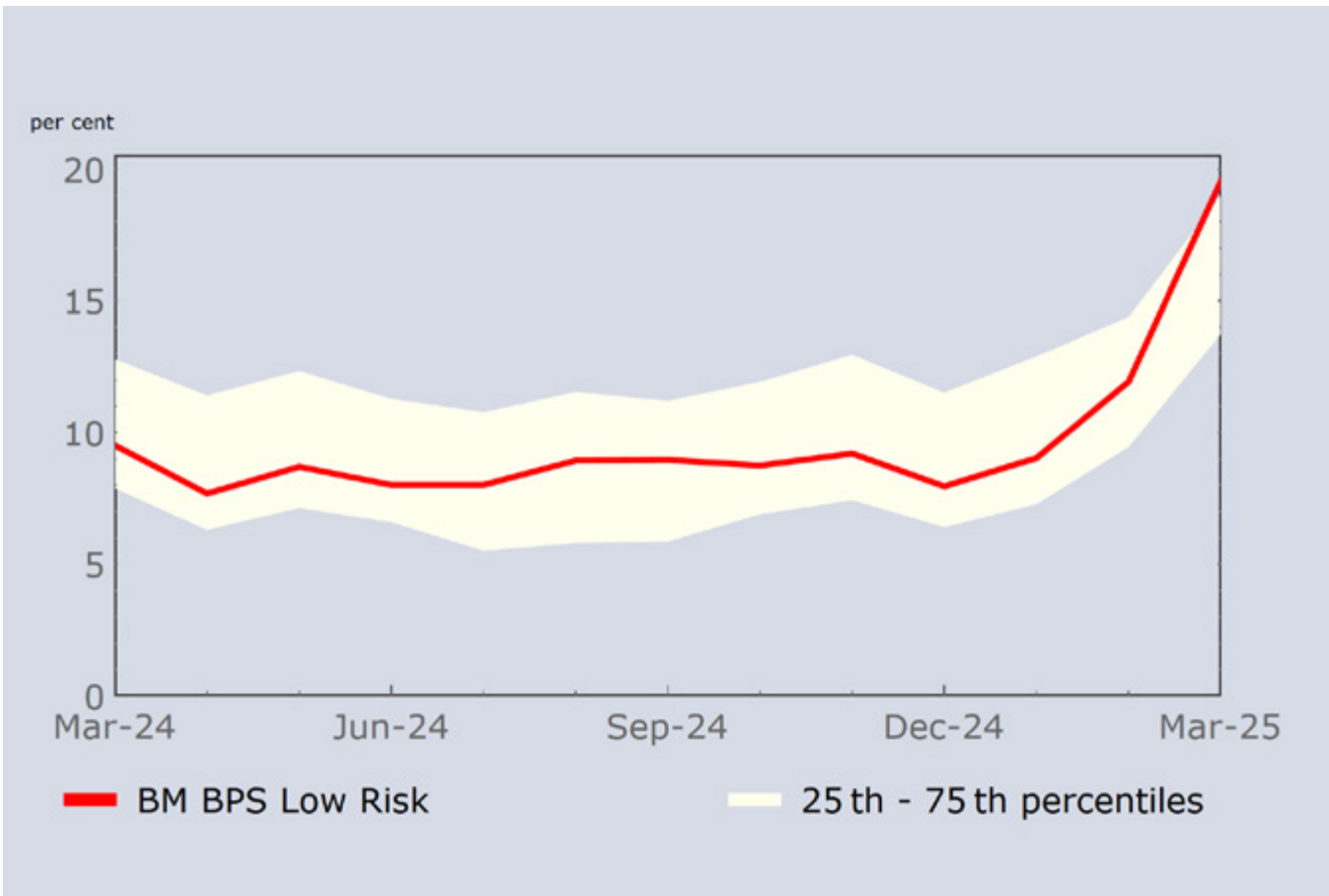
The accompanying rolling 5-year return chart underscores the portfolio's consistent performance relative to the ARC Sterling cautious peer group.

Returns reliably fall within the 25th to 75th percentile range, as indicated by the white shaded area on the graph.

Return vs risk (5 years)



Cumulative returns (5 years rolling)



Past performance is not a reliable indicator of future results. 5 years denotes the period from March 2020 to March 2025. Black dots represent PCI contributor data points. All performance figures are net of underlying fund charges and Brooks Macdonald management fees but gross of professional adviser charges. Deduction of these fees will impact on the performance shown. Source: Brooks Macdonald, Asset Risk Consultants (ARC) Research Limited www.suggestus.com. As at 31 March 2025.

		Rolling 12 month performance (%)					Cumulative performance (%)			
		12 months to 31.03.21	12 months to 31.03.22	12 months to 31.03.23	12 months to 31.03.24	12 months to 31.03.25	1 year to 31.03.25	3 years to 31.03.25	5 years to 31.03.25	10 years to 31.03.25
Low Risk	BM BPS Low Risk	13.38	0.83	-4.97	6.31	3.50	3.50	4.56	19.54	26.69
	ARC Sterling Cautious PCI	11.34	1.62	-4.25	4.30	3.21	3.21	3.08	16.62	23.23
	Relative performance	2.04	-0.79	-0.73	2.01	0.28	0.28	1.48	2.91	3.47

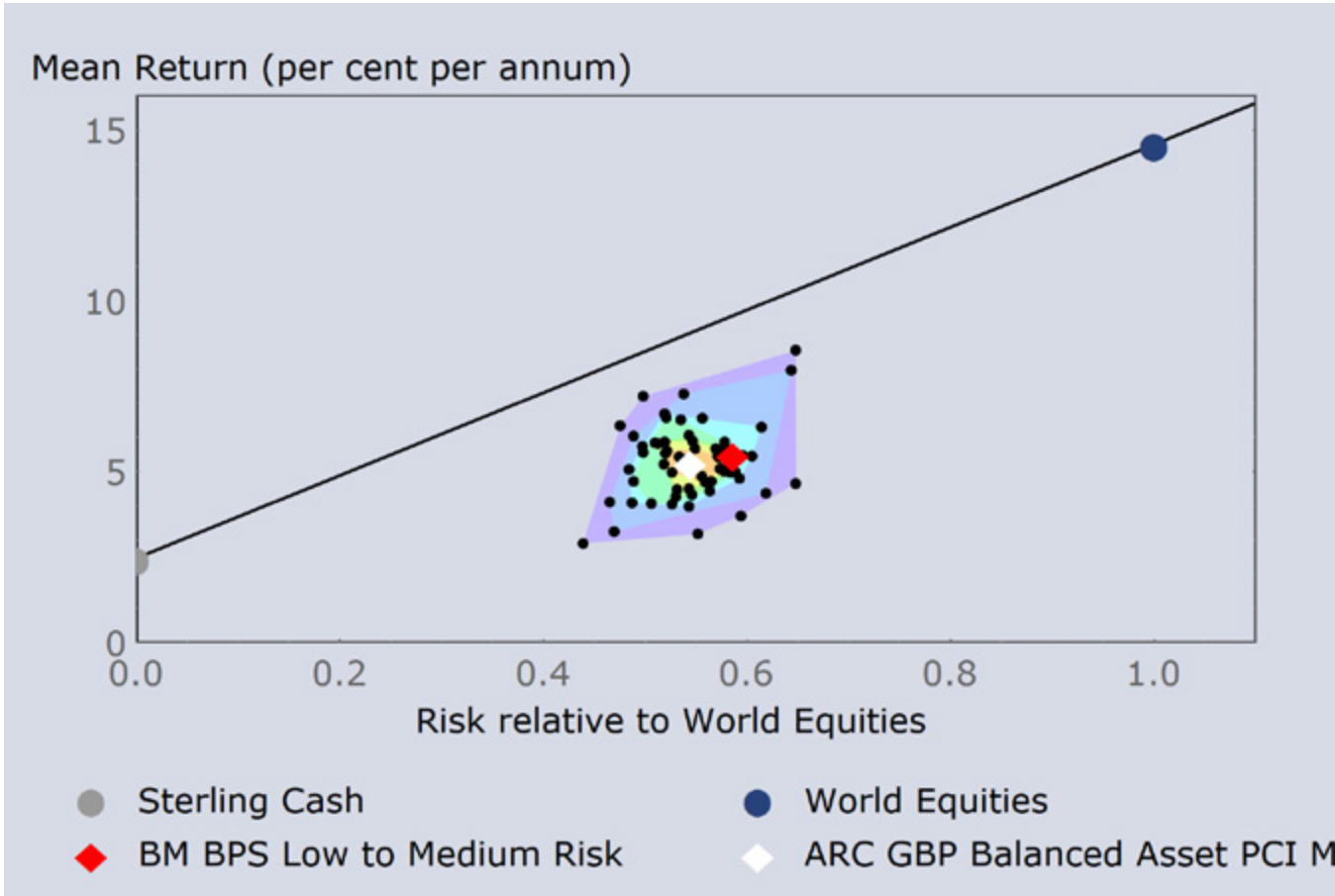


BM BPS Low-to-Medium Risk | Our Low to Medium Risk portfolios have a strategic equity range of 30-55%.

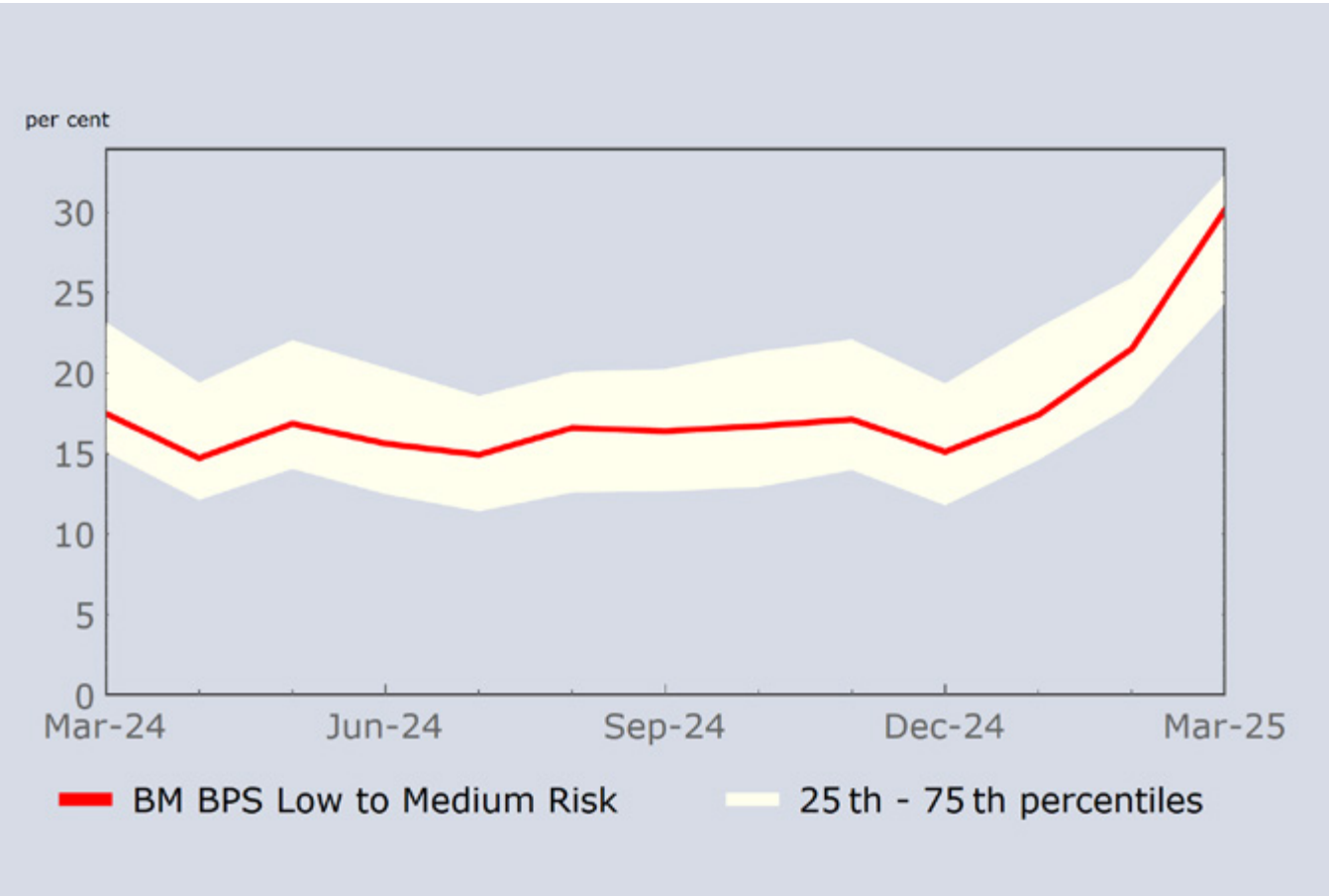
The average BM BPS Low-to-Medium risk portfolio has outperformed the ARC Sterling Balanced Asset PCI over 1,3,5 and 10-year periods.

The accompanying rolling 5-year return chart underscores the portfolio's steady, consistent performance relative to the ARC Sterling Balanced Asset peer group. Returns reliably fall within the 25th to 75th percentile range, as indicated by the white shaded area on the graph.

Return vs risk (5 years)



Cumulative returns (5 years rolling)



Past performance is not a reliable indicator of future results. 5 years denotes the period from March 2020 to March 2025. Black dots represent PCI contributor data points. All performance figures are net of underlying fund charges and Brooks Macdonald management fees but gross of professional adviser charges. Deduction of these fees will impact on the performance shown. Source: Brooks Macdonald, Asset Risk Consultants (ARC) Research Limited www.suggestus.com. As at 31 March 2025.

		Rolling 12 month performance (%)				
		12 months to 31.03.21	12 months to 31.03.22	12 months to 31.03.23	12 months to 31.03.24	12 months to 31.03.25
Low-to-Medium Risk	BM BPS Low- to- Medium Risk	20.42	2.18	-5.05	8.15	3.03
	ARC Sterling Balanced Asset PCI	17.86	3.46	-4.52	7.19	2.69
	Relative performance	2.56	-1.28	-0.54	0.97	0.34

Cumulative performance (%)			
1 year to 31.03.25	3 years to 31.03.25	5 years to 31.03.25	10 years to 31.03.25
3.03	5.80	30.18	40.48
2.69	5.10	28.15	37.30
0.34	0.70	2.03	3.18



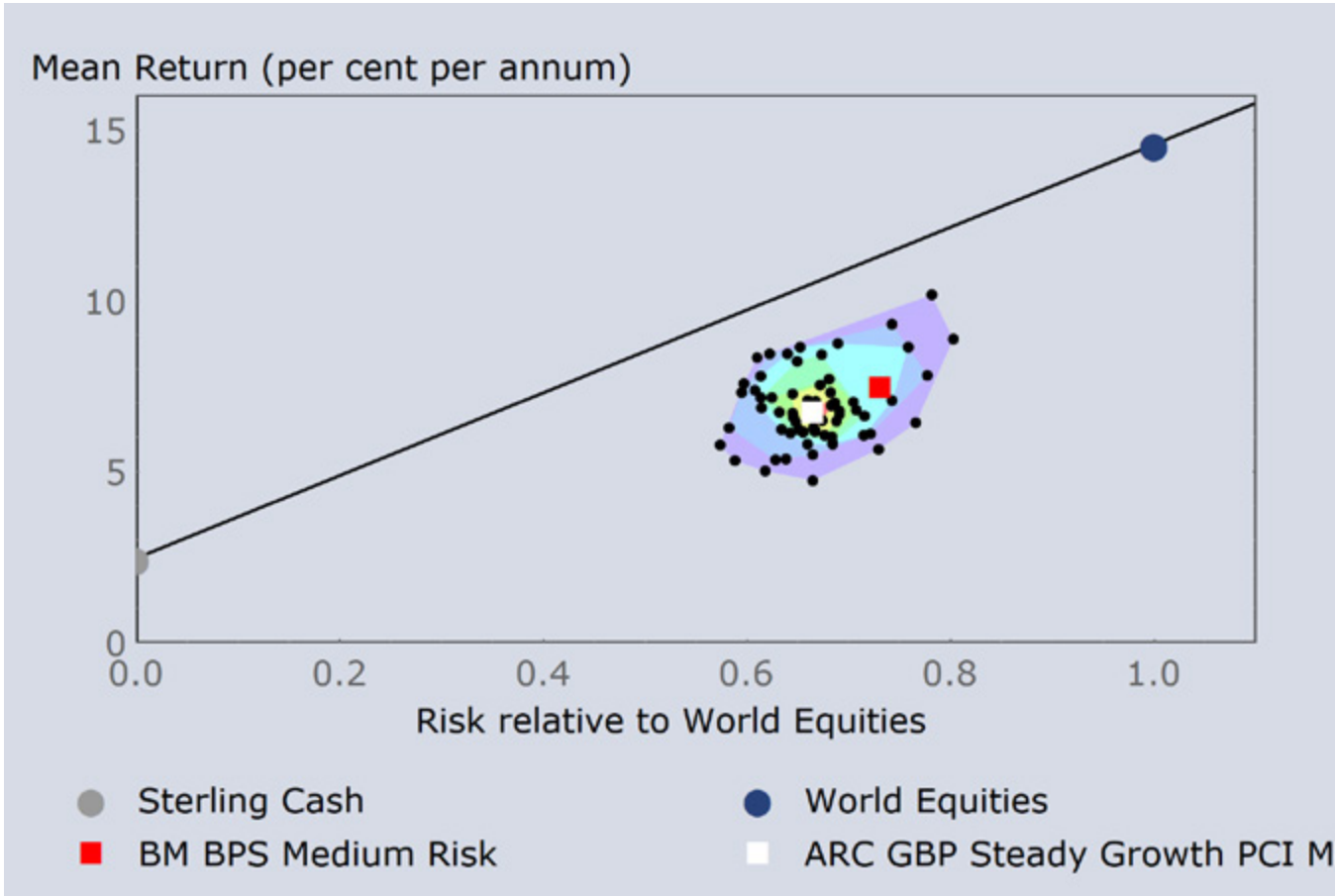
BM BPS Medium Risk

Our Medium Risk portfolios have a strategic equity range of 55-75%.

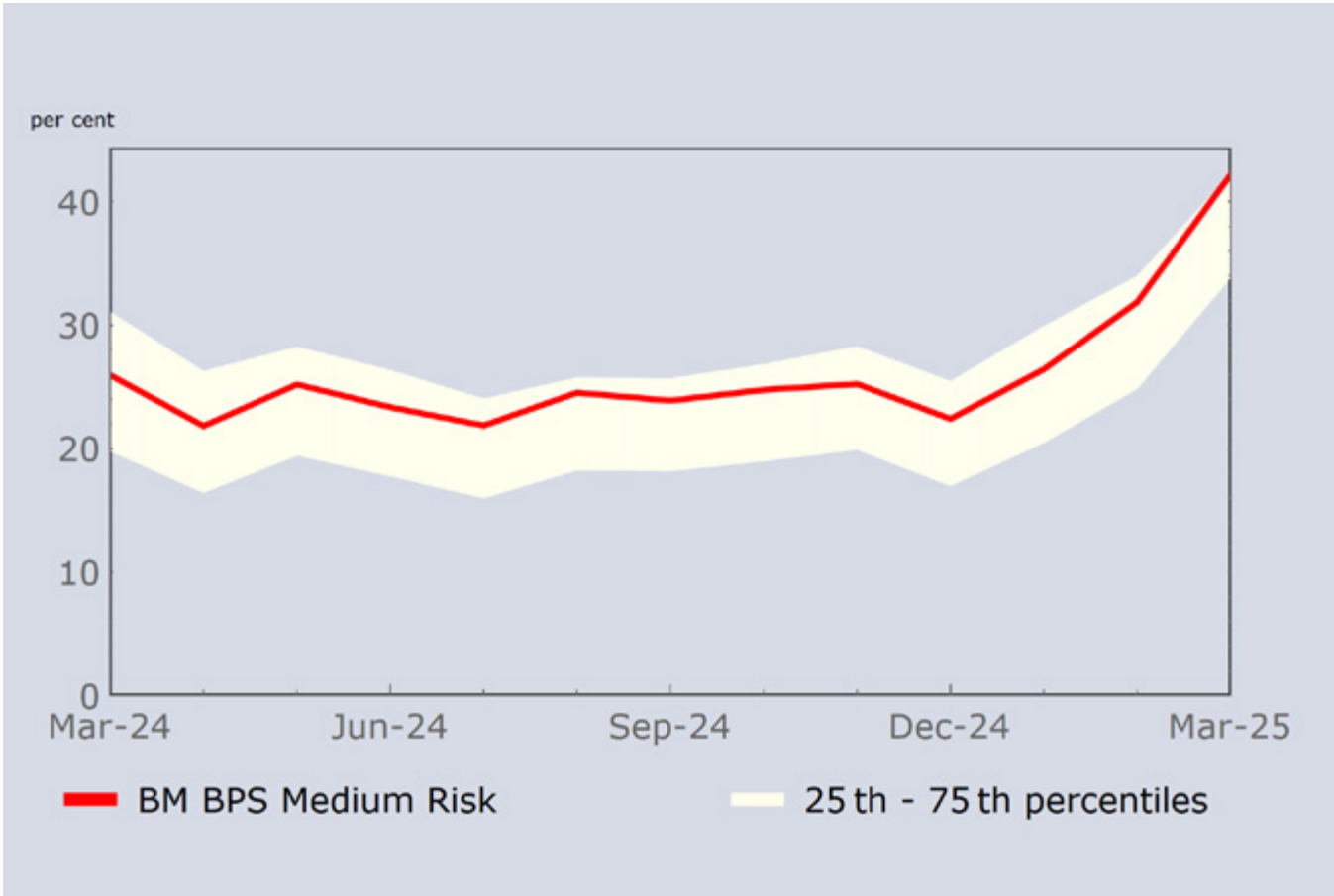
The average BM BPS Medium risk portfolio has outperformed the ARC Sterling Steady Growth PCI over 1,3,5 and 10-year periods.

The accompanying rolling 5-year return chart underscores the portfolio's steady, consistent performance relative to the ARC Sterling Steady Growth peer group. Returns reliably fall within the 25th to 75th percentile range, as indicated by the white shaded area on the graph.

Return vs risk (5 years)



Cumulative returns (5 years rolling)



Past performance is not a reliable indicator of future results. 5 years denotes the period from March 2020 to March 2025. Black dots represent PCI contributor data points. All performance figures are net of underlying fund charges and Brooks Macdonald management fees but gross of professional adviser charges. Deduction of these fees will impact on the performance shown. Source: Brooks Macdonald, Asset Risk Consultants (ARC) Research Limited www.suggestus.com. As at 31 March 2025.

		Rolling 12 month performance (%)					Cumulative performance (%)			
		12 months to 31.03.21	12 months to 31.03.22	12 months to 31.03.23	12 months to 31.03.24	12 months to 31.03.25	1 year to 31.03.25	3 years to 31.03.25	5 years to 31.03.25	10 years to 31.03.25
Medium Risk	BM BPS Medium Risk	28.91	2.93	-5.23	10.56	2.28	2.28	7.16	42.20	54.45
	ARC Sterling Steady Growth PCI	23.53	4.64	-4.52	9.24	2.06	2.06	6.46	37.62	52.42
	Relative performance	5.38	-1.71	-0.71	1.31	0.22	0.22	0.70	4.58	2.02



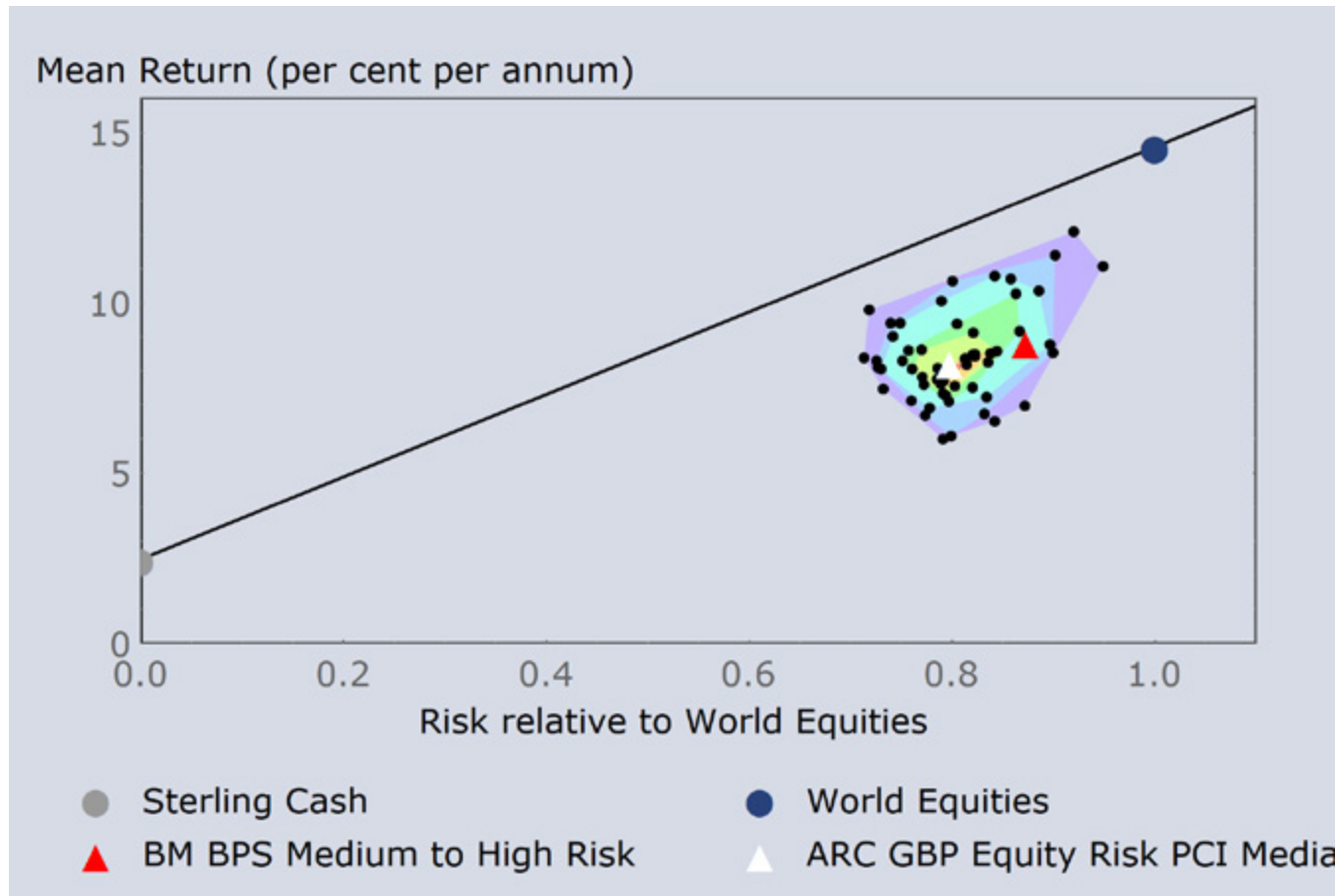
BM BPS Medium-to-High Risk

Our Medium to High Risk portfolios have a strategic equity range of 75-95%.

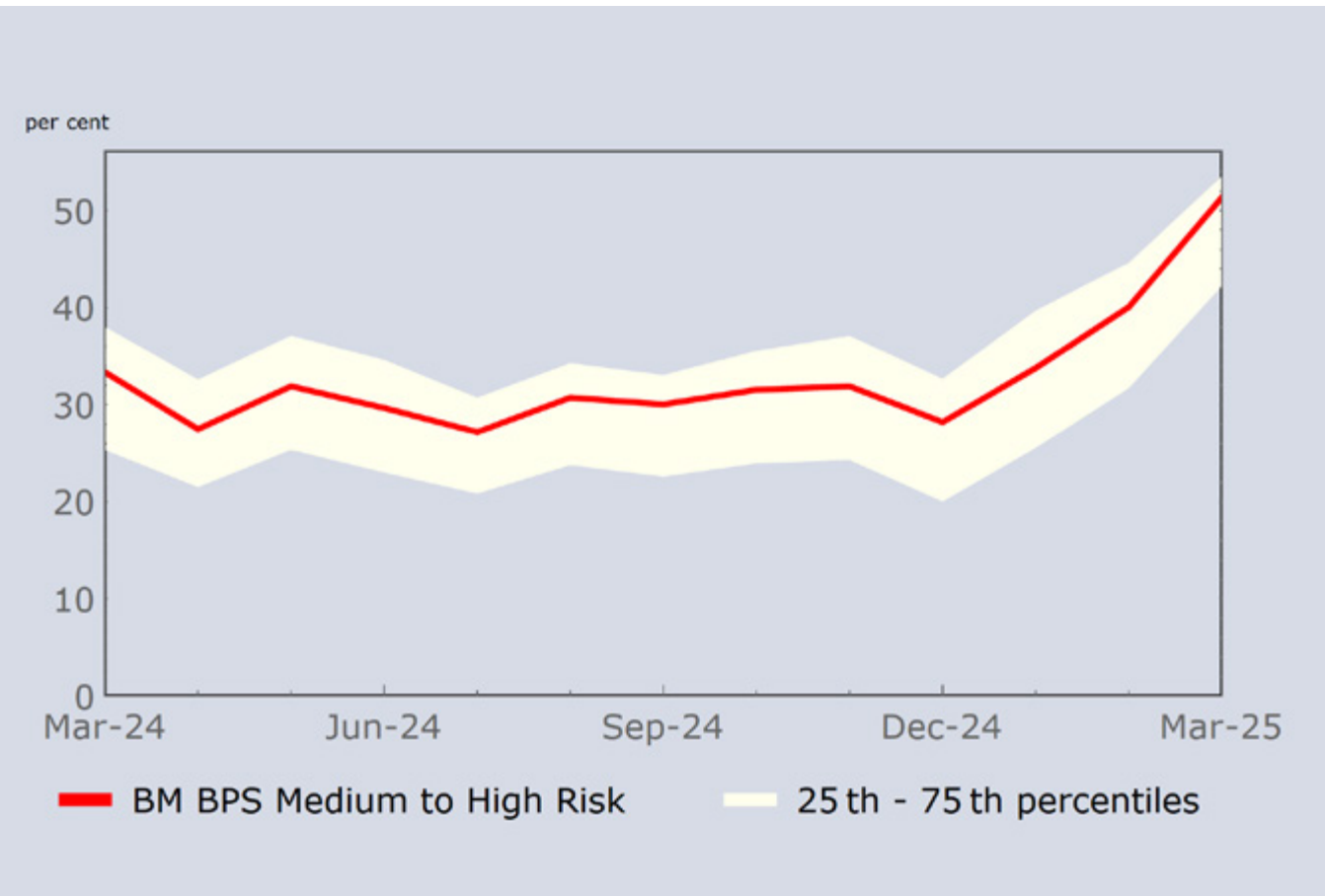
The average BM BPS Medium-to-High risk portfolio has outperformed the ARC Sterling Equity Risk PCI over 1, 5 and 10-year periods.

The accompanying rolling 5-year return chart underscores the portfolio's steady, consistent performance relative to the ARC Sterling Equity Risk peer group. Returns reliably fall within the 25th to 75th percentile range, as indicated by the white shaded area on the graph.

Return vs risk (5 years)



Cumulative returns (5 years rolling)



Past performance is not a reliable indicator of future results. 5 years denotes the period from March 2020 to March 2025. Black dots represent PCI contributor data points. All performance figures are net of underlying fund charges and Brooks Macdonald management fees but gross of professional adviser charges. Deduction of these fees will impact on the performance shown. Source: Brooks Macdonald, Asset Risk Consultants (ARC) Research Limited www.suggestus.com. As at 31 March 2025.

		Rolling 12 month performance (%)				
		12 months to 31.03.21	12 months to 31.03.22	12 months to 31.03.23	12 months to 31.03.24	12 months to 31.03.25
Medium-to-High Risk	BM BPS Medium- to- High Risk	38.06	2.13	-6.13	12.64	1.52
	ARC Sterling Equity Risk PCI	30.35	4.84	-4.61	10.99	1.25
	Relative performance	7.71	-2.71	-1.52	1.66	0.27

				Cumulative performance (%)
1 year to 31.03.25	3 years to 31.03.25	5 years to 31.03.25	10 years to 31.03.25	
1.52	7.34	51.35	69.50	
1.25	7.19	46.49	64.81	
0.27	0.15	4.85	4.69	



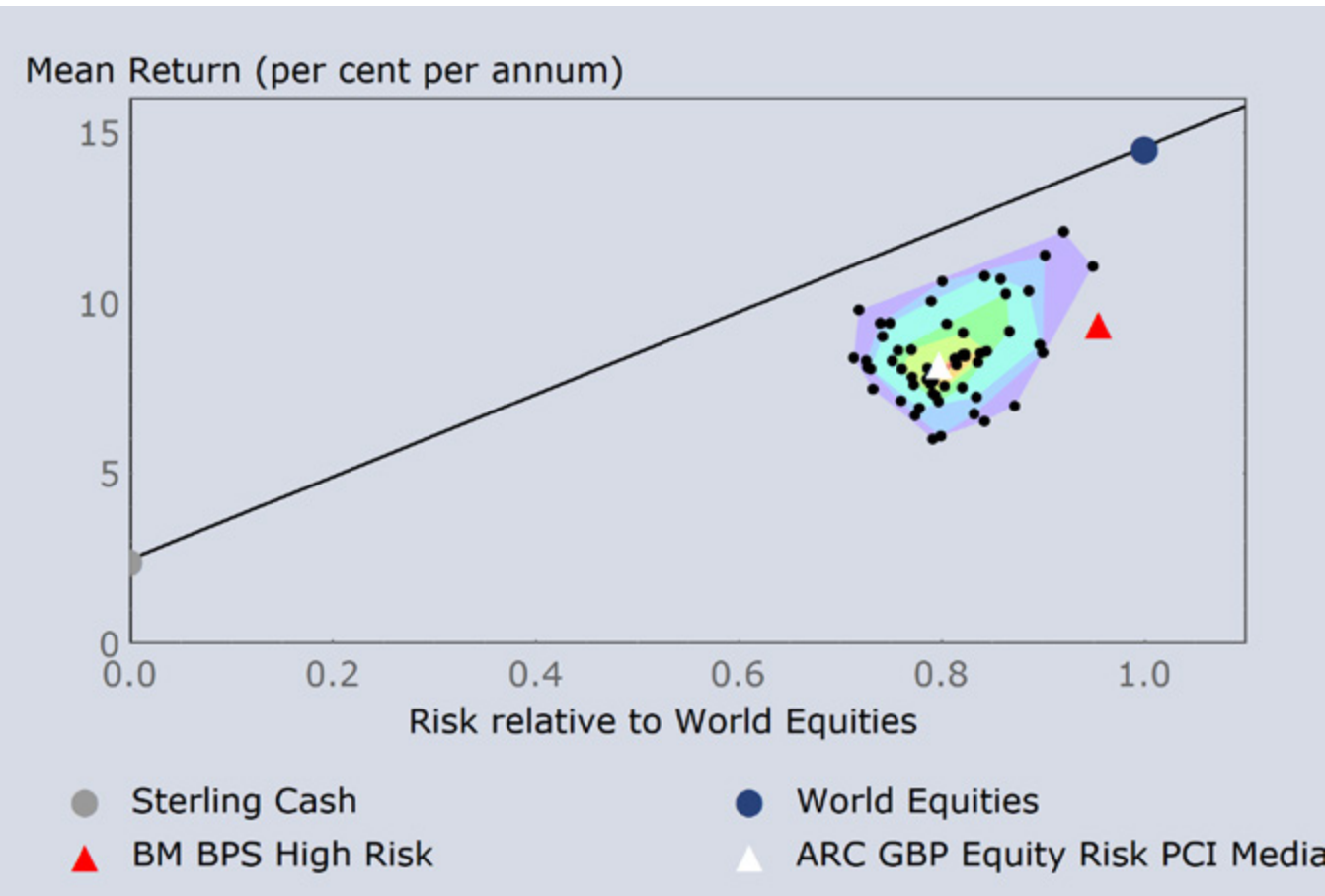
BM BPS High Risk

Our High Risk portfolios have a strategic equity range of 90-100%.

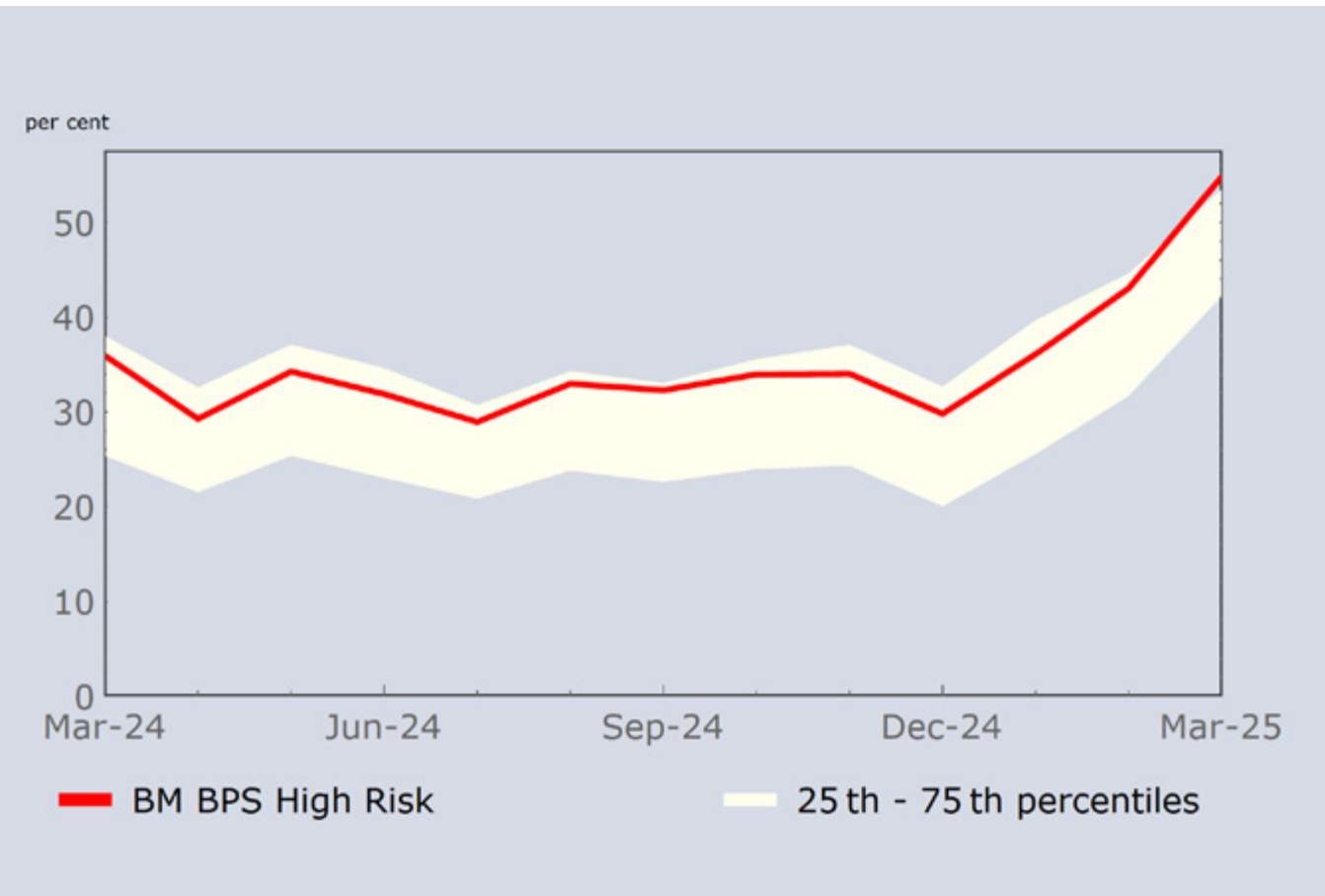
The average BM BPS High risk portfolio returned 11.53% in 2024 and has outperformed the ARC Sterling Equity Risk PCI over 5- and 10-year periods.

The 5 year return is in the top quartile of the ARC Sterling Equity Risk peer group. The accompanying rolling 5-year return chart below underscores the portfolio's steady, consistent performance relative to the ARC Sterling Equity Risk peer group. Returns reliably fall within the 25th to 75th percentile range, as indicated by the white shaded area on the graph.

Return vs risk (5 years)



Cumulative returns (5 years rolling)



Past performance is not a reliable indicator of future results. 5 years denotes the period from March 2020 to March 2025. Black dots represent PCI contributor data points. All performance figures are net of underlying fund charges and Brooks Macdonald management fees but gross of professional adviser charges. Deduction of these fees will impact on the performance shown. Source: Brooks Macdonald, Asset Risk Consultants (ARC) Research Limited www.suggestus.com. As at 31 March 2025.

		Rolling 12 month performance (%)				
		12 months to 31.03.21	12 months to 31.03.22	12 months to 31.03.23	12 months to 31.03.24	12 months to 31.03.25
High Risk	BM BPS High Risk	43.23	1.44	-6.90	13.37	0.99
	ARC Sterling Equity Risk PCI	30.35	4.84	-4.61	10.99	1.25
	Relative performance	12.88	-3.40	-2.29	2.38	-0.26

				Cumulative performance (%)
1 year to 31.03.25	3 years to 31.03.25	5 years to 31.03.25	10 years to 31.03.25	
0.99	6.59	54.86	77.82	
1.25	7.19	46.49	64.81	
-0.26	-0.61	8.36	13.00	



Important information

All data provided by Brooks Macdonald and ARC Private Client Indices As at 31 March 2025, unless otherwise stated. This document is intended for professional advisers only and should not be relied upon by any persons who do not have professional experience in matters relating to investments. The value of your investments and the income from them may go down as well as up and neither is guaranteed. Investors could get back less than they invested. Past performance is not a reliable indicator of future results. The information in this document does not constitute advice or a recommendation for any product and you should not make any investment decisions on the basis of it. Not all of the products or services on which we provide advice are regulated by the Financial Conduct Authority. Please be aware that some services may be provided by selected companies which are not part of Brooks Macdonald Group plc.

ARC Private Client Indices (“PCI”) are based on historical information and past performance is not indicative of future performance. PCI are computed using a complex calculation and the results are provided for information purposes only and are not necessarily an indicator of suitability for your specific investment or other requirements. ARC does not guarantee the performance of any investment or portfolio or the return of an investor’s capital or any specific rate of return. ARC accepts no liability for any investment decision made on the basis of the information contained in this report. You should always complete your own analysis and/or seek appropriate professional advice before entering into an agreement with any PCI Data Contributor. The content is the property of ARC or its licensors and is protected by copyright and other intellectual property laws. Use of the information herein is governed by strict Conditions of Use as detailed on www.suggestus.com.

While the information in this document has been prepared carefully, Brooks Macdonald gives no warranty as to the accuracy or completeness of the information.

The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an “as is” basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the “MSCI Parties”) expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

Brooks Macdonald is a trading name of Brooks Macdonald Group plc used by various companies in the Brooks Macdonald group of companies. Brooks Macdonald Group plc is registered in England No 04402058. Registered office: 21 Lombard Street, London, EC3V 9AH.

Brooks Macdonald Asset Management Limited is authorised and regulated by the Financial Conduct Authority. Registered in England No 03417519. Registered office: 21 Lombard Street, London, EC3V 9AH.

More information about the Brooks Macdonald Group can be found at **brooksmacdonald.com**