

Markets rallied in November as investors locked on to the prospect of interest rates falling in the not-too-distant future. All BAM portfolios were positive for the month, led by the Global Horizons Portfolio, which returned 6.02%. In addition to strong equity markets, improving sentiment towards property and alternative investments meant that lower-risk portfolios produced considerable returns.

MR MARKET'S RISK APPETITE RETURNS

Global stocks have closed out their largest monthly gain in three years, as investors' appetite for riskier assets appears to have returned. The MSCI ACWI Index, a global equity index, rose almost 9% throughout November. In recent months, the BAM team have seen what may be early signs of improving sentiment, but such rapid, significant movements always bring about scepticism. Is it too much too soon? Sentiment appears to have improved on the assumption that the next move for interest rates is downwards, an opinion that BAM does hold, but the speed at which they will fall is where the team's opinion differs from consensus. Swiftly falling interest rates would suggest that something has broken, and economies require some support; however, in developed markets, economic data has continually surprised to the upside. If you believe that central banks need not cut rates swiftly, then it's reasonable to make the case that this move in equity and fixed income markets is potentially too much too soon. The team selectively see tremendous value, though, particularly in the unloved property and alternative asset classes. BAM remain confident that prudent, valuation-conscious investing with a long-term time horizon will bear fruit.

UK AUTUMN BUDGET

In the past, the Autumn budget has paled in significance compared to the full-fat budget each March. Unfortunately, we have all been scarred by Kwasi Kwarteng's experimental economics last year, so this year's Autumn budget was met with greater interest and curiosity than usual. The chancellor stated that inflation was coming under control, debt was falling and "the economy has a sprained ankle rather than a broken leg". There were some positives for individuals as national insurance rates were cut, but the continued freezing of income tax bands largely offsets this. Implications for businesses appear minimal but don't be surprised if we see more action in March as the government looks for political wins, with the next election due no later than January 2025.

COP28

The "Conference Of the Parties", an annual climate conference attended by world leaders, is currently in session. The 28th edition has attracted particular interest for several reasons: it's being controversially hosted by the UAE, one of the world's top 10 oil-producing nations, and the president of the talks is the CEO of the state-owned oil company Sultan al-Jaber, plus it will conclude with a global stocktake on progress. The global stocktake is the process by which countries and stakeholders assess collective progress towards the Paris Agreement - to limit global warming to 2 degrees Celsius compared to preindustrial levels. How is COP28 relevant for the BAM portfolios? For a just transition to a net zero world, there will likely need to be supportive government policy, which will only accelerate what is already an investing megatrend of a lifetime. The BAM portfolios have exposure to companies whose outputs are critical to the future of our planet, from clean energy in the form of solar and wind power generation to the extraction of materials that are essential for the ongoing electrification of industrial processes.

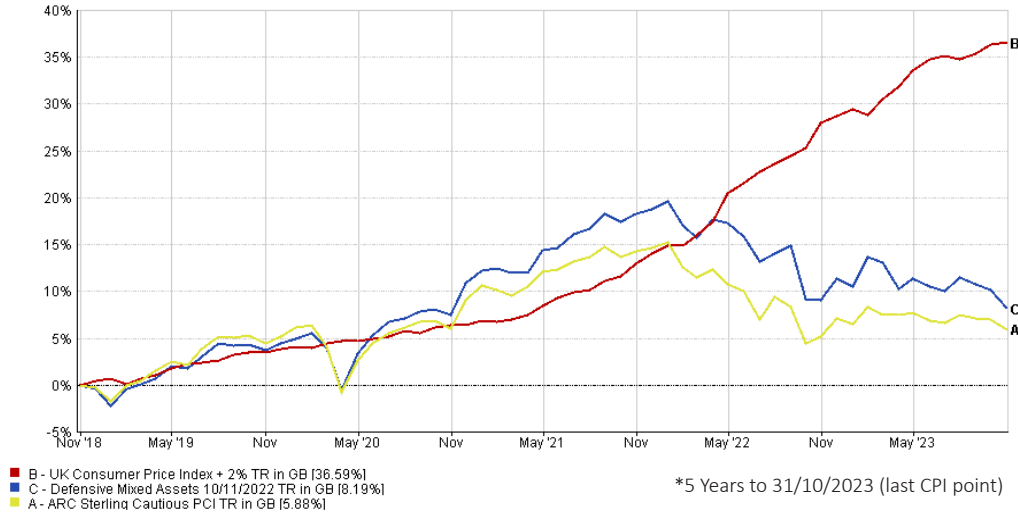
We wish all our investors a Merry Christmas and a happy, profitable 2024.

SOCIAL IMPACT MODEL



5 YEAR MODEL PERFORMANCE VS BENCHMARK*

DEFENSIVE MIXED ASSETS MODEL



DEFENSIVE BALANCED MIXED ASSETS MODEL



BALANCED MIXED ASSETS MODEL



FOCUSED GROWTH MIXED ASSETS MODEL



BAM MPS PERFORMANCE FIGURES TAKE INTO ACCOUNT THE ONGOING CHARGES OF THE UNDERLYING HOLDINGS BUT EXCLUDE ADVISER CHARGES AND PLATFORM FEES. INCLUSION OF THESE WILL RESULT IN A LOWER RETURN TO THE END INVESTOR, DEPENDING ON THE CLIENT AGREEMENT AND THE PLATFORM USED.

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AS IS THE VERY NATURE OF INVESTING, THERE ARE INHERENT RISKS AND THE VALUE OF YOUR INVESTMENT WILL BOTH RISE AND FALL OVER TIME. PLEASE DO NOT ASSUME THAT PAST PERFORMANCE WILL REPEAT ITSELF AND YOU MUST BE COMFORTABLE IN THE KNOWLEDGE THAT YOU MAY RECEIVE LESS THAN YOU ORIGINALLY INVESTED. CHANGES IN RATES OF EXCHANGE MAY HAVE AN ADVERSE EFFECT ON THE VALUE, PRICE OR INCOME OF AN INVESTMENT. THE OPINIONS STATED ARE THOSE OF BECKETT ASSET MANAGEMENT LTD, WHICH IS AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.