



PORTFOLIOMETRIX QUARTERLY INSIGHTS

GPS PORTFOLIOS
SEPTEMBER 2025

PORTFOLIOMETRIX

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MARKET COMMENTARY

Global markets extended their gains over the third quarter of 2025 despite an increasingly complex macro backdrop marked by trade frictions, shifting central bank stances, and ongoing geopolitical tensions. Equity markets broadly advanced, supported by resilient corporate earnings and continued enthusiasm for artificial intelligence (AI) developments. Developed equities rose 7.3% over the quarter, while emerging markets outperformed developed peers (+10.1%), driven primarily by strength in Asia and Latin America. A softer US dollar provided a further boost to risk assets, while global bonds delivered modest but positive returns as yields trended lower following the first US rate cut of the year.

Developed Equity

Developed markets delivered positive returns, with US equities again leading, as mega-cap technology names surged, driven by renewed AI optimism and Nvidia's \$100 billion chip investment in OpenAI. The Federal Reserve cut rates by 25 bps to a range of 4.00–4.25%, signalling greater concern about a cooling labour market. Chair Powell's comment that equities appear "fairly highly valued" had little impact on sentiment. Meanwhile, in Europe, markets lagged slightly amid ongoing tariff uncertainty and muted growth, though policy remained supportive as the ECB kept rates unchanged and reaffirmed its 2% inflation target. UK equities delivered modest but positive returns as stable inflation data allowed the Bank of England to maintain its policy stance, while the weaker pound lent some support to exporters.

Elsewhere, Japan saw strong gains as the Bank of Japan signalled growing confidence in the domestic economy, even as it outlined plans to gradually reduce its ETF holdings.

Emerging Equity

Emerging markets continued to outperform their developed peers, led by China's resurgence and renewed investor interest in cyclical exposures. Chinese equities rallied, buoyed by expectations of further policy support and improving trade sentiment. Technology stocks spearheaded the rally, with Alibaba, Tencent, and Baidu all announcing expanded AI investment programmes. Huawei's unveiling of its domestic semiconductor roadmap reinforced optimism around China's strategic progress in tech self-sufficiency. Latin American markets also benefited from higher commodity prices and supportive local currencies.

Global Fixed Income

Global fixed income markets posted modestly positive returns overall, supported by lower credit spreads and improved risk sentiment. However, global sovereign bonds were slightly negative as yields drifted higher later in the quarter, reflecting stronger US growth data and reduced expectations for aggressive monetary easing. Investment-grade corporates and high-yield credit both performed well, benefiting from the risk-on tone and a weaker dollar.

European bond markets remained stable, with sovereign spreads largely unchanged. The ECB's steady policy approach and an improving inflation outlook supported modest total returns. Emerging market debt (hard currency) continued to attract inflows, aided by resilient global risk appetite and declining US rates, which reduced the funding pressure for dollar-denominated issuers.

Global Real Assets

Real assets produced mixed results through the quarter. Commodities benefited from a softer dollar and resilient demand in China, while gold briefly consolidated around record highs near \$3,500/oz before easing modestly into quarter-end. The metal remains well supported by persistent geopolitical uncertainty and continued central bank buying. Energy markets were volatile: oil prices initially declined amid OPEC+ supply increases but recovered in September on renewed concerns around Middle Eastern supply disruptions.

Global listed infrastructure posted steady gains, supported by defensive cash-flow characteristics and long-duration appeal in a falling-yield environment. Real estate kept pace even as higher financing costs and sluggish transaction volumes weighed on sentiment.

Looking Ahead

As we enter the final quarter of 2025, the global economy remains delicately balanced between policy optimism and macro uncertainty. The Fed's pivot to easing, coupled with subdued inflation trends, has buoyed investor confidence, but underlying growth signals are uneven. Fiscal stimulus in Europe and targeted infrastructure spending in China are likely to provide a floor for global demand, yet persistent trade frictions and election-year politics in the US continue to cloud the outlook.

With equity valuations elevated and yield curves still inverted across key developed markets, investors should remain mindful of potential volatility. However, history suggests that periods of policy transition often create fertile ground for future opportunity. Maintaining broad diversification, disciplined asset allocation, and composure amid short-term noise remains the most effective path for long-term success.

INDEX RETURNS & MARKET INDICATORS

As of 30/09/2025

Global Asset Returns (USD)

	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Global Equity	7.6	18.4	17.3	23.1	13.5	11.9
Global Bonds	0.6	7.9	2.4	5.4	-1.6	1.1
Global Property	3.5	8.5	-1.8	8.8	5.2	3.7
Global Infrastructure	3.8	13.5	6.9	11.5	8.5	7.7

Developed Equity (USD)

	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Developed Equity	7.3	17.4	17.2	23.7	14.4	12.4
North America Equity	8.0	15.1	17.8	24.4	15.6	14.5
UK Equity	5.0	25.3	16.6	21.8	13.9	6.9
Europe Ex UK Equity	3.2	28.0	14.3	23.5	11.4	8.6
Japan Equity	8.2	20.8	16.3	21.1	8.9	8.1
Pacific Ex Japan Equity	5.1	19.5	7.6	14.5	9.4	8.3

Emerging Equity (USD)

	QTD	YTD	1 Year	3 Years	5 Years	10 Years
EM Equity	10.1	25.9	15.7	17.5	7.6	8.4
EM Latin America Equity	10.2	43.1	20.4	13.9	13.5	7.6
EM Asia Equity	10.9	26.4	16.4	19.1	6.3	8.8
EM Europe Europe Equity	5.4	43.4	34.0	40.9	-4.7	-0.6

Fixed Income (USD)

	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Global Gov Bonds	-0.2	7.3	0.9	4.1	-3.0	0.3
Global Corp Bonds	2.6	6.9	3.9	7.2	0.6	3.2
Global HY Bonds	2.6	9.6	9.2	13.8	5.3	5.7
EM Local Currency Govt	0.4	7.5	3.4	7.4	2.4	3.7
EM Hard Currency Agg	3.2	9.7	7.4	11.0	1.7	3.8

Commodities (USD)

	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Bloomberg Commodity Index	3.6	9.4	8.9	2.8	11.5	4.0
Gold Spot	17.1	46.7	45.6	32.3	15.4	13.3
Brent Crude	-0.9	-9.2	-6.0	-8.7	10.4	3.3

Currency

	QTD	YTD	1 Year	3 Years	5 Years	10 Years
EUR/USD	0.1	13.5	5.3	6.2	0.0	0.5
GBP/USD	-1.8	7.5	0.4	6.4	0.8	-1.2
US Dollar Index (DXY)	0.9	-9.9	-3.0	-4.5	0.8	0.2

Currency Movements

Positive movements indicate an appreciation of the price currency relative to the base currency in the Price/Base currency quoting convention. For example, if the Pound Sterling strengthens from £1.30/USD to £1.20/USD quarter-to-date (QTD), this is interpreted as an 8.33% appreciation of the Pound against the Dollar over the quarter.

Source: Morningstar Direct

PORTFOLIOMETRIX

As of 30/09/2025

Asset Class Performance (USD)

<div>Best</div> <div>↑</div> <div>↓</div> <div>Worst</div>	North American Equity 19.4	Global Property 28.7	Dollar Cash 1.7	North American Equity 26.0	North American Equity 23.9	Europe Ex UK Equity 28.0	Emerging Market Equity 10.1
	Emerging Market Equity 17.5	North American Equity 26.5	Pacific Ex Japan -4.2	Europe Ex UK Equity 21.9	Global Infrastructure 9.5	Emerging Market Equity 25.9	Japan Equity 8.2
	Japan Equity 13.9	UK Equity 17.2	Global Infrastructure -4.9	Japan Equity 20.1	Global High Yield Bonds 9.2	UK Equity 25.3	North American Equity 8.0
	Europe Ex UK Equity 11.3	Europe Ex UK Equity 16.2	UK Equity -10.9	UK Equity 14.4	Japan Equity 8.3	Japan Equity 20.8	Pacific Ex Japan 5.1
	Global Corporate Bonds 9.7	Global Infrastructure 14.9	Global High Yield Bonds -12.7	Global High Yield Bonds 14.0	UK Equity 7.5	Pacific Ex Japan 19.5	UK Equity 5.0
	Global Government Bonds 9.5	Pacific Ex Japan 5.2	Global Corporate Bonds -15.3	Emerging Market Equity 10.2	Emerging Market Equity 7.1	North American Equity 15.1	Global Infrastructure 3.8
	Pacific Ex Japan 8.3	Japan Equity 1.4	Japan Equity -16.4	Global Property 9.7	Dollar Cash 5.4	Global Infrastructure 13.5	Global Property 3.5
	Global High Yield Bonds 7.0	Global High Yield Bonds 1.0	Global Government Bonds -17.5	Global Corporate Bonds 8.5	Global Corporate Bonds 2.6	Global High Yield Bonds 9.6	Europe Ex UK Equity 3.2
	Dollar Cash 0.4	Dollar Cash 0.0	Europe Ex UK Equity -17.8	Pacific Ex Japan 5.8	Pacific Ex Japan 1.9	Global Property 8.5	Global High Yield Bonds 2.6
	Global Infrastructure -4.1	Global Corporate Bonds -0.9	Emerging Market Equity -18.2	Dollar Cash 5.2	Global Property 1.2	Global Government Bonds 7.3	Global Corporate Bonds 2.6
	UK Equity -6.9	Emerging Market Equity -1.8	North American Equity -19.5	Global Government Bonds 4.2	Europe Ex UK Equity 0.2	Global Corporate Bonds 6.9	Dollar Cash 1.1
	Global Property -8.8	Global Government Bonds -6.6	Global Property -26.5	Global Infrastructure 2.2	Global Government Bonds -3.6	Dollar Cash 3.3	Global Government Bonds -0.2
2020	2021	2022	2023	2024	YTD	QTD	

Source: Morningstar Direct

PORTFOLIO PERFORMANCE

Core Portfolios

PortfolioMetrix Global Portfolio Series Performance (USD)						
	QTD	YTD	1 Year	3 Years	5 Years	Since Inception
EAA Fund USD Cautious Allocation	2.8	7.2	5.8	7.6	3.1	3.1
GPS Profile 3	4.2	11.9	8.8	13.2	5.6	5.1
GPS Profile 4	4.9	12.9	10.1	14.5	6.7	5.7
EAA Fund USD Moderate Allocation	4.2	10.4	8.3	11.2	5.4	4.8
GPS Profile 5	5.6	13.6	11.3	16.2	8.3	6.6
GPS Profile 6	6.4	14.6	12.7	17.7	9.8	7.4
GPS Profile 7	7.0	15.5	14.0	19.2	11.2	8.3
EAA Fund USD Aggressive Allocation	5.5	12.0	10.7	13.9	7.8	6.3

Source: Morningstar Direct

Contributors & Detractors

Global equity markets continued their strong momentum into the third quarter, led by robust gains in Emerging Market and North American equities. Both the Global Equity Fund and the Global Diversified Fund benefited from this supportive backdrop, delivering outperformance relative to their respective benchmarks.

Within equities, active management contributed positively, particularly across emerging markets where T. Rowe Price Emerging Markets Discovery (+11.6%) and Lazard Emerging Markets (+10.8%) outperformed their benchmarks. The active US small-cap exposure via Columbia Threadneedle American Smaller Companies also added value, returning +8.6%, ahead of the broader US market. In Japan, both active managers, M&G Japan (+11.6%) and Baillie Gifford Japanese (+10.1%), generated meaningful alpha. Conversely, European equity managers delivered more muted results, reflecting the broader region's relative underperformance during the period.

Within fixed income, returns were supported by strong performance from Emerging Market debt, with the PIMCO-managed exposure contributing positively. Corporate bond strategies managed by Neuberger Berman and Vanguard (Active Fixed Income) outperformed the broader corporate bond index and exceeded returns from high-yield exposures, which had a more subdued quarter.

Real assets produced mixed outcomes. Global listed infrastructure, managed by M&G, delivered excess returns versus benchmark; however, this was offset by underperformance in listed property via Columbia Threadneedle. In aggregate, real asset returns lagged equity markets, aligning more closely with global fixed income performance over the quarter.

PORTFOLIO CHANGES

Strategic Asset Allocation

While our strategic asset allocation has remained unchanged over the quarter, we continuously review our exposures to ensure they align with our long-term objectives, reflecting our commitment to preserving the integrity of our strategic asset allocations.

Equity Portfolio Changes

During the third quarter of 2025 we switched our dedicated small and mid-cap exposure of our European allocation from Premier Miton Opportunities to Janus Henderson Smaller Companies.

Fixed Income Portfolio Changes

There were no changes made within this asset class over the quarter.

Real Asset Changes

There were no changes made within this asset class over the quarter.

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