



FINANCE SHOP
A TITAN WEALTH COMPANY

QUARTERLY REVIEW SPRING 2026

MARKET OVERVIEW – QUARTER ONE 2026

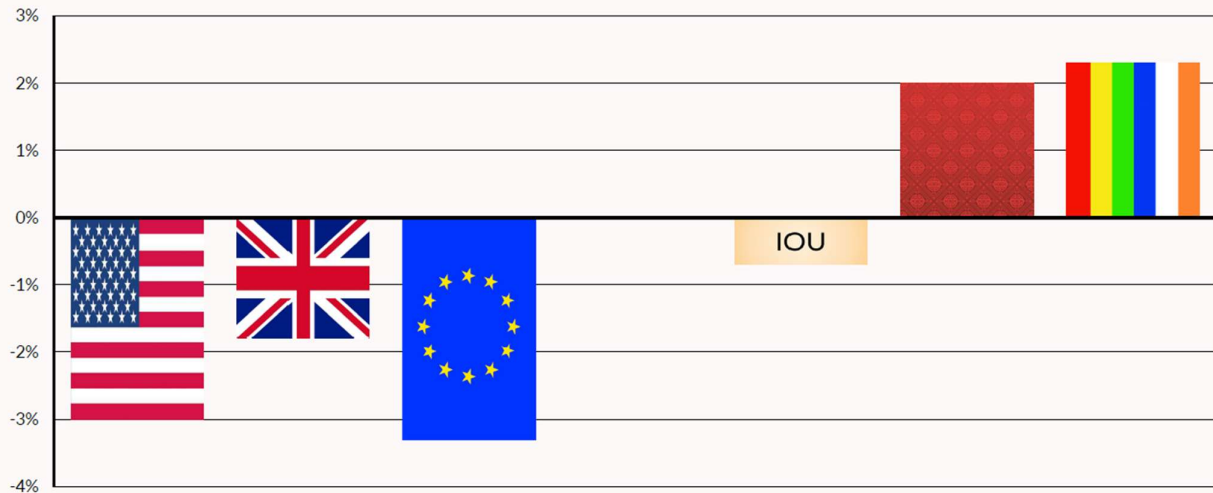
Markets began the year on a strong note, driven upwards as optimism around fading inflation, further interest rate cuts and hopes of stronger growth helped to propel indices to new highs. This narrative however was disrupted, as an escalation of the conflict in the Middle East, driven by an attack by a US / Israeli coalition on key military targets in Iran, sent investors running for cover. What was hoped to be a short-term skirmish, which might precipitate regime change, has proved to be anything but with Iran seizing control of the Strait of Hormuz and triggering a severe energy spike. Indeed, Brent Crude (one of the global oil benchmarks) posted one of its biggest quarterly rises in decades. The implications are yet to be fully priced in, but there will almost certainly be longer term effects, due to damage to key infrastructure.

Predictably, volatility picked up materially, with most asset classes suffering, and the focus will now be on the direction of inflation as higher oil and gas prices feed into cost pressures in other industries, unleashing the so called second round effects. Attention has now switched to how quickly a resolution can be found that would allow a ceasefire and most importantly the reopening of the Strait of Hormuz. It appears the US / Israeli coalition have underestimated the ability of Iran to hold this key passage and continue to launch attacks.

Within the asset classes bonds, long duration equities and gold suffered most as pricing for interest rates adjusted, predictably oil and defence stocks fared best. Regionally, Asia and Europe were most impacted as these areas are most exposed to the effect of higher oil and gas prices.

As we look ahead it is near on impossible to draw any real short-term conclusions, with markets moving from positive to negative and vice versa on the whim of tweets and hearsay. It would appear on the surface, that multiple parties are incentivised to find a solution and a de-escalation of the situation. If this can happen in the shorter term, the impacts will be limited and markets are most likely to return to a more positive narrative. It is also possible however that tensions broaden leading to a longer-term conflict, lasting higher energy prices and wider inflation. Whilst this does not remain our central scenario, it can't be ruled out and therefore the focus remains on diversification within portfolios.

KEY MARKET PERFORMANCE - QUARTER ONE 2026



Powered by Data from FE - 01/01/2026 to 31/03/2026

IA North America (-3.0%)

IA UK All Companies (-1.8%)

IA Europe excluding UK (-3.3%)

ABI UK Direct Property (0.0%)

IA Sterling Bond (-0.7%)

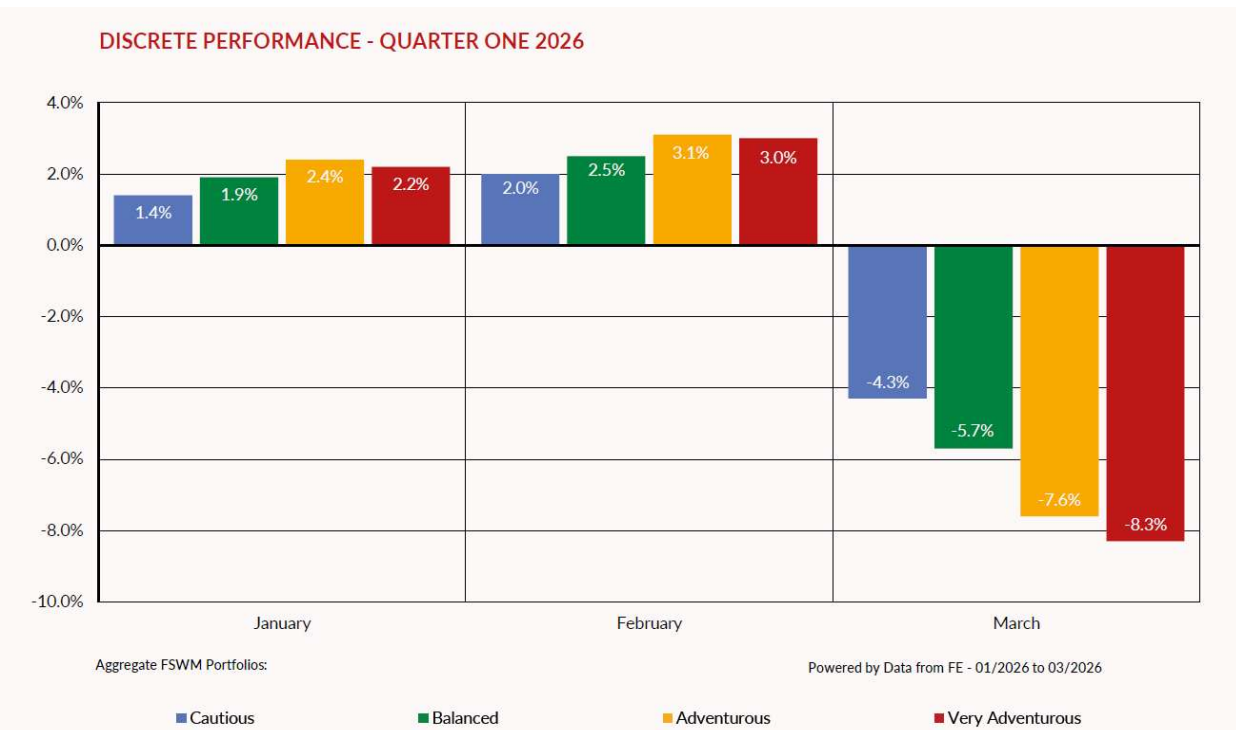
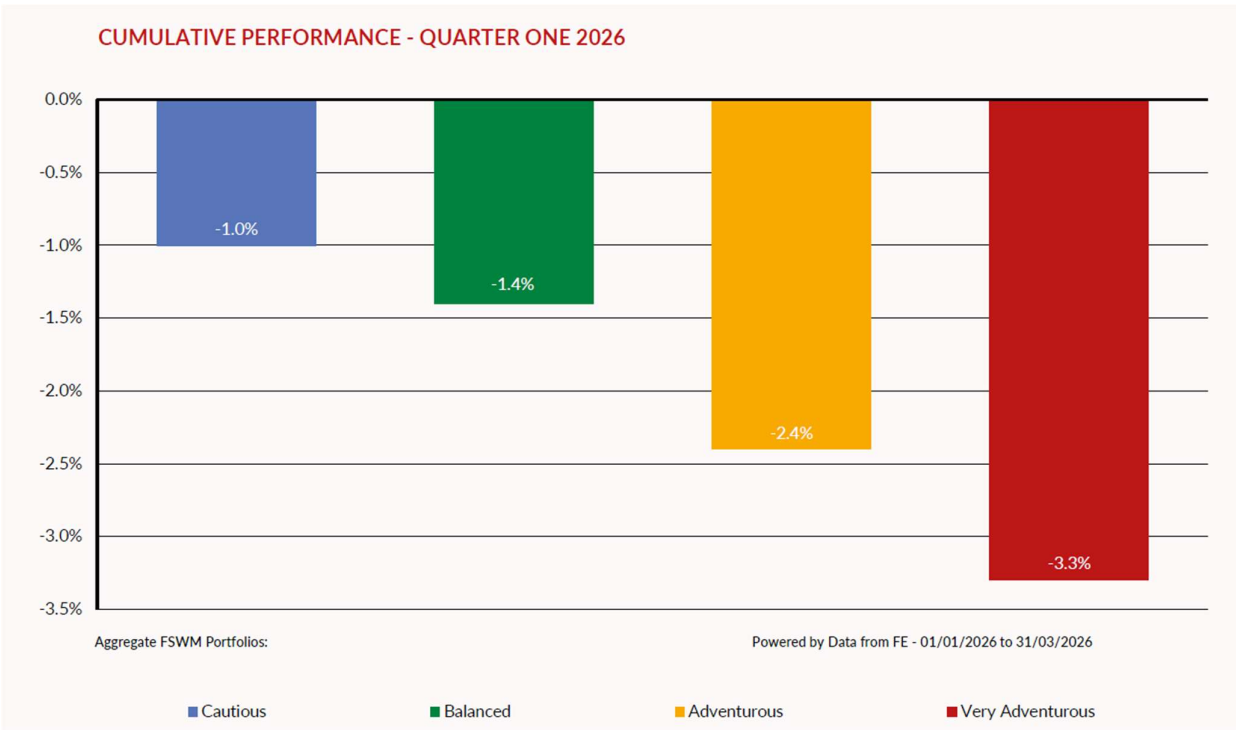
IA Asia excluding Japan (2.0%)

IA Global Emerging Markets (2.3%)

PORTFOLIOS – QUARTER ONE 2026 PERFORMANCE

The graphs below show how the portfolios within the four Finance Shop risk categories have behaved over the last three months. The first graph shows the total return for the quarter whereas the second graph illustrates the “month by month” performance. The performance figures are aggregated so, for example, the green bar is made up of all the Multi-Asset Balanced portfolios across all product types.

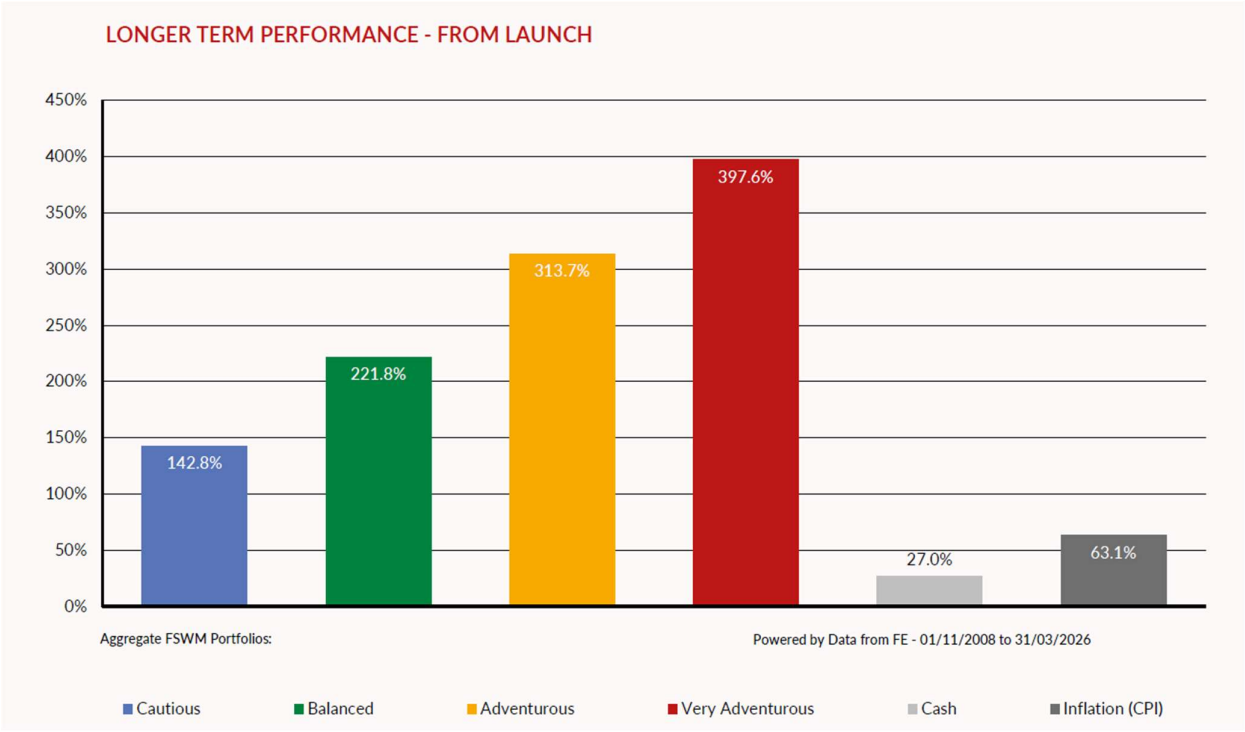
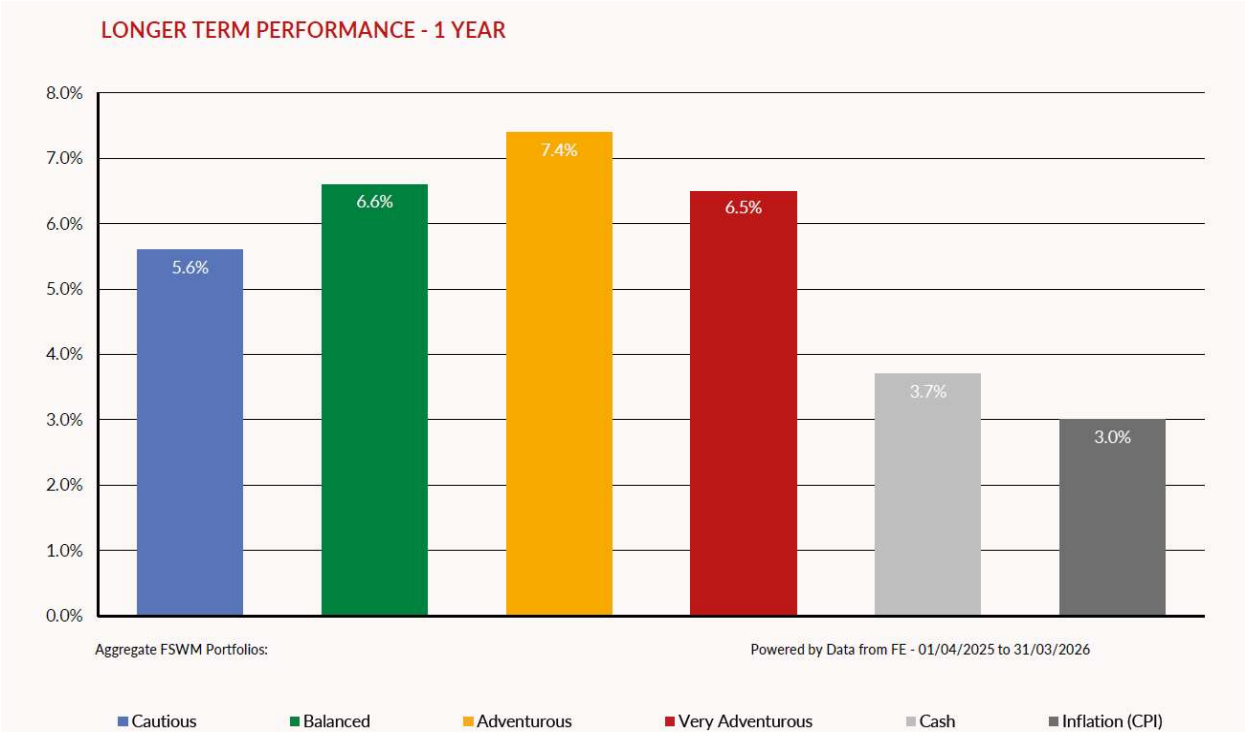
If you require specific performance figures for your plan, please contact your adviser.



PORTFOLIOS – LONGER TERM PERFORMANCE

The first graph below shows how the portfolios have performed over 12 months. For comparison, the returns of cash (MoneyFacts 90 days' notice 10K) and inflation (UK Consumer Price Index) are also shown. The second graph illustrates how the portfolios have performed since launch (1st November 2008).

As with the graphs on the previous page, the figures for each category are aggregated.



PERFORMANCE REVIEW

March ultimately undid all the positive returns accumulated over January and February with the quarter ending in the red across all of the portfolios. Unsurprisingly the falls were more pronounced in those portfolios which are more exposed to equities namely adventurous and very adventurous but there was little place to hide as bond yields widened and Gold sold off. Ultimately this may end up being a short conflict and things return back to a more normal footing but we remain of the opinion that our diversified approach to asset allocation within the portfolios will continue to benefit returns.

IMPORTANT INFORMATION

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The instruments recorded above are weighted model portfolios created using Financial Express Analytics. Performance figures shown are based on the weighted models and may differ from the actual returns achieved by investors. Performance figures shown are based on bid-to-bid gross returns and do not include plan, contract, or ongoing adviser charges / commission. Please refer to your policy documentation for further details.

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