

The Gradual Rebalance

An active approach for core Global Equity allocators

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OLD MUTUAL



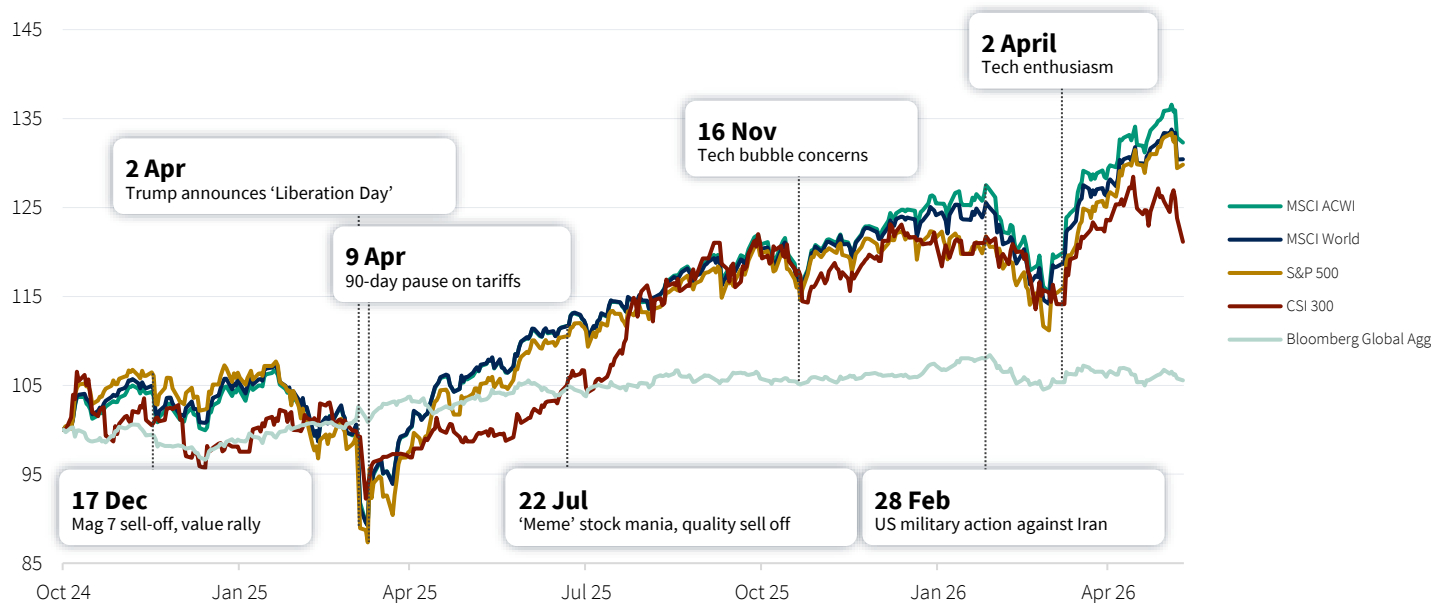
WEALTH

JUPITER
ASSET MANAGEMENT



Is it really a great rebalance?

Markets
are always
rebalancing -
the question
is who is
positioned
to capture it



The 'great rebalance' is the **permanent condition** of equity markets.
Successful long-term investing requires a **systematic process** built to **navigate** this reality **every single day**.



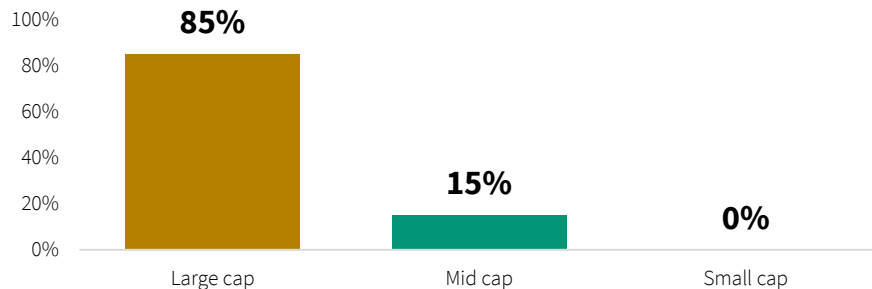
The concentration problem



Hidden risks within benchmarks across geography, market cap, sector and individual stocks

Choosing a passive approach is still a **highly active** decision...

MSCI World Cap breakdown



~72%

GEOGRAPHY

US weight in MSCI World



~30%

SECTOR

In Tech



~20%

STOCK

Top 5 stocks in MSCI World



7 stocks

NARROW MARKET

Drove most of 2023-2024 returns



DRAM: a recent case study in herding herding / crowding



Herding around an investment narrative can drive enormous flows

AI-focused Chipmaker ETF has grown to \$15bn in 2 months, making it the fastest growing ETF launch in history...

...but is concentration the hidden cost?

Top three holdings in DRAM ETF:



74% of DRAM ETF sits in 3 **mega-cap** tech stocks now all **worth +\$1 trillion**



DRAM: a recent case study in herding herding / crowding



Managing both ends of the barbell

From trillion-dollar IPOs to small cap opportunities the benchmark can't serve

MEGA-CAP END

\$4tn about to enter benchmarks

SpaceX	\$1.75tn	\$75bn raise
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Anthropic	\$900bn	\$60bn raise
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OpenAI	\$852bn+	Q4 2026
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Benchmark inclusion will force mechanical buying across all passive funds. Our ± 50 bps active weight framework means we manage this exposure — not follow it blindly.

SMALL-CAP END

The benchmark can't see here

0%	MSCI World small-cap exposure by construction
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Up to 40%	Our fund's small-cap allocation at peak
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Tomorrow's	Nvidia, Samsung were once small caps
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While the market watches mega-IPOs, our systematic process scans thousands of smaller companies every day — finding the winners the benchmark won't touch for years.

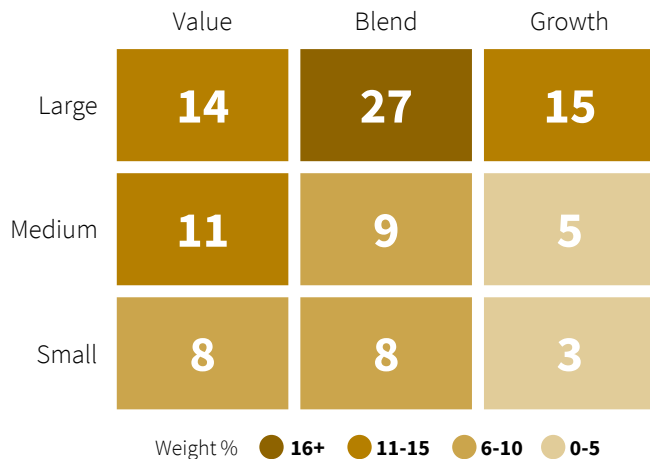


Hunting for alpha across every corner of the market



Finding tomorrow's winners while benchmarks anchor to the winners of yesterday

Jupiter Merian World Equity Fund ²



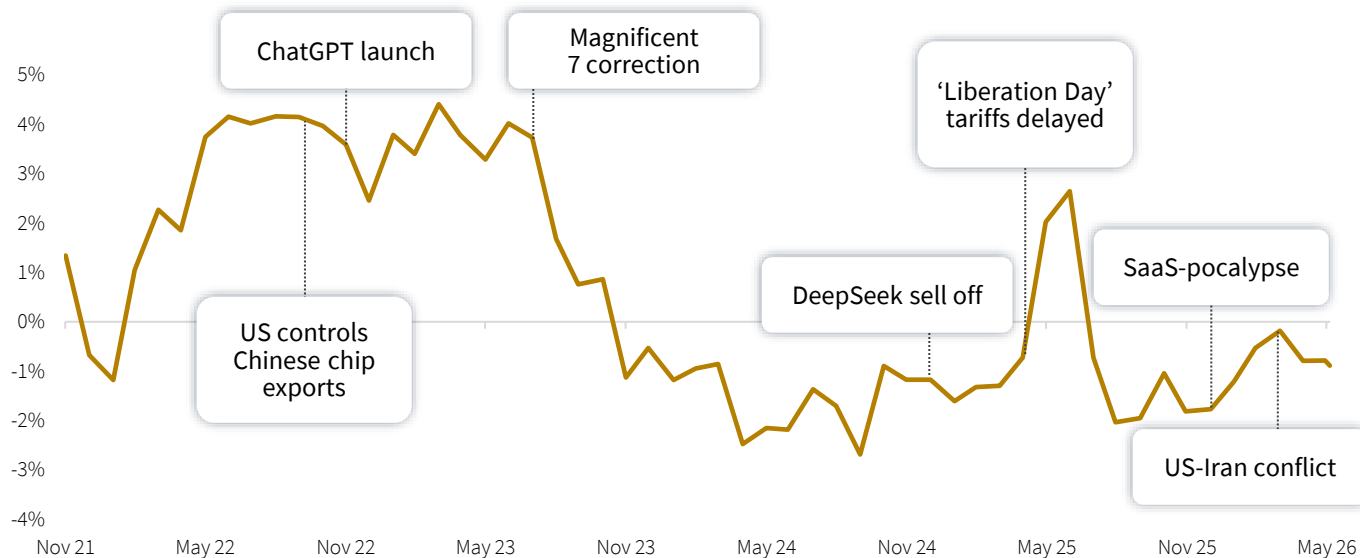
- Historically up to 45% in small cap
- Dynamically allocating across the cap spectrum when the systematic process identifies opportunities
- Actively hunting for tomorrow's winners in the small caps of today

Jupiter Merian World Equity provides a tailored exposure for investors seeking more diversified core allocation



Technology: A case study in gradual rebalancing

Incremental over/underweights compound into meaningful performance



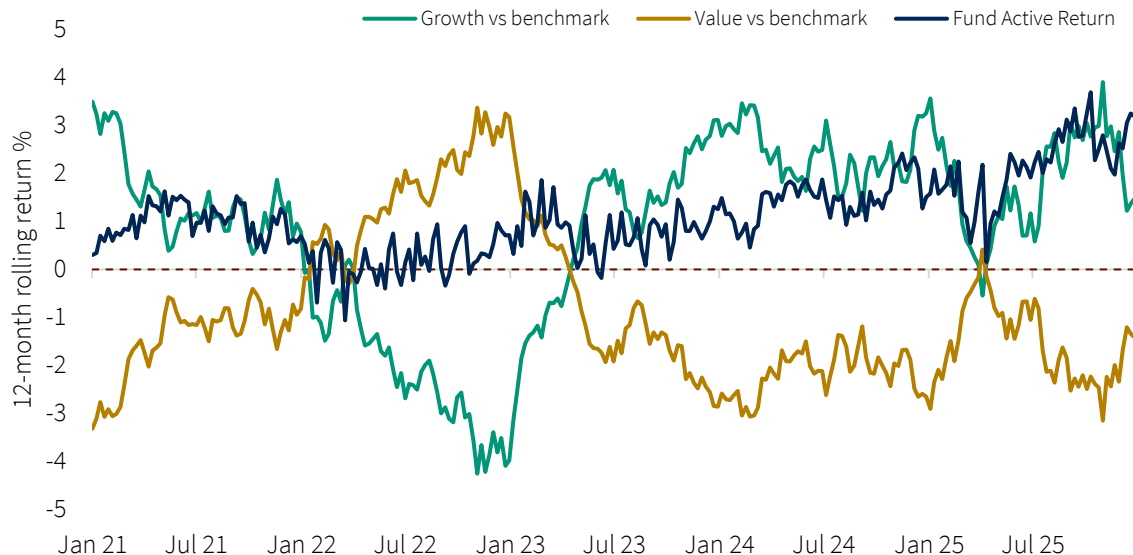
The tilts appear small — typically **±5% vs benchmark** — but their **cumulative impact** on long-run performance is **substantial**.



Style rotations are accelerating



No single style wins consistently. Core allocators need diversified exposure across all styles



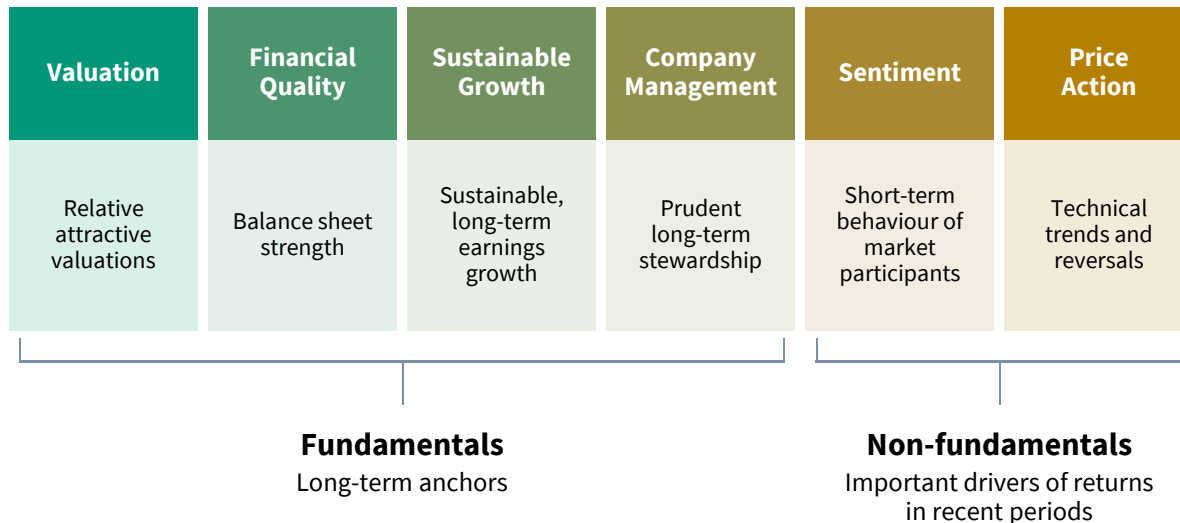
Flexible, systematic approach to style allocation enables the fund to perform in **different market environments**.



Beyond fundamentals



Sentiment and Price Action signals have become as important as fundamentals



Systematically evaluating stocks through a **diversified** and **dynamic** lens



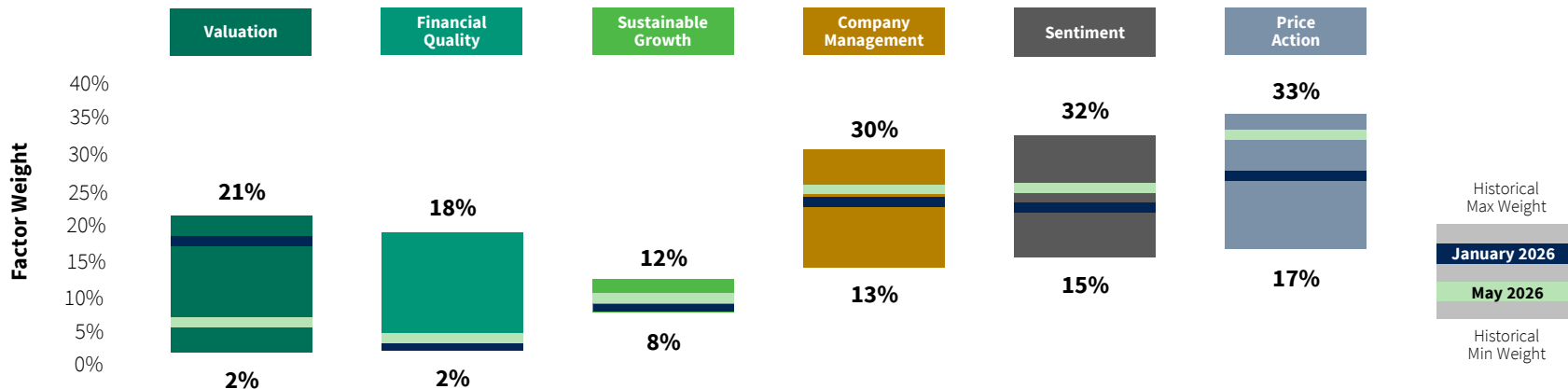
The dynamic weighting engine



Daily factor reweighting consistently aligns portfolio to current opportunity set

Not a set-and-forget model.

Factor weights **shift every day** as the systematic process consumes **40 million data points**, updating **7,000 stock forecasts** and assessing the **market environment**



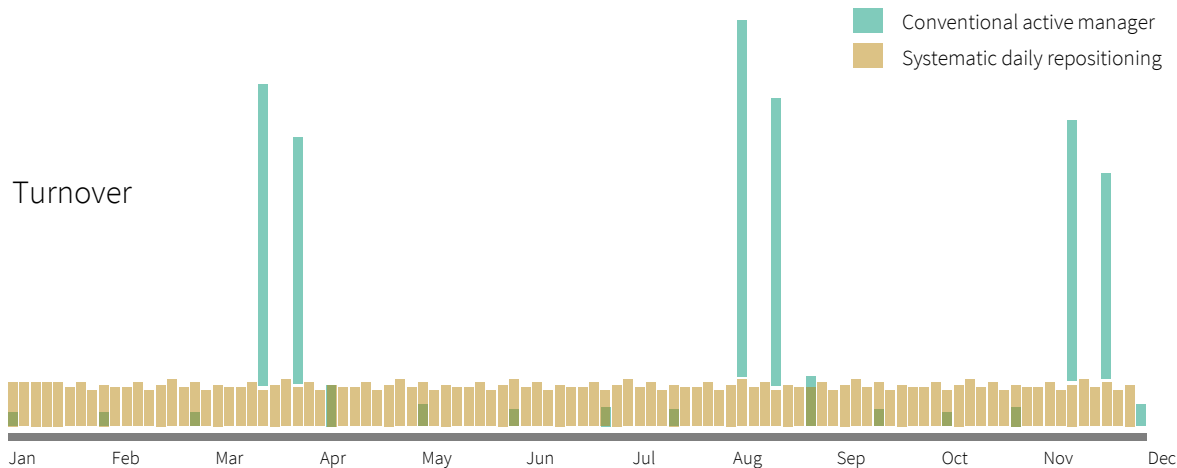


Portfolio: No great rebalance either, gradual turnover instead



Daily factor reweighting consistently aligns portfolio to current opportunity set

Daily repositioning vs conventional active management



Lower market impact

Small daily trades move less market. Large conviction trades by big funds move prices against themselves.

Never far from target

Continuous repositioning means the portfolio is always close to what the model wants. No stale positions.

No catastrophic bets

The fund never makes the high-stakes, high-conviction call that creates deep drawdowns when it goes wrong.



Process: No great rebalance, 20 years of gradual innovation



**No reinvention. Just discipline to
continuously make the process slightly better**

WHAT WE NEVER DID

- 01** Abandon the process after a bad year
- 02** Declare the model complete and stop researching
- 03** Chase the latest investment trend
- 04** Make a single transformative strategic pivot

WHAT WE DID INSTEAD

- 01** Add one to three new signals per year
- 02** Refine the dynamic weighting scheme
- 03** Partner with 15 leading academics over two decades
- 04** Let each small gain compound over time



A process that never stops improving

Twenty years of systematic enhancements across all aspects of the model

2022

Adding **Reputational risk** to Company Management strategy

2023

Expanded trading **universe** to seek alpha across more countries

2024

Patent filings data signal added to determine innovational efficiency of a company

2025

Increasing breadth of Dynamic Valuation Strategy

2026

Non-linear interactions to better capture **management signalling**



20+

Years of continuous enhancement

40M+

Data points analysed daily

15

University partnerships

7

Team members, long-tenured

100+

Supporting investment platform

Thank You

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