



MULBERRY BOW QUARTERLY NEWSLETTER

January 2026 Insights

MULBERRY BOW NEWS



ANDREW TOLL, APFS
EXECUTIVE DIRECTOR

Welcome to 2026 and (possibly) Dry January.....

The start of the year often arrives with a renewed sense of perspective — and perhaps a quiet acknowledgement that December was enjoyed a little too enthusiastically!

As festive excess gives way to Dry January, a surge in gym memberships and good intentions all round, we might use the natural pause to reflect, reset, and take a measured view of the year ahead.

It is an ideal time to review your financial affairs with fresh eyes, ensuring your plans remain as disciplined and well-structured as your intentions for the year ahead.

New Year Financial Reset

Financial check-up for the new year

A new year review is less about day-to-day budgeting and more about ensuring your overall financial structure remains efficient and aligned with your long-term objectives. This is an opportunity to review portfolio positioning, liquidity levels, pension planning, non-pension tax-efficiency, protection planning, estate planning and last but definitely not least, recent changes in legislation or taxation.

Personal circumstances may also warrant adjustments, of course, and career changes, landmark birthdays and new additions to the family can all be a trigger for that.

Setting financial goals for 2026

Clear objectives remain central to effective financial planning, particularly where multiple assets, income sources and family considerations are involved. January is an ideal time to refine priorities such as capital preservation, inter-generational planning, philanthropic goals or succession planning. It's all about ensuring your strategy remains purposeful and co-ordinated.

Reviewing last year: what worked and what didn't

Reflecting on the previous year allows you to assess not only investment performance, but also the effectiveness of broader financial planning decisions. Reviewing asset allocation, tax-efficiency and your estate plan (or lack of one!) can highlight opportunities to enhance 'non-fragile' resilience and efficiency going forward.

Using your allowances pre-6th April 2026

Although annual tax allowances form a relatively small part of overall wealth planning considerations for many Mulberry Bow clients, they add up and remain valuable when used strategically. Ensuring ISAs, pension allowances and other available tax reliefs are utilised where appropriate, across the family, can contribute to long-term tax efficiency when integrated into a wider financial planning framework.

Pension contributions: why January can be a smart time to act

For higher earners, pension planning requires careful consideration of tapered annual allowances and lifetime planning objectives. Reviewing contributions in January allows time to assess available allowances, manage tax relief efficiently, and coordinate pension funding alongside other long-term investment strategies.

Capital gains planning

With capital gains tax (CGT) allowances now significantly reduced, proactive planning is increasingly important for portfolios. Reviewing gains across investment holdings, property, and other assets ahead of the tax year end can help manage exposure, support rebalancing, and align disposals with broader tax and estate planning objectives.

The Year Ahead

As we embark on a new year, I hope this edition has reminded you of the importance of taking a considered, strategic approach at the start of the year. From reviewing the structure and efficiency of your overall wealth, to setting clear objectives and planning well ahead of the tax year end.

Proactive reviews can help preserve flexibility, manage tax exposure, and support informed decision-making throughout the year ahead. Fine-tuning the bespoke cashflow model also helps ensure those decisions are made in the right context.

Finally, whether your January resolutions involve disciplined planning, surviving Dry January or exercising a bit more often, we wish you a successful and prosperous year ahead!

If you or any of your friends, colleagues or family members need our help, please don't hesitate to get in touch.

INVESTMENT OUTLOOK

MARKET UPDATE - JANUARY 2026

2025 will be remembered as a year in which uncertainty and strong investment performance were not mutually exclusive. For the first time since 2019, global equities, bonds, and commodities all delivered positive returns, supported by AI-driven investment themes, central bank easing, and falling tariffs.

This headline performance, however, understates the challenges investors faced over the year. Policy and trade uncertainty dominated the news flow early on, with U.S. equities falling more than 20% in sterling terms as markets grappled with the implications of global tariff rates reaching levels not seen since the 1930s. At the same time, government balance sheets came under increased scrutiny amid fiscal largesse, while a shifting world order heightened geopolitical risks.

Equity

Equities reached new highs, but unlike much of the past decade, leadership did not come from the United States. Instead, investors were rewarded for adopting a more global approach, as market performance broadened beyond U.S. mega-caps into more attractively valued regions. Structural themes such as artificial intelligence and clean energy also gained traction across a wider range of geographies, reinforcing the shift toward more diversified sources of return.

European equities led global markets, delivering returns of over 26% in sterling terms. Performance was supported by a combination of attractive valuations and improving investor sentiment, as falling inflation enabled the European Central Bank to cut its deposit rate to 2%. In addition, a renewed commitment to fiscal expansion - most notably in Germany, which announced plans to allocate €500 billion to infrastructure and adopted a “whatever it takes” approach to defence spending - provided a further boost to the region.

Outside Europe, UK equities also delivered strong results, recording their fifth-best annual return since 1984. Performance was underpinned by renewed investor interest in lower-valued markets, as well as the index's structural bias toward defensive sectors, which performed particularly well over the year.

Emerging markets, meanwhile, challenged the notion that the United States is the sole driver of equity returns. A rally in technology companies outside the U.S. supported a broader advance across emerging market equities, with particularly strong performances in China, Taiwan, and South Korea. Combined with a weakening U.S. dollar and the fact that many emerging economies carry lower debt levels and are growing faster than their developed-market peers, the outlook for the asset class remains constructive.

Equity returns

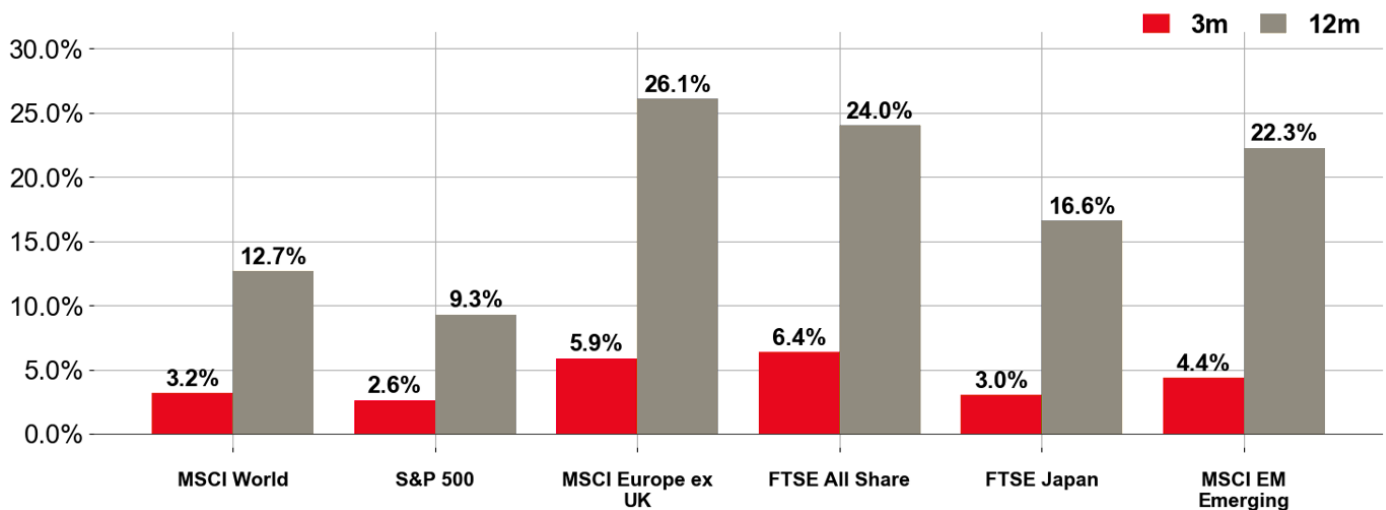


Figure 1: Equity Returns (Source: Pacific Asset Management, Bloomberg, January 2026)

In fixed income, declining inflation and the gradual easing of monetary policy supported bond markets overall.

Interest rates fell in the UK and Europe as the Bank of England and the ECB reduced rates to their lowest levels since 2023. Meanwhile, after holding steady for much of the year, the Federal Reserve resumed its rate-cutting cycle, delivering reductions in September. This contributed to a decline in short-term rates. However, fiscal concerns continued to weigh on government bonds, leading to a steepening of yield curves across major markets as long-term yields rose.

Corporate bond spreads - the premium investors receive for holding credit risk - recovered from the widening seen in April. For much of the year, spreads narrowed amid a risk-on environment, which saw higher prices for both investment-grade and high-yield bonds.

Fixed Income Returns

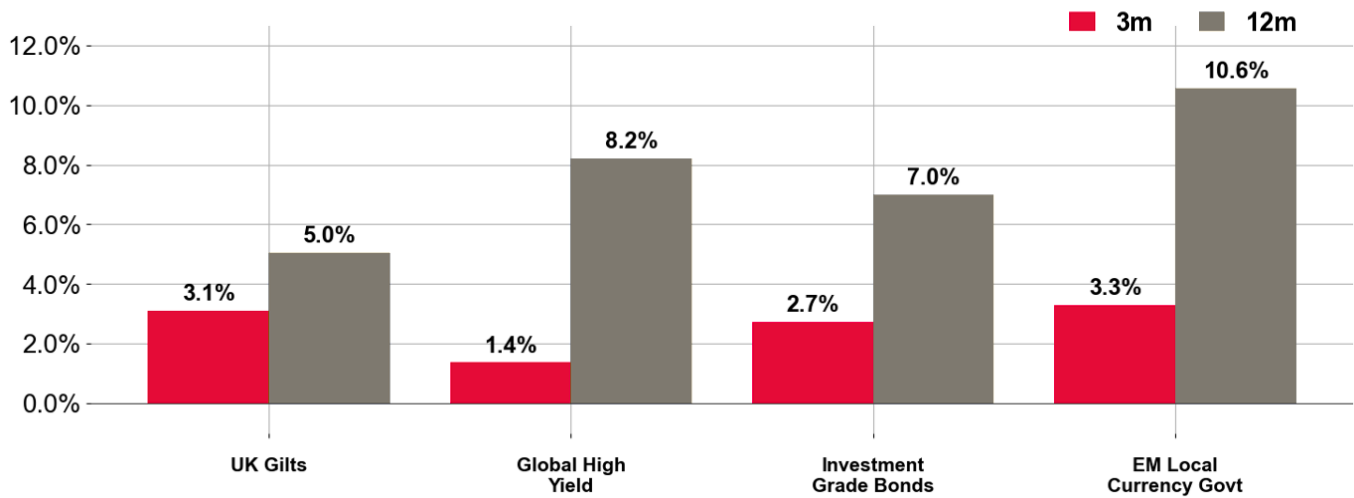


Figure 2: Fixed Income Returns (Source: Pacific Asset Management, Bloomberg, January 2026)

Gold

Gold surged to its strongest performance in half a century, reflecting the impact of fiscal profligacy among Western governments, political uncertainty, and a weaker U.S. dollar. The safe-haven metal broke multiple records over the year, reaching \$4,482 per ounce in December. Looking ahead, we expect gold prices to remain supported by ongoing central bank purchases and elevated fiscal deficits.

Outlook

Continued global growth and resilient consumer demand underpin a constructive outlook for equities. However, valuations remain high in concentrated markets, and investors are increasingly cautious about the risks associated with AI-driven themes.

This environment presents opportunities as markets broaden, with previously overlooked areas likely to benefit. Thoughtful portfolio construction and rigorous risk management will be critical as emerging opportunities - and potential risks - come into focus over the year.

ABOUT MULBERRY BOW

Financial advisers who know what they are doing and are motivated by the client's best interests, rather than a sales target, are sadly rare in our industry, but they are worth seeking out. After all, managing your own personal finances can be a dry affair and an unwanted distraction from enjoying life, but getting it right is critical to your peace of mind.

Mulberry Bow Advisory Team



Andrew Toll, APFS
Executive Director

Since graduation from the University of Leeds in 2008, where he gained a 2:1, Andrew has worked exclusively with private clients, at firms such as Barclays Private Bank and Weatherbys Private Bank. Chartered since 2017; Andrew recognises continuous learning is crucial to helping clients with complex financial situations.



Andrew Towers
Managing Director

Andrew is a Chartered Wealth Manager, Chartered Financial Planner as well as a Fellow of the Personal Finance Society. For the past 4 years, he has also been recognised in the Spear's 500 list of top recommended High Net Worth and Ultra High Net Worth advisers in the UK. Andrew brings over 20 years of experience in financial services.



Tom Evans, APFS
Financial Planner

After graduating from Nottingham Trent University (2:1 in Business Management), Tom did a ski season and worked for wealth planning firms in Norwich and Spain, before joining Mulberry Bow in 2019. The first ever graduate of our 'Best in Class' training programme, and has recently achieved Chartered Financial Planner status.



Elliott Owens, APFS
Financial Planner

Elliott gained a First in Economics & Finance at the University of Leeds and after an internship at an investment firm in Liverpool, joined Mulberry Bow in 2021. He takes a keen interest in 'deep dive' analysis into investment planning solutions, has passed all of the relevant exams to achieve Chartered status and is one of the rising stars of our team.



George Baker-White, ACSI
Financial Planner

Since graduating from the University of Exeter (2:1 International Relations with Spanish) in 2019, George has forged a career in wealth management, initially in support roles before becoming an adviser. George is diploma qualified with the CISI and is working towards achieving Chartered qualification in 2026.



Simon Bullock, APFS
Executive Chairman

Simon joined Chase de Vere's graduate training programme in 1997, having gained a 2:1 (Swansea University) & an MA (Bristol Business School). After stints at Schroders and Barclays Private Bank (where he led the wealth structuring team in London) and having attained Chartered status, he founded Mulberry Bow in 2015.



Marc Baldrey
Financial Planner

Marc joined Mulberry Bow in 2025, strengthening our Midlands presence. With 15 years in professional rugby and as founder of Bold Sports Management, he combines financial expertise with elite sports insight. Holding the DipFS, he's now pursuing Chartered status to deliver strategic, empathetic, and long-term financial planning advice.



James England
Non-Exec Director

James England, Head of Investments at Debrett's, has over 20 years' experience in M&A, private equity, and corporate leadership. Founder of Debrett's Advisory and Investments, he has led 100+ mid-market deals across technology, services, industrials, and healthcare, shaping group strategy and fostering long-term, trusted client partnerships.

In collaboration with Pacific Asset Management

Mulberry Bow has produced this newsletter with the kind support of the research team at PAM, a modern institutional asset manager that manages in excess of £13.7bn* of client assets.

**As at 30 November 2025*

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