



*It's time once again to take stock on the past year and look forward to the next one. I hope that the rollercoaster ride which was 2025 has left you well, wiser and wealthier.*

*The financial markets in 2025 showed remarkable resilience in the face of escalating global trade tariffs, stop-start negotiations in the Ukraine and the Middle East, uncertainty over Artificial Intelligence and stubborn inflationary pressures. This year has seen, at times, record growth in stock market indices.*

*Over the course of the last 12 months many of us will have lost beloved family members and friends. We hope that the great memories you've had in their company will bring you some comfort at this time of year.*

A handwritten signature in green ink, appearing to read "Andy".

## Enter Dynamic Planner



In 2026 we are proudly rolling out a new interactive digital platform, Dynamic Planner, which is going to revolutionise your progress meetings.

This platform combines real time information from asset management companies with risk profiling and cash-flow modelling functions. It'll streamline the delivery of my financial advice and tailor services to your individual needs and circumstances. We're also looking at introducing a mobile app for you to track your progress in an instant.

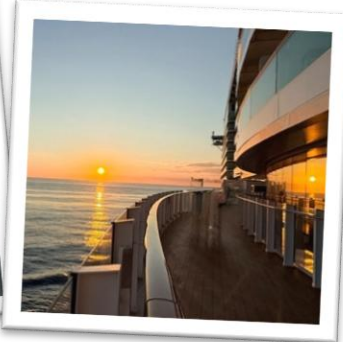
Ahead of your progress meeting, we will send you a link inviting you to update your details, think about your investment objectives and set questions for me. It will improve your engagement; the more info you give us, the more you'll benefit.

## Why we do what we do: Your 2025 highlights

We love to hear about your breaks and getting your holiday pictures. Life is about enjoying the fruits of your hard-earned money. Here are some examples of doing just that.



Hazel and sons in and around the Med



Jan sightseeing



Simon and Clair on  
South Africa's  
Garden Route

Penny feeling  
festive



Lemur whisperer  
Julia



Chris and Satoko celebrating  
paying off their mortgage

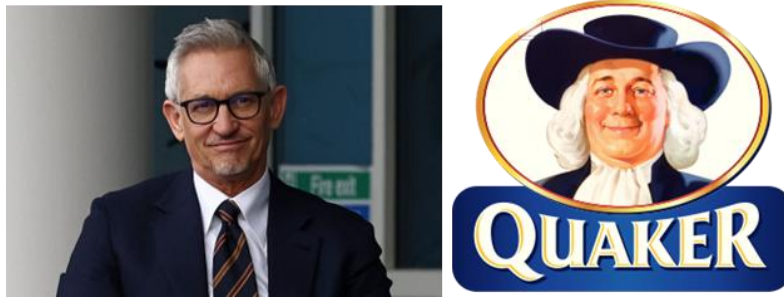


Janice and Adrian on safari in South Africa

## What will be the highlights of your 2026?



## What do these two characters have in common?



Source: BBC/Quaker

The answer is that they've both worked for **Pepsi**.

This might be a bit surprising, because we most often think of **Pepsi** as a **worse/better** alternative to **Coca-Cola** (delete as appropriate, we don't take sides).

Both **Coca-Cola** and **Pepsi** have similar origin stories as drinks created by drugstore owners in late-1800's America, which spread across the country and the world, competing all the way. Now, when it comes to the cola wars, **Coca-Cola** has basically won. It's the most popular soft drink on earth, and as we mentioned a year or so ago, **Coca-Cola** is the second-most understood word in the **world**, after "OK".

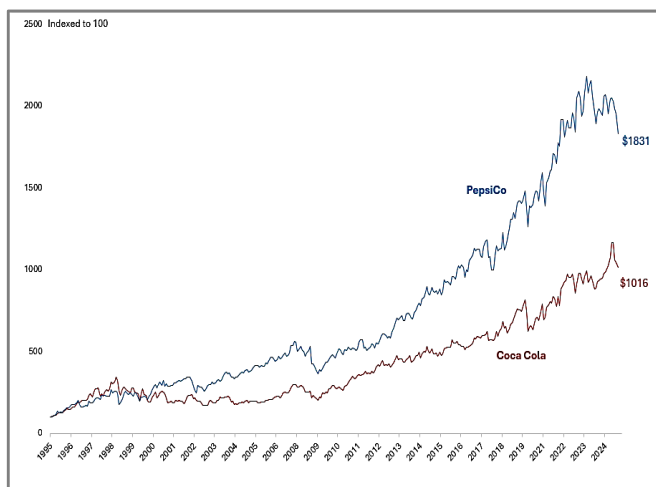
As of 2024, Americans even drink more Dr. Pepper (also created in a US drug store at the turn of the century!) than they do Pepsi. **Brutal**.

But! That's where it gets interesting (in investment terms); where **Coca-Cola** is all about drinks, **PepsiCo** isn't just in the fizzy drink business. It owns Walkers (hence Gary), and Quaker Oats, as well as Doritos, Tropicana and the Starbucks cold coffees. There are also dozens of other brands which would be instantly recognisable if you live in Mexico, or South Africa, or Indonesia.

In the last twelve months, **Coca-Cola** made sales of about \$45 billion. **PepsiCo** doubled that.

**Coca-Cola** does **one** thing better than anyone else. **PepsiCo** does **lots of things** better than most.

## The result?



Source: FactSet. Chart shows Total Returns, past performance is not a guide to future returns, 01/01/1995 to 01/01/2025

If you stuck \$100 into both companies 30 years ago, your **Coca-Cola** shares would be worth just over \$1000, while your **PepsiCo** shares would be over \$1800.

The beauty of **PepsiCo**'s business strategy is that it can deal with different states of the world.

While **Coca-Cola** was struggling with the tech bubble bursting (and the fall in US consumption), **Pepsi** was benefitting from the boom in Emerging Markets – particularly the rise of supermarkets stocking crisps, rice and porridge.

**Coca-Cola** focussed on winning the cola wars.

**PepsiCo** built a diversified business. Whose shareholders are happier?

Thanks to: 7IM@7am



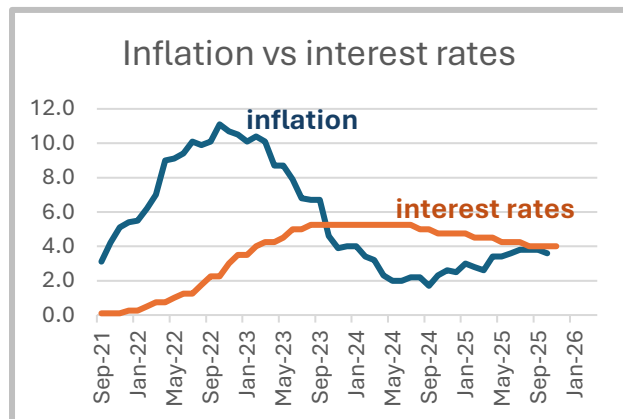


Cycle Around the World: Steve Aslin in the States raising money for the Grenfell Foundation enabling youth projects and schools in North Kensington

## 2025: A year in transition

- Interest rates**

These have been cut three times this year, from 4.75% to 4.0%, and may reduce further just before Christmas. Great news for mortgage payers but not so great for cash savings which may even lose real value.



- Inflation**

Inflation eats into your savings, investments and salary. It crept up from 3% in January but November's figure of 3.2% is lower than it has been for 8 months. It is generally expected to fall in 2026.

- Global backdrop**

The Middle East conflict has reached a kind of peace, but tensions remain. Consequences of Russian aggression in the Ukraine are likely to be felt for years to come. US trade tariff negotiations were designed to boost American industry; whether they do, and at what cost to international relations, we have yet to see. Climate issues this year have included more wildfires, floods and hurricanes and will be addressed at conferences in June (London), Paris (October) and November (Turkey).



# Making your resources work for you

## Cash

Interest rates eased during 2025, and with them the returns on cash accounts and fixed-term products. Now's the time to reassess how much cash you need for security. So, check to see if you have excess savings. Review your emergency fund and short-term needs. Anything beyond these may be better suited to medium- or long-term investment strategies.

## Mortgages and borrowing

With this year's gradual reductions in the Bank of England base rate, it's a good time to consider your options. Would a tracker interest rate suit you better?

Check your mortgage product for Early Repayment Penalties (ERCs): Before your mortgage product renews, it may be worth your while letting your current product lapse and going onto a Standard Variable Rate (SVR) for a month. SVRs are higher, but choosing this option would enable you to make an overpayment without incurring an ERC, and when you do sign up to a new product, your repayments would be smaller.

Also, look around the market for any refinancing opportunities, i.e. replacing your existing loan for one with a cheaper rate. Even small rate changes can have a meaningful impact on long-term borrowing costs.

## Staying the course during market shifts

The volatility seen in recent years is a reminder that markets move in cycles. Lower interest rates and changing market dynamics have created potential windows for repositioning portfolios. Where there is crisis, there is opportunity; reacting emotionally often does more harm than good. For long-term investors, periods of uncertainty can create chances to prosper, especially when aligned with a structured investment plan.



Three investment scenarios starting at 2010

Source – Morningstar

## Jobs for the run-up to the New Year

Review Pension Contributions	Check ISA allowances	Revisit Protection Policies	Check Beneficiary details	Do your paperwork
A small increase can have a big long-term impact, especially in a shifting interest rate environment.	Funding before the tax year end allows for more potential growth.	Life, Income Protection and Critical Illness Cover should evolve with your changing circumstances.	Revisit this every two years. Simple but often forgotten – especially after major life changes.	End-of-year is a great time to tidy documents and ensure that accounts and investments are easy to track.

## Serious illness cover

The High Court has recently allowed serious illness cover to be added to relevant life policies that are funded through your limited company.

If you run a limited company and you haven't been paying for life insurance or Critical Illness Cover, please let me know. It can be an excellent tax saving whilst protecting you and your family.



Why didn't I discuss Income Protection with Andy?

## Our communications and podCasts

Click [here](https://www.maherbrownsword.co.uk/news.html) to access a wealth of information on the Mahe Brownsword website, and then scroll to of all the communications we have sent. Here, you'll also be able to watch our podcasts and get insights into the world of investing, explained by experts in the field.

<https://www.maherbrownsword.co.uk/news.html>

## Giving thanks

Over the holiday season, Maher Brownsword will be supporting three charities.

The summer of 2025 was the warmest and driest on record in the UK. Campaigning for a greener world, the *Woodland Trust* looks after forested areas across the UK, helping to support wildlife, provide accessible green spaces, and importantly, to combat climate change and help make provision for a sustainable future.

*Age UK* is a charity close to our hearts in the office as all of us have aging parents. This charity supports and advises older people and their families, as well as offering friendship to those facing loneliness, poverty, and lack of access to services.

In recognition of the number of people who suffer from mental health issues, we will also be donating to *Mind*. My own father, who has been ill for a while, has received amazing treatment from various organisations over the last twelve months including Mind, and I wanted to recognise the inspiring people who have supported him.

As we wrap up another year, we'd like to extend out heartfelt thanks for your continued trust and partnership. Your individual journeys are personal and we are honoured to support you through each milestone, challenge and opportunity.

We look forward to guiding you through a prosperous, fulfilling and healthy 2026.

## Office hours over the festive period

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**Latest date for investment and withdrawal requests:** Tuesday, 16<sup>th</sup> December 2025

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**Office closes:** Tuesday, 23<sup>rd</sup> December 2025 at 1:30pm

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**Office reopens:** Friday, 2<sup>nd</sup> January 2026 at 9:00am

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We wish you and yours  
a peaceful holiday season  
and prosperous new year.

10 Guild Street  
Stratford-upon-Avon  
Warwickshire, CV37 6RE

T: 01789 268656  
M: 07820 0011337

info@no1ifa.com  
www.maherbrownsword.co.uk