Department for Communities
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NI CENTRAL INVESTMENT FUND FOR CHARITIES
Fund Update June 2026

Fund Background

Established in 1965 through the Charities Act (Northern Ireland) 1964, the Northern Ireland Central Investment Fund for Charities (the Fund) aims to provide trustees of charities with the opportunity to invest all or part of their funds with the benefit of expert supervision. It is managed by the Department through recognised fund managers (currently LGT Wealth Management, formerly abrdn), and its investment policy is guided by a locally based Advisory Committee appointed by the Department.

Fund Aim & Risk Profile

Aim: The primary objective of the Fund is to generate income and thereafter long-term capital growth in real terms. The recommended investment timeframe is 5 years and over. The Fund aims to achieve an annual return of 3.5% (net of fees and charges) above the UK rate of inflation as measured by CPI, over the medium term through a combination of income and capital growth.

Income : The fund aims to distribute an income of 3% per annum to investors.

Risk Profile: Based on the definitions of risk determined by LGT Wealth Management, the portfolio is categorised as being managed with a medium high risk approach.

Fund Facts

Launch Date:	March 1965
Share Price:	1803.89 pence*
Fund Value:	£60,395,240*
Portfolio Manager:	LGT Wealth Management
Cost Associated With Management Of the Fund:	0.56%**
Dividend Payment:	Biannual - June & December

* Price & Valuation @ 30 June 2026

***Information based on 12 rolling months and % calculated against 31 December 2025 valuation.*

Performance against Benchmark (%)

	3 Months	Rolling 12 Months	3 Years Annualised	5 Years Annualised
Fund	6.4	19.2	11.2	6.5
Benchmark	9.0	20.4	10.9	11.7
Difference	(2.6)	(1.2)	0.3	(5.2)

Discrete Calendar Year Performance (%)

	2025	2024	2023	2022	2021	2020
Fund	12.3	6.4	9.1	(9.3)	13.9	7.5
Benchmark	15.3	6.1	7.6	14.4	9.1	4.1
Difference	3	0.3	1.5	(23.7)	4.8	3.4

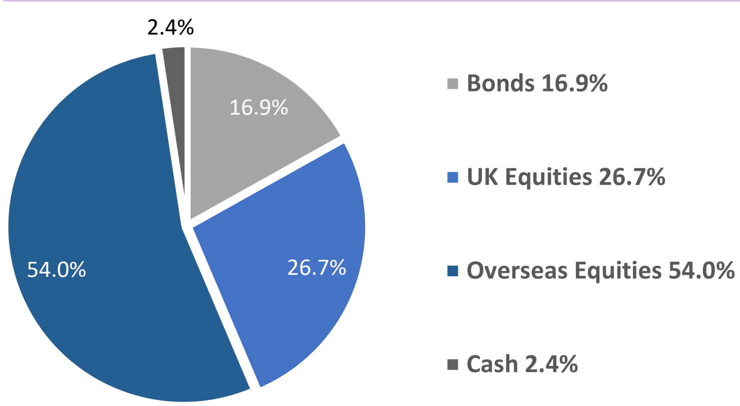
Current Benchmark UK CPI +3.5% p.a. (from 01/04/2019) prior to this the benchmark was a composite of 12.5% FTSE UK Gilts All Stocks, 12.5% ICE BoAML Stg non-Gilts, 50% FTSE All Share, 20% FTSE World Index Series, 5% UK LIBID 7-day rate.
All performance returns are Total Returns unless otherwise specified. Performance figures for the Fund are calculated net of the management fee.

Top 10 Holdings

1. Taiwan Semiconductor Manufacturing
2. ASML
3. PICTET GLOBAL SUSTAINABLE CREDIT
4. Alphabet Inc Capital Stock
5. Schneider Electric SE
6. Eli Lilly & Co
7. UK(GOVT OF) 31/01/33
8. Shell PLC
9. AstraZeneca PLC
10. National Grid

Total Holdings: 54 – the top 10 holdings make up 31.15% of the Fund.

Asset Allocation



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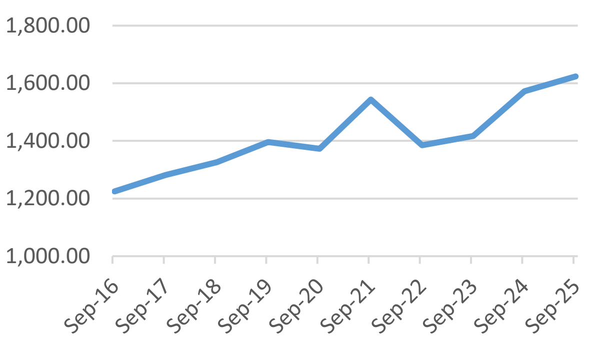
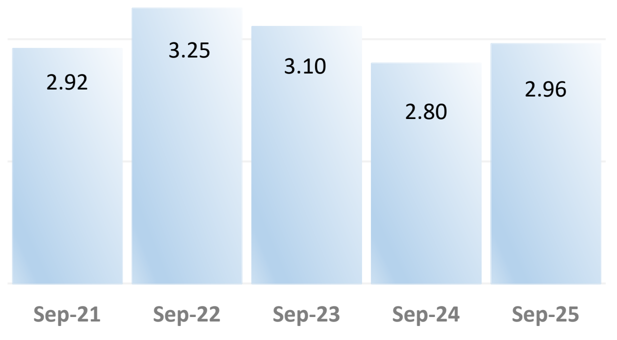
Share Price Trend (Pence)



Income Yield Trend (%)



Market Commentary

Q2 was one of the strongest quarters for equity markets in more than 5 years. US-listed companies were particularly strong, with the NASDAQ and S&P 500 returning their best quarter since 2021. Enthusiasm around AI, data centre and semiconductor demand continued to drive market leadership. As a result, the index exposure today increasingly carries significantly more concentration risk than the number of constituents suggests.

Among the most exceptional returns were the manufacturers of memory chips, such as Micro, SK Hynix and Samsung Electronics. The portfolios had no direct exposure to these companies, which dragged on performance. However, the portfolios did benefit indirectly through the holding in ASML, which is a critical supplier of lithography equipment to these major memory manufacturers. Beyond memory chips, AI infrastructure spending continues to expand at an extraordinary pace. A notable development this quarter is the shift in how this investment in being funded. What began as a capex cycle largely financed through hyperscalers' own cash generation is increasingly being supported by external capital, as data centre and chip spending now appears to be outpacing free cash flow.

Aside from AI, geopolitics remained an important driver of market behaviour in Q2; in particular, the evolving situation of the US-Iran conflict. The closure of the Strait of Hormuz disrupted a key global energy artery, pushing oil prices sharply higher and feeding into inflation expectations, bond yields, and near-term growth concerns, particularly in energy-importing regions such as Europe and parts of Asia. This created a more stagflationary backdrop early in the quarter, weighing on sentiment and increasing volatility across equities and interest rates expectations. Unsurprisingly, the impact was most visible in the energy sector and industries linked to commodity prices such as fuel, chemicals and freight. Holdings in Shell and TotalEnergies performed strongly against this backdrop, benefiting directly from the spike in oil prices triggered by the Strait disruption.

Change has also been afoot at the Federal Reserve, with Kevin Warsh succeeding Jerome Powell as chair in late May. While Warsh is more measured in his communications to the market, not yet contributing to interest rate 'dot plot' projections, the tone of his commentary has been hawkish and suggests a propensity to raise rates rather than deliver cuts in 2026.

The quarter was dominated by the AI investment boom, which drove strong equity returns but increased concentration risk and reliance on external financing. At the same time, geopolitical tensions and higher energy prices created inflation and market volatility, highlighting the importance of portfolio diversification and defensive holdings such as energy companies.

NICIFC ADDITIONAL KEY INFORMATION

The NICIFC's Statement of Investment Policy includes accountability standards that will be used for monitoring the progress of the Fund's investment strategy and for evaluating the performance of the investment manager(s) contracted on behalf of the Fund and its stakeholders can be found at **Northern Ireland Central Investment Fund for Charities Statement of Investment Policy | Department for Communities**

The current manager, LGT Wealth Management has set out its own specific policies on climate change and responsible investing, this can be located at **Sustainability, led by conviction | LGT (lgtwm.com)**

Contact

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Issued by Northern Ireland Central Investment Fund for Charities(NICIFC).

All information (excluding Historic Fund Performance) is sourced from LGT Wealth Management.

Past performance (actual or simulated) is not a reliable indicator of future results. The value of an investment in the Fund may fall as well as rise and investors may not get back the amount originally invested.

Portfolio and benchmark returns are preliminary estimates provided by LGT Wealth Management and have not been verified externally. They could, therefore, be liable to subsequent adjustment.

All data as of 30 June 2026 *This is a financial promotion and is not intended as investment advice.*