

OBJECTIVE

The objective is to provide capital growth, with the potential for income, over any 3-year period.

KEY FACTS

Fund Manager	GWA Asset Management Limited
Comparator	IA Mixed Investment 0-35% Shares
AUM	£101,375,102
Launch Date	19 June 2023
Share Class	MGTS Qualis Defensive I Acc
ISIN	GB00BQ66LH78
OCF	0.95%

MARKET COMMENTARY

Interest rate cuts, or the distinct lack of these, particularly in the US, resulted in another month of pressure for bond investors.

Starting the month at 4.361%, the yield on the US 10 Year Treasury ended the month at 4.687%, touching the 2024 to date high of 4.708% on the 25th of the month. To highlight the backdrop that bond investors have experienced over the past 12 months, at the end of April 2023, the 10-year yield was 3.572%.

And whereas the US Treasury yield was rising on the back of sticker inflation, the UK 10 Year Gilt yield was rising on the back of slower growth expectations. Starting the month at 4.085% the 10-year gilt ended April at 4.349%.

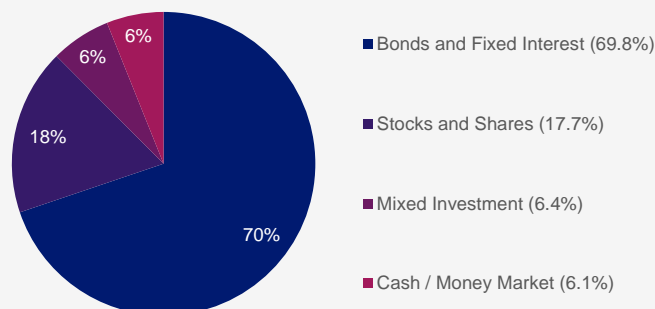
With anticipated interest cuts being pushed back to the end of the year in the US and afore mentioned data prints highlighting sticker inflation, we further reduced our bond exposure and interest rate risk (duration).

We removed our intermediate and longer dated Treasury and Gilt holdings (iShares \$ Treasury Bd 3-7yr ETF, iShares \$ Treasury Bd 20+y ETF and SPDR Bloomberg 15+ Year Gilt ETF), preferring to hold very short dated paper (iShares \$ Treasury Bond 0-1yr ETF and Royal London Short Term Money Market Fund) with the anticipation that bond yields are set to continue higher in the face of significant government spending in an election year.

Moving forward, the bond market will decide what is an appropriate yield to receive for holding an ever-growing mountain of US debt. With the current US annual expenditure of interest payments over \$1trn, perhaps the market will impose fiscal prudence where the legislature will not?

Andrew Alexander
Fund Manager

ASSET ALLOCATION



FULL PORTFOLIO HOLDINGS

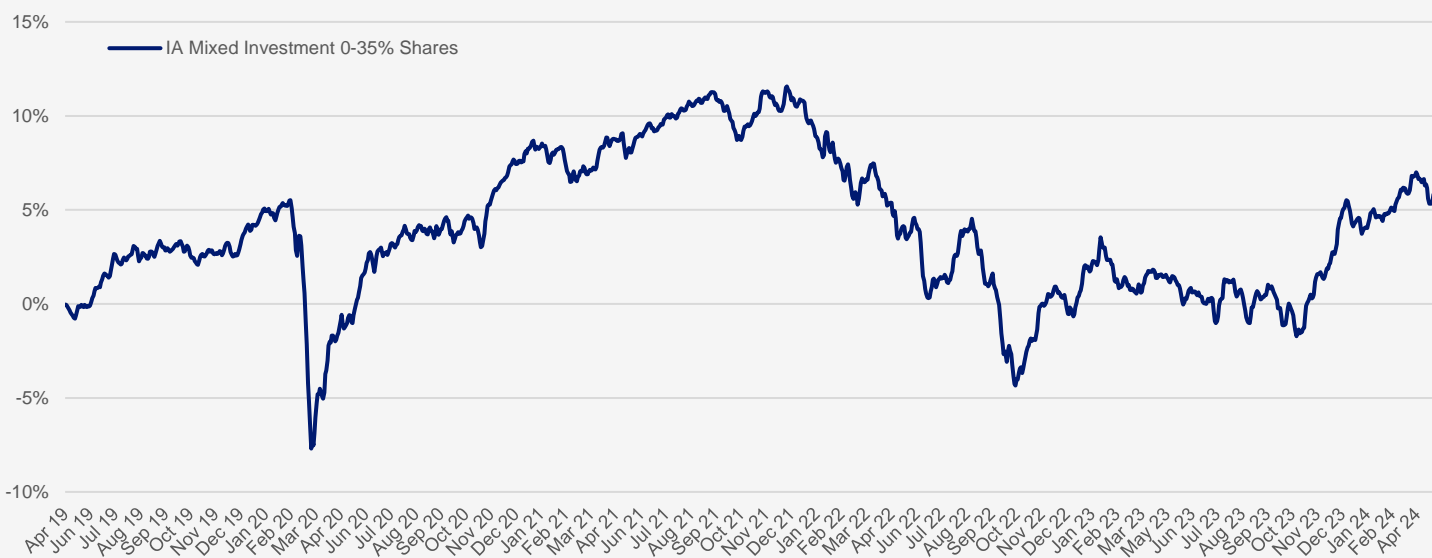
£ Strategic Bond	32.9%
Aegon Strategic Bond Fund GBP S Acc	10.0%
Man GLG Dynamic Income - IF H GBP Capitalisation	10.0%
L&G Dynamic Bond I Acc	7.6%
BlackRock Sustainable Sterling Strategic Bond Fund	4.9%
SVS RM Infrastructure Bond Fund F Class Acc	0.5%
Targeted Absolute Return	25.1%
VT Argonaut Absolute Return Fund Class I GBP	7.7%
Royal London Diversified ABS Fund Z Acc	7.4%
GAM Star Fund Plc GAM Star Global Rates Class GBP	5.0%
M&G Global Target Return Fund GBP L Acc	4.9%
USD Government Bond	9.8%
iShares Treasury Bond 0-1yr UCITS ETF USD Acc	9.8%
£ Corporate Bond	9.4%
Man GLG Sterling Corporate Bond Fund Institutional	9.4%
Multistrategy GBP	6.4%
SEI Liquid Alternative Fund Hedged Sterling Wealth	6.4%
UK Gilts	5.1%
iShares Core UK Gilts UCITS ETF GBP (Dist)	5.1%
Other Bond	5.1%
Nomura Funds Ireland Corporate Hybrid Bond Fund F	5.1%
Money Markets	4.9%
Royal London Short Term Money Market Y Acc	4.9%
Deposits	1.1%
GBP Cash	1.1%

PERFORMANCE

The IA (Investment Association) Mixed Investment 0-35% Shares Sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is expected to have a similar risk profile to the Sub-fund. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

Cumulative Performance	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
MGTS Qualis Defensive I Acc	0.13	2.45	-	-	-	-
IA Mixed Investment 0-35% Shares	1.02	7.50	4.40	-2.52	5.96	26.93

Discrete Performance	YTD	2023	2022	2021	2020	2019
MGTS Qualis Defensive I Acc	-0.32	-	-	-	-	-
IA Mixed Investment 0-35% Shares	0.40	6.06	-10.22	2.57	3.98	8.80



Source: Morningstar Direct as at 30 April 2024. Performance is bid to bid with income reinvested. Past Performance is no guarantee of future performance and investors may get back less than the original amount invested.

IMPORTANT INFORMATION

Margetts Fund Management Ltd is authorised and regulated by the Financial Conduct Authority. Past Performance is no guarantee of future performance. The value of an investment and the income from it can fall as well as rise and investors may get back less than they invested. Quoted yields are based on the previous 12 months distributions to investors and are not guaranteed. Future distributions may differ and will be subject to market factors. Risk factors should be taken into account and understood including (but not limited to) currency movements, market risk, liquidity risk, concentration risk, lack of certainty risk, inflation risk, performance risk, local market risk and credit risk. The information on this factsheet is intended to provide information only and should not be interpreted as advice. Margetts recommend that investors seek professional advice before making any investment to ensure that the product is suitable and can achieve their objectives. Investors should ensure that they have read and understood the Key Investor Information Document (KIID) and Supplementary Information Document (SID), which contain important information. A copy of these documents is available on the website or on request from Margetts Fund Management. Contact details are provided below. Margetts does not warrant that information will be error-free. There is no guarantee that the objective will be achieved, and capital is at risk.