

## OBJECTIVE

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

## KEY FACTS

Investment Manager	<b>GWA Asset Management Limited</b>
Comparator	<b>IA Mixed Investment 0-35% Shares</b>
Fund Size	<b>£119,452,440</b>
Launch Date	<b>19 June 2023</b>
Share Class	<b>MGTS Qualis Defensive I Acc</b>
ISIN	<b>GB00BQ66LH78</b>
OCF	<b>1.010%</b>
Yield	<b>3.480%</b>

## MARKET COMMENTARY

Global bond markets remained volatile in May as investors continued to assess the outlook for inflation, central-bank policy and fiscal sustainability. The month was marked by a sharp mid-month rise in longer-dated yields, driven by elevated oil prices and ongoing uncertainty in the Middle East, before yields eased into month-end as speculation around a potential de-escalation of the conflict increased.

In the US, the 10-year Treasury yield rose from 4.38% on 1 May to 4.45% by 29 May, having moved materially higher during the month as markets questioned the timing of any future Federal Reserve easing. The 30-year Treasury yield also briefly moved above 5%, reflecting continued investor concern around inflation, fiscal deficits and the additional term premium required to hold longer-dated government debt.

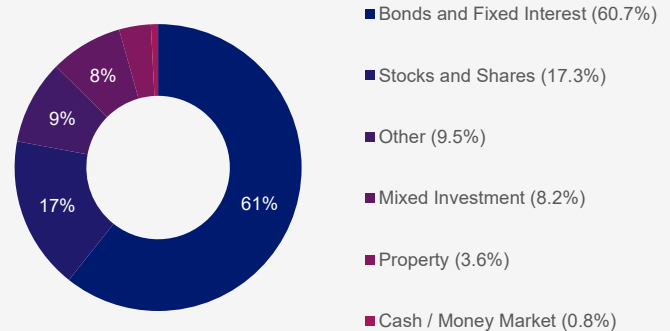
The UK gilt market was also volatile, although yields ultimately finished lower. The 10-year gilt yield fell from 4.97% to 4.81% over the period, despite briefly moving above 5.1% during the month.

Credit markets proved more resilient than government bonds, supported by strong investor demand and broadly stable corporate fundamentals. However, spreads remain tight by historical standards, leaving limited margin for error should growth slow or inflation prove more persistent.

Overall, May was another challenging month for fixed income investors. Although yields remain attractive in absolute terms, continued volatility across government bond markets reinforces our cautious approach to duration risk. As a result, we made no changes to the fund during the month. We continue to see opportunities in selective credit and diversified income strategies, while remaining mindful that inflation, fiscal pressure and geopolitical uncertainty continue to pose risks to longer-dated bonds.

Fund Manager  
Andrew Alexander

## ASSET ALLOCATION



## PORTFOLIO HOLDINGS

<b>Targeted Absolute Return</b>	<b>30.79%</b>
Royal London Diversified ABS Fund Z Acc	<b>9.00%</b>
YFS Argonaut Absolute Return I GBP Acc	<b>7.36%</b>
SVS RM Defensive Capital Fund C GBP Acc	<b>7.03%</b>
M&G Global Target Return Fund GBP L Acc	<b>4.94%</b>
Artemis Atlas F GBP Acc	<b>2.46%</b>
<b>£ Strategic Bond</b>	<b>20.61%</b>
Man Dynamic Income IF H GBP Acc	<b>7.50%</b>
Aegon Strategic Bond Fund GBP S Acc	<b>7.14%</b>
L&G Dynamic Bond I Acc	<b>4.51%</b>
SVS RM Infrastructure Bond Fund F Class Acc	<b>1.45%</b>
<b>Specialist Bond</b>	<b>15.99%</b>
iShares \$ Floating Rate Bond UCITS ETF GBP Hedged	<b>15.99%</b>
<b>£ Corporate Bond</b>	<b>7.60%</b>
Man GLG Sterling Corporate Bond Fund Institutional	<b>7.60%</b>
<b>Other Bond</b>	<b>7.46%</b>
Nomura Funds Ireland Corporate Hybrid Bond Fund F	<b>7.46%</b>
<b>Global</b>	<b>5.20%</b>
Man Global Credit Value ILF H GBP Acc	<b>5.20%</b>
<b>Alt - Other</b>	<b>4.98%</b>
YFS Kernow Equity Navigator Fund - Accumulation	<b>4.98%</b>
<b>Property</b>	<b>3.58%</b>
L&G UK Property I Acc (PAIF)	<b>3.58%</b>
<b>Specialist</b>	<b>3.00%</b>
Janus Henderson Diversified Alternatives Fund I Acc	<b>3.00%</b>
<b>Deposits</b>	<b>0.81%</b>
GBP Cash	<b>0.81%</b>

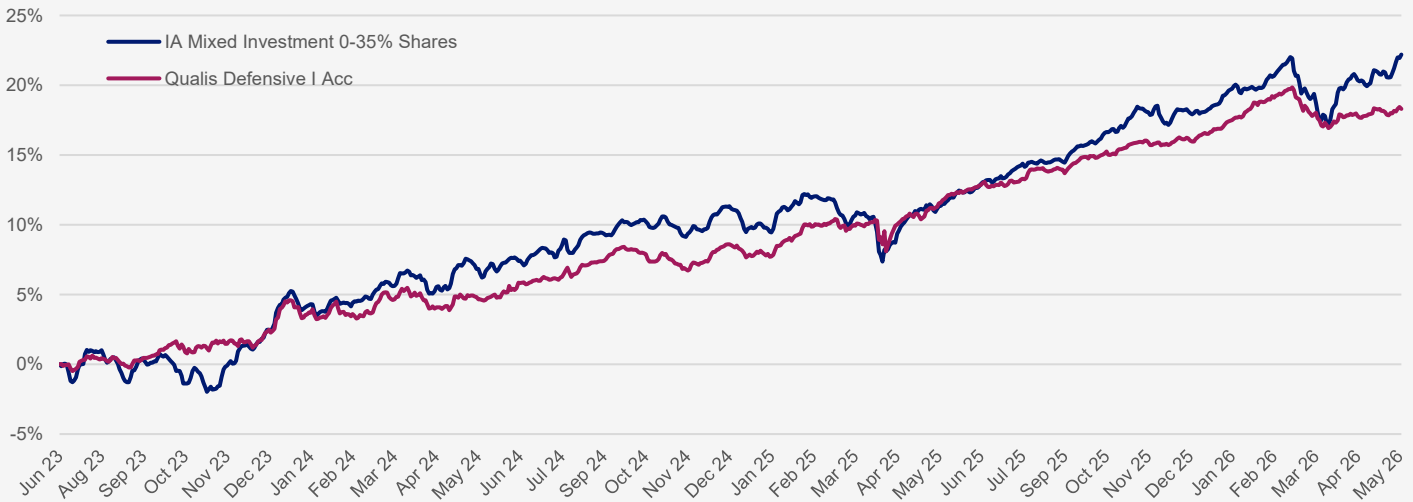
## PERFORMANCE

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
Qualis Defensive I Acc	-1.20	1.83	6.00	-	-	-
IA Mixed Investment 0-35% Shares	0.15	3.31	9.73	22.56	12.57	38.78

Discrete Performance	YTD	2025	2024	2023	2022	2021
Qualis Defensive I Acc	1.25	8.28	3.24	-	-	-
IA Mixed Investment 0-35% Shares	3.03	8.02	4.37	6.06	-10.22	2.57



Source: Morningstar Direct as at 29 May 2026. 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

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