

## OBJECTIVE

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

## KEY FACTS

Fund Manager	<b>GWA Asset Management Limited</b>
Comparator	<b>IA Mixed Investment 0-35% Shares</b>
Fund Size	<b>£108,210,127</b>
Launch Date	<b>19 June 2023</b>
Share Class	<b>MGTS Qualis Defensive I Acc</b>
ISIN	<b>GB00BQ66LH78</b>
OCF	<b>0.92%</b>

## MARKET COMMENTARY

December 2024 was marked by varied performances across the global bond market, influenced by central bank policies, economic data, and investor sentiment. High-yield bonds were among the top performers, while government and investment-grade corporate bonds faced challenges due to rising yields and inflation concerns.

Central banks in the U.S. and UK implemented rate cuts, but these were fewer than markets had anticipated due to rising inflation. Both the 10-year US Treasury and the 10-year UK Gilt experienced significant yield movements in December 2024, with the US Treasury yield peaking at 4.59% on December 24, while the UK Gilt yield peaked at 4.62% on December 30.

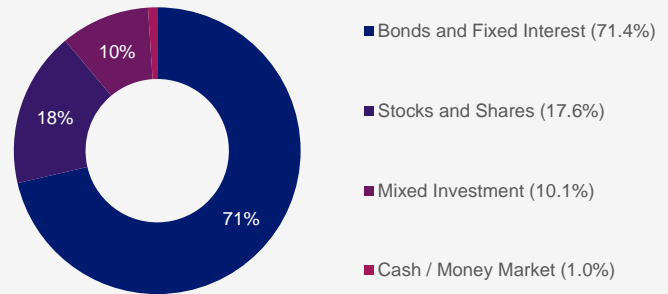
Of notable concern was the performance of the UK 30-year Gilt, due in part by the reaction to the recent Labour government budget. Starting the month with a yield of 4.80, the yield peaked at 5.17% on December 27, reflecting the market's demand for higher returns amid long-term economic uncertainties.

Due to continued uncertainty surrounding both fiscal and monetary pathways during 2025, we made several changes to the portfolio, increasing our allocations to existing Strategic Bond and Alternative funds, whilst reducing our government bond exposure.

The bond market in 2025 is expected to be characterized by range-bound but volatile yields, influenced by steady economic growth, sticky inflation and cautious monetary policies. We believe the changes made to the fund will offer the most appropriate way for Investors to manage continued volatility and navigate the market effectively.

Andrew Alexander  
Fund Manager

## ASSET ALLOCATION



## FULL PORTFOLIO HOLDINGS

<b>Targeted Absolute Return</b>	<b>30.2%</b>
TM Tellworth UK Select Fund - Class A Acc	<b>10.1%</b>
VT Argonaut Absolute Return Fund Class I GBP	<b>7.7%</b>
Royal London Diversified ABS Fund Z Acc	<b>7.5%</b>
M&G Global Target Return Fund GBP L Acc	<b>4.8%</b>
<b>£ Strategic Bond</b>	<b>28.9%</b>
Aegon Strategic Bond Fund GBP S Acc	<b>10.0%</b>
Man GLG Dynamic Income - IF H GBP Capitalisation	<b>9.9%</b>
L&G Dynamic Bond I Acc	<b>7.4%</b>
SVS RM Infrastructure Bond Fund F Class Acc	<b>1.5%</b>
<b>USD Government Bond</b>	<b>12.6%</b>
iShares \$ Treasury Bond 3-7 Year ETF GBP Hedged	<b>12.6%</b>
<b>£ Corporate Bond</b>	<b>9.9%</b>
Man GLG Sterling Corporate Bond Fund Institutional	<b>9.9%</b>
<b>Other Bond</b>	<b>7.5%</b>
Nomura Funds Ireland Corporate Hybrid Bond Fund F	<b>7.5%</b>
<b>UK Gilts</b>	<b>5.0%</b>
iShares Core UK Gilts UCITS ETF GBP (Dist)	<b>5.0%</b>
<b>Property</b>	<b>5.0%</b>
iShares UK Property UCITS ETF GBP (Dist)	<b>5.0%</b>
<b>Deposits</b>	<b>1.0%</b>
GBP Cash	<b>1.0%</b>

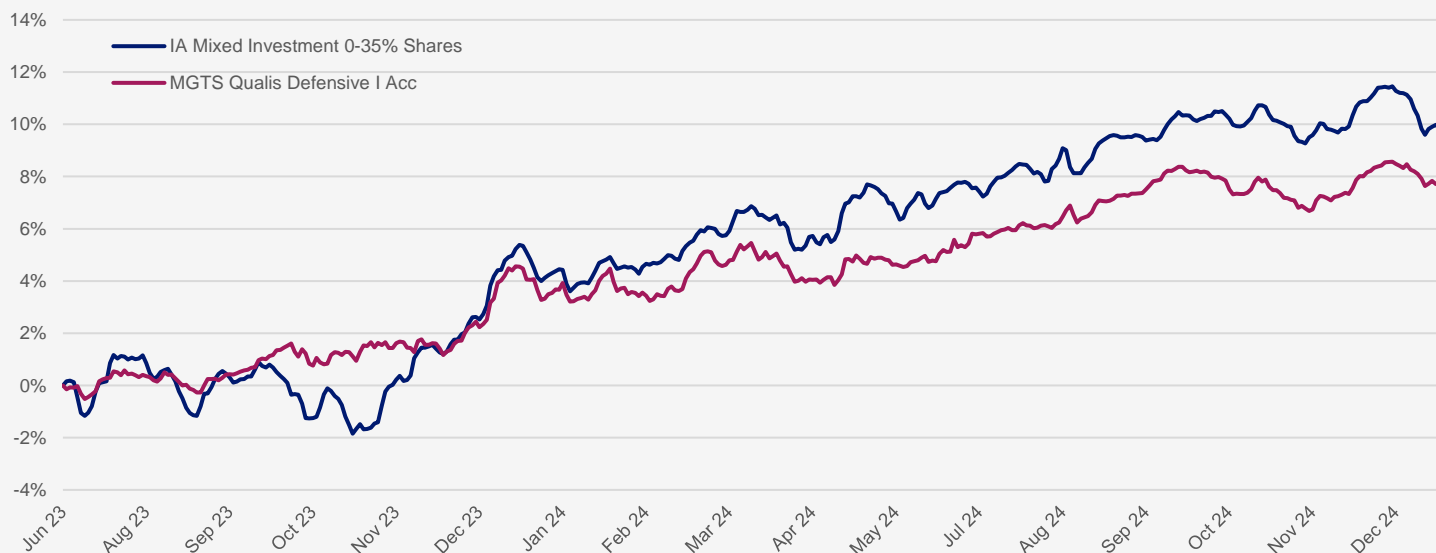
## PERFORMANCE

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
MGTS Qualis Defensive I Acc	-0.11	1.97	3.24	-	-	-
IA Mixed Investment 0-35% Shares	-0.35	2.19	4.36	-0.63	5.98	27.56

Discrete Performance	YTD	2023	2022	2021	2020	2019
MGTS Qualis Defensive I Acc	3.24	-	-	-	-	-
IA Mixed Investment 0-35% Shares	4.36	6.06	-10.22	2.57	3.98	8.80



Source: Morningstar Direct as at 31 December 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

The authorised corporate director of the fund, Margetts Fund Management Ltd, is authorised and regulated by the Financial Conduct Authority. This document is produced by Margetts Fund Management Ltd on behalf of GWA Asset Management Ltd, solely for use by authorised and qualified professional financial advisers. 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 OCFs may include a subsidised AMC. 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.