



QUARTERLY REPORT

April 2025



The Future Money strategies are run with the aim of providing investors with carefully risk managed investment solutions.

This report is designed to provide an insight into how the four strategies have been managed, along with the thought processes behind the investment decisions made by the fund managers.

Quarterly Report | April 2025

Market Commentary

Our scepticism towards US technology stock valuations was well rewarded this quarter as they led the market lower. Tech underperformed due to the emergence of low-cost Chinese AI firm DeepSeek and declining US sentiment since Trump's inauguration. High valuations and Trump's tariff threats benefited UK, European, and Asian markets on a relative basis.

Since the report period ended, this story has evolved. Trump's 'liberation day' tariff announcements of early April triggered major sell-offs, followed by partial recoveries in equity and bond markets. However, currency markets remain have not recovered, with the US dollar showing sustained declines due to economic and political concerns.

Higher tariffs are expected to raise US consumer prices, increasing inflation and recession risks. Other countries will also suffer from reduced export revenue, but the IMF predicts the US will face the largest economic impact, eroding faith in 'American exceptionalism.'

For decades, the US was the most reliable trading partner in the western world, known for technological expertise, pro-business attitudes, stable policy, and respect for the rule of law. However, China now leads in many technological advancements, and the US president's belligerent stance on international order, central bank independence, and domestic courts, coupled with erratic policy shifts, has made the US less of a safe haven.

Portfolio Allocation

No asset allocation changes were made during the reporting period. In bonds, we maintain a spread between short and long durations. While long-term yields are more attractive than they have been, potential inflation from tariffs as well as increased government debt issuance pose risks and so we have not shifted further in this direction. We continue to favour higher credit quality, as lower-quality bonds offer minimal additional yield and are vulnerable to sell-offs amid economic disruption.

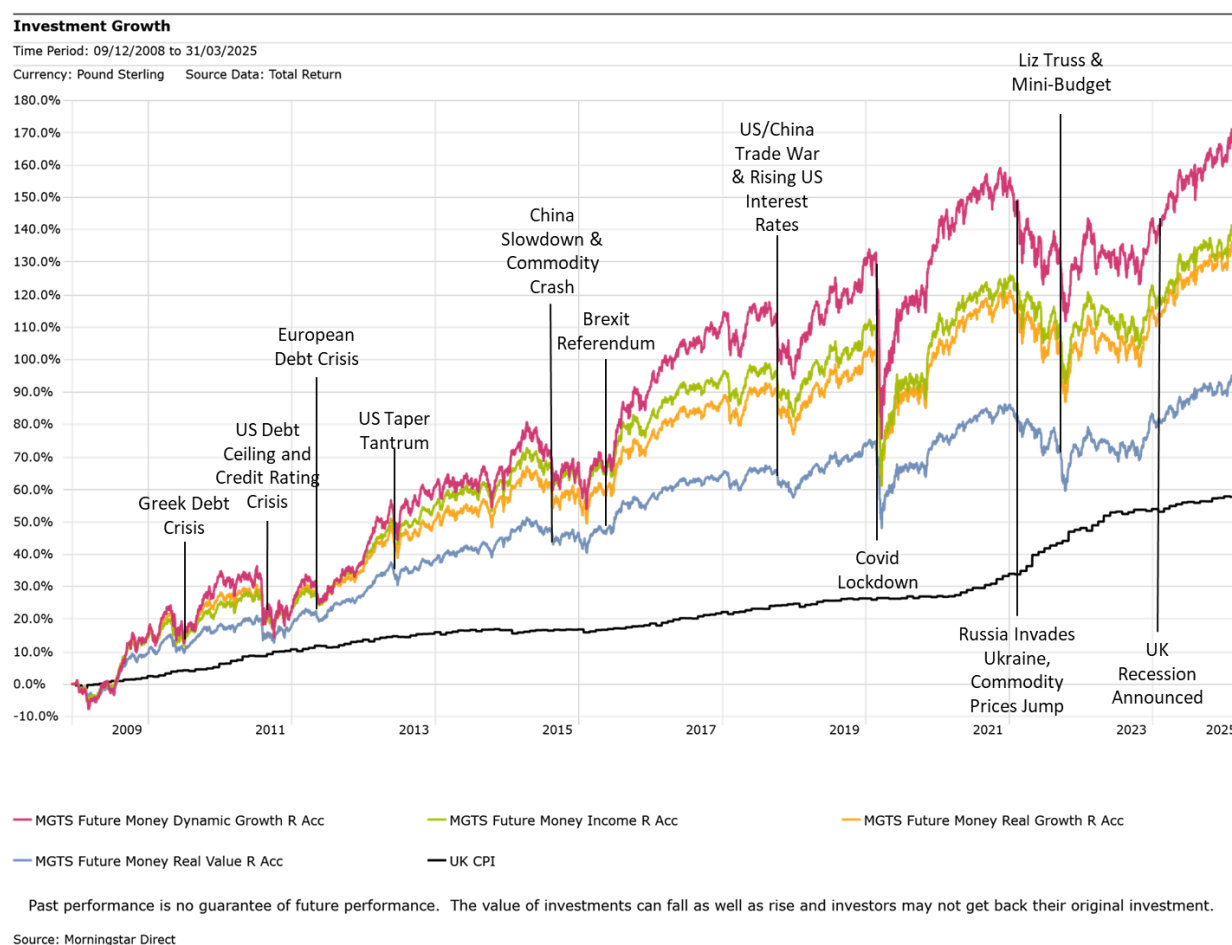
Equity exposures remain biased away from overvalued US stocks, favouring other regions. While these may lack cutting-edge technology stocks, they offer lower valuations and greater potential for positive surprises. This stance, long held, is now even more compelling as Trump's actions undermine confidence in US assets.

Within US equity positions, changes were made in January. The iShares S&P 500 Equal Weight Index ETF was replaced with a similar, lower-cost fund from L&G across the Real Value, Real Growth, and Dynamic Growth portfolios. A 1% iShares allocation is retained in Dynamic Growth to prevent the L&G fund from exceeding 10%, a limit we maintain to avoid overconcentration in the portfolios.

The Benefits of Staying Invested

From time to time investment markets can go through difficult periods due to poor economic news or political crises. It can be difficult to keep a cool head at times of major turmoil and it may be tempting to consider selling when this occurs. Yet, history shows the benefits of remaining invested when markets fall, with recoveries often following the most disruptive periods.

The following chart shows the performance of the Future Money portfolios since inception, with the major news stories of the time highlighted. This shows that for long term investors, while the downs may be less comfortable than the ups, remaining invested provides a strong chance of growing the value of your money over the long term.



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
MGTS Future Money Real Value R Acc	9.0	7.8	-0.5	8.4	8.6	4.9	1.1	7.3	4.6	-3.9	9.9	1.1	5.7	-8.2	7.4	3.6
MGTS Future Money Real Growth R Acc	14.4	11.0	-3.9	10.3	11.4	4.6	1.8	9.6	6.7	-4.8	13.2	0.7	8.4	-8.7	7.4	5.7
MGTS Future Money Dynamic Growth R Acc	15.0	15.9	-8.7	12.8	16.9	3.1	1.5	13.9	10.4	-7.4	17.8	2.8	7.3	-10.7	7.2	7.2
MGTS Future Money Income R Acc	2.6	9.2	7.3	-5.8	14.6	0.0	2.6	9.2	7.3	-5.8	14.6	0.0	6.8	-7.0	6.6	4.4
CPI	2.9	3.7	4.2	2.7	2.0	0.5	0.2	1.6	3.0	2.1	1.3	0.6	5.4	10.5	4.0	2.5

Data Source: Morningstar Direct. Currency: Pound Sterling. Total return.

Past performance is no guarantee of future performance. The value of investments can fall as well as rise and investors may not get back their original investment.

Important Information

Please note that the contents are based on the author's opinion and are not intended as investment advice. This information is aimed at professional advisers and should not be relied upon by any other persons.

Any research is for information only, does not constitute financial advice or necessarily reflect the views of the author and is subject to change.

It remains the responsibility of the financial adviser to verify the accuracy of the information and assess whether the fund is suitable and appropriate for their customer.

Past performance is not a reliable indicator of future performance. The value of investments and the income derived from them can fall as well as rise and investors may get back less than they invested.

Important information about the funds can be found in the Supplementary Information Document and NURS-KII Document which are available on our website or on request.

For any information about the Future Money funds please contact the authorised corporate director, Margetts Fund Management Ltd, on 0121 236 2380, admin@margetts.com or at 1 Sovereign Court, Graham Street, Birmingham B1 3JR. A copy of their Terms of Business which relates to investments into the funds can also be obtained using these contact details.

>futureMoney

QUARTERLY REPORT
April 2025

Future Money Ltd
James Watson House
Montgomery Way
Rosehill
Carlisle
CA1 2UU

0203 4570 387

www.futuremoney.co.uk

Authorised and Regulated by
the Financial Conduct Authority