



QUARTERLY REPORT

July 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.

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Market Commentary

The reporting period has seen large swings in markets. Global equities initially fell heavily in response to Donald Trump's 'Liberation Day' tariffs announcements of early April only to recover as the US president softened his stance, with pauses granted on the imposition of tariffs while talks take place. This showed Trump was using the threat of tariffs as a negotiating tactic, rather than as tool to withdraw the US from global trade. While damage will be done to the global economy as a result of tariffs, this will be less severe than it may have otherwise been.

This was part of Trump's 'America First' agenda, yet the experience dented investors' confidence in the US, leading to a significant fall in the value of the dollar. This contributed to the US equity market experiencing the lowest growth of the three-month period, when viewed in pound sterling terms. UK and European equities experienced the strongest returns, closely followed by the Emerging Market and Asian regions.

Bond markets initially performed strongly in the equity sell-off of early April as interest rate expectations fell amid heightened economic anxiety. Yet, the prospects for bonds later came under scrutiny. The inflationary risk of tariffs was one factor in this, while another is the likelihood of higher borrowing in the coming years as Trump's 'Big, Beautiful Bill' was announced. This showed that fiscal conservatism is out of the window, with tax cuts to be funded through increased borrowing. Elon Musk's Department of Government Efficiency (DOGE) was meant to identify savings in spending to pay for the tax cuts, but with him having left the administration with only minor savings identified, high levels of borrowing are now expected over the coming years. This is expected to push interest rates up and the prices of long-dated government bonds down.

Portfolio Allocation

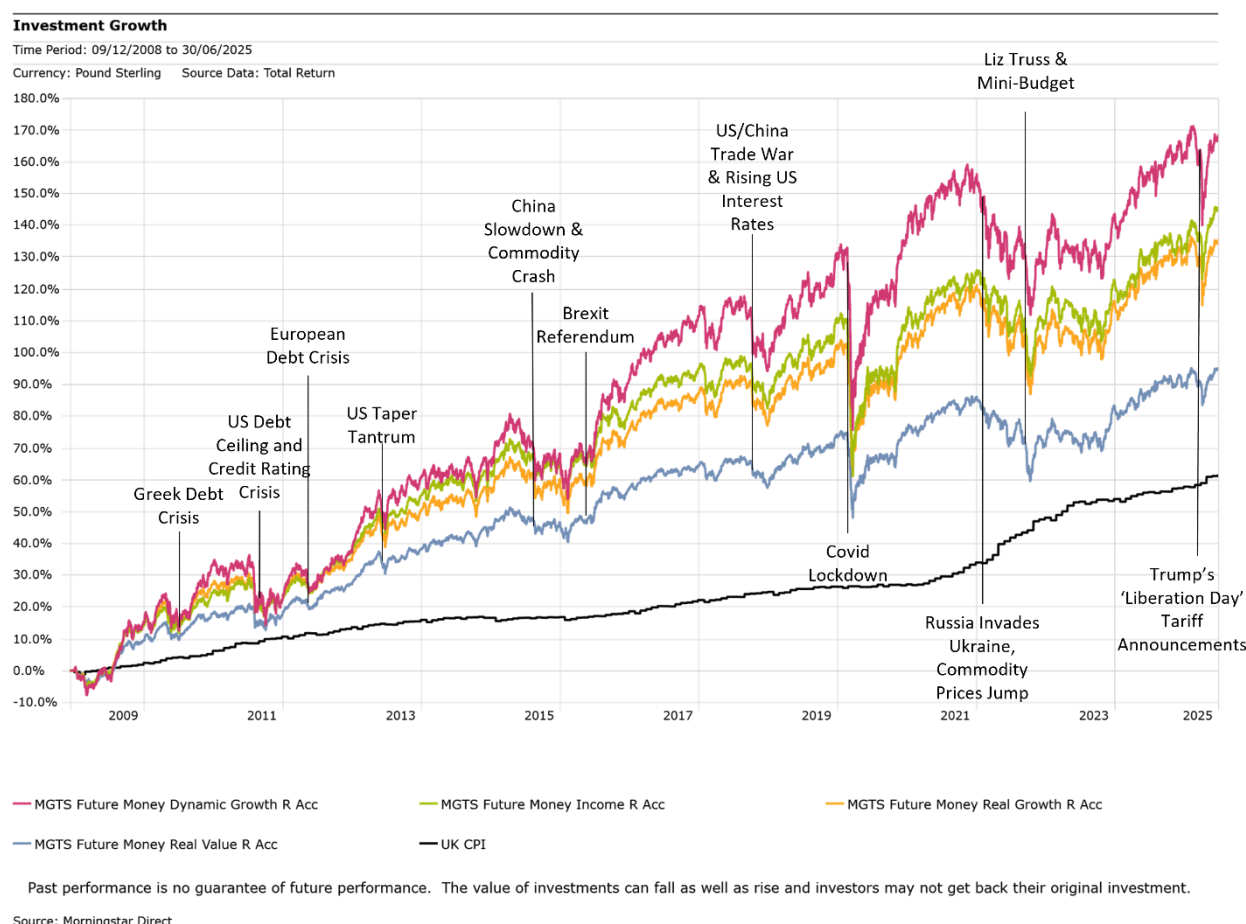
Our preference for Asian and Emerging Market exposure above US equities was well rewarded over this quarter and with the valuation discrepancy between these two still very stretched we believe this relative positioning has a lot more to offer. While valuation levels can mean very little to an investment's prospects over the shorter term and momentum can often be a more powerful force, over the long term valuation is one of the most useful predictors of future returns. As such, we favour a patient approach to asset allocation in the management of the Future Money portfolios.

Over the quarter reductions were made to the mid-cap US equity positions in Real Value and Real Growth, with the capital reallocated into European and Japanese equities. With Trump's tariff policies expected to have a detrimental impact on the US economy, opportunities elsewhere look more attractive. Europe is set to benefit from greater defence and infrastructure spending over the coming years while Japan is continuing its transformation into a market more friendly to minority investors.

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.



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

0203 4570 387

www.futuremoney.co.uk

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