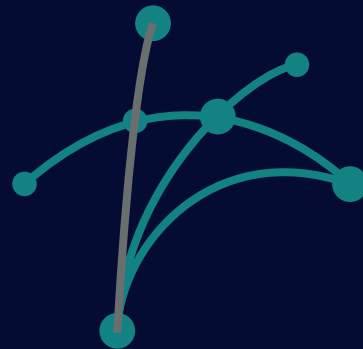


Omnis Agility



Tariff uncertainty persists, while US fiscal policy takes centre stage, keeping markets buoyant but investors wary

Market-moving events

Tariffs stay in focus. Markets welcomed a 90-day pause in US–China trade tariffs, but tensions remain. Tariffs are still higher than before and President Trump has accused China of reneging on the deal. The US also doubled duties on steel and aluminium, while a court ruled earlier tariffs illegal, though they remain in place pending appeal.

Markets buoyed by tax shift. With trade talks on hold, the US administration is pushing to extend Trump-era tax cuts before the summer recess. While the bill holds few surprises, it has supported the recent bounce in risk sentiment. Combined with worries about the widening fiscal deficit, it helped lift long-dated government bond yields towards their recent highs.

Data resilient but unclear. US economic data has so far held firm despite April's dip in sentiment, though investors remain cautious. Strong figures may reflect pre-shock momentum, while weak numbers could be shrugged off in the hope of a rebound. For now, the outlook remains clouded by political noise.

Investment highlights

Our key investment themes include:

Equities: Latam, China, US smaller companies,
US energy and UK Mid-cap

Bonds: US Treasuries and global inflation-linked bonds

Portfolio rebalance with added ETF exposure. We rebalanced all Agility portfolios in late April and introduced two new ETFs to reflect our latest tactical asset allocation views. These changes help ensure the portfolios remain diversified, responsive to market shifts and positioned to capture opportunities as they emerge across global markets.

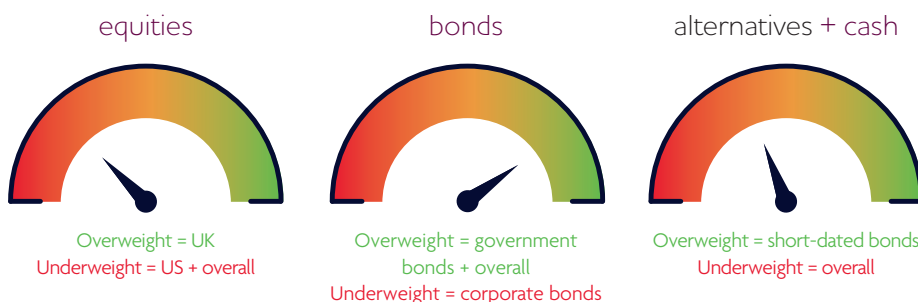
Targeting US smaller companies. We increased exposure to US smaller companies by adding the SPDR Russell 2000 US Small Cap UCITS ETF. Valuations remain attractive relative to large caps, and smaller firms may benefit more from any improvement in the US economy. With investor focus still skewed toward mega-cap stocks, we see room for rotation into smaller names.

Increasing allocation to China. We also added the iShares MSCI China A UCITS ETF to capture opportunities in Chinese equities. Policymakers are stepping up support for growth, and many domestically focused companies are less exposed to US trade tensions. We believe this part of the market offers selective value and potential upside as stimulus measures begin to take hold.

Asset allocation

Red = underweight
Amber = neutral weighting
Green = overweight

If you'd like more detail on our asset allocation views then please visit our [online dashboard](#).



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Approved by Omnis Investments on 4 June 2025