August 2026 | Monthly update

Omnis Managed Funds

Geopolitical tensions and shifting market leadership shaped investment decisions during a volatile month

Market-moving events

Energy markets. Brent crude rose more than 23% in July as disruption to shipping through the Strait of Hormuz renewed concerns over global energy supplies, helping energy stocks outperform the broader market.

Market rotation. The AI trade reversed sharply following the July Federal Reserve meeting and the collapse of the highly leveraged Situational Awareness Fund, prompting investors to rotate from mega-cap technology stocks into more defensive sectors.

Yen rebound. The Japanese yen recovered after Japan intervened to support its currency, reinforcing expectations that the Bank of Japan will continue to normalise monetary policy.

Investment highlights

More balanced positioning. We increased our fixed income allocation from underweight to neutral as improved yields (the income return on bonds) and more attractive valuations strengthened the outlook. At the same time, we reduced our overweight position in equities due to stretched valuations. However, we remain positive on the asset class, supported by resilient earnings, while recognising that elevated valuations require greater selectivity.

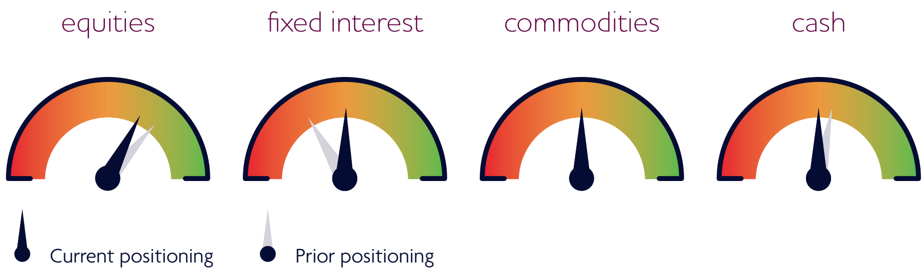
Growth opportunities. Overall, we remain positive on assets exposed to resilient global growth, including equities and industrial metals. Within equities, we favour the US, emerging markets and Europe, where resilient earnings and continued AI-related investment support growth. While gold continues to provide diversification benefits, our conviction has moderated as industrial metals appear better placed to benefit from the current economic backdrop.

Bond outlook. Within fixed income, we have become more constructive on government bonds given the improvement in yields and valuations, while remaining underweight corporate bonds, where relative value appears less compelling.

Current tactical views

Reduced overweight equities, neutralised the underweight to fixed income

Red = underweight
Amber = neutral weighting
Green = overweight



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Approved by Omnis Investments on 3 August 2026