

Omnis Managed Portfolio Service



Increased bond allocations supported returns in a challenging environment.

Market-moving events

Shifting headlines. Global equities and bonds were volatile and ended the month weaker as investors priced in rising inflation and interest rate risks. European, emerging market and Asian equities were hit hardest, while small caps also came under pressure. A late relief rally on hopes of easing Middle East tensions offered limited support. Bond yields in the US, Europe and UK moved higher overall, reflecting expectations of tighter policy.

Energy prices surge. Oil was a standout performer, rising sharply after the closure of the Strait of Hormuz removed a significant share of global supply. The speed of the move was among the strongest in decades. As a key driver of inflation, the surge has intensified concerns about persistent price pressures and their impact on growth.

Geopolitical risks rise. Uncertainty has increased amid concerns over supply chains, energy security and broader economic disruption. In response, the OECD has downgraded global growth forecasts and raised inflation expectations across multiple regions. This combination of weaker growth and higher inflation underscores the increasingly challenging outlook for policymakers and investors.

Investment highlights

Reduced US equities; increased global bonds. Throughout the month, we further reduced our US Equity Leaders Fund exposure and redeployed the funds into to the Omnis Global Bond Fund, reflecting caution around stretched US equity valuations.

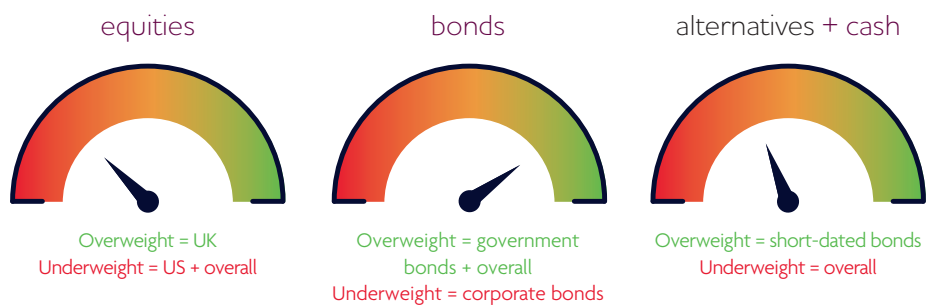
Tactical positioning rewarded. Overweight exposure to global bonds was a positive driver of performance through a volatile period.

Remain cautiously positioned. We continue to hold a moderate overweight position in bonds and an underweight allocation to equities, with a particular bias away from US large caps. We expect market leadership to broaden as the dominance of US mega caps fades and the AI led narrative comes under greater scrutiny.

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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