DECEMBER 2024
MARKET UPDATE & INVESTMENT REPORT

GUINNESS MULTI-ASSET FUNDS

GUINNESS GLOBAL INVESTORS

POWERED BY RBC Brewin Dolphin

This is a marketing communication. Please refer to the Prospectus, supplement and KID/KIIDs for the Funds before making any final investment decisions. This document is presented to you in your capacity as a Professional Client and is not for general distribution to Retail Clients. Should you receive this document as a Retail Client you should disregard its content and take no action based upon it.

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THE MONTH IN A MINUTE

NOVEMBER OVERVIEW

Whilst one uncertainty was removed with the Trump election win and the Republicans gaining control of both the House and the Senate, the impact of their policies remains shrouded in doubt. During his campaign, Trump said there would be 60% tariffs on Chinese imported goods and followed this up towards the end of the month with 25% tariffs on both Mexico and Canada from day one of his presidency. Whether this is just bluster, or a negotiating tool we won't know for sure until 2025. However, the appointment of John Thune as Republican Senate Leader, the abdication of Matt Gaetz from the Attorney General pick, the selection of Scott Bessent as Treasury Secretary and the narrow advantage the Republicans have in both houses provided hope that some of Trump's extreme ideas may get reined in.

US equities enjoyed a post-election rally as the prospect of tax cuts, reduced regulation and US nationalism provided a tailwind for most areas of the market, particularly US small caps which outperformed their larger cap peers. On the flip side, concerns around Trump's policies on the Affordable Care Act and health care generally saw pharmaceuticals fall dragging down the performance of value relative to growth stocks. The S&P 500 rose almost 6% (in USD) over the month bringing the year to date performance to around 27%.

The prospect of a Trump administration had an adverse impact on overseas markets with European, Asian and Emerging Markets equities all falling on concerns over tariffs and a strengthening dollar.

On the economic front news was more mixed, whilst the US Federal Reserve (Fed) cut rates by 25bps and US PMIs remained strong, an increase in inflation and Trump's policies cast doubt over the Fed's ability to cut rates as fast as they hoped. Markets readjusted their rate cut expectations for 2025 reducing them to just three and putting in the balance any cut at the Fed's next meeting.

The ECB are expected to cut rates further given continued economic weakness especially in France and Germany. Despite a tick up in inflation, European PMIs showing contraction in both the service and manufacturing industries is likely to be the driver to rate cuts. UK equities rose over the month as the BoE cut rates by 25bps, helping to recover the falls post the budget. With inflation rising and wages increasing at 4.8% further cuts will remain data dependent.

As we head to the end of the year the question will be, if after a strong year for US equity markets, whether the Santa rally continues.

THE MONTH IN NUMBERS

As at 31/11/2024	Guinness Multi-Asset Balanced Fund			Guinness Multi-Asset Growth Fund		
	Strategic Asset Allocation	Tactical Asset Allocation	Difference vs SAA	Strategic Asset Allocation	Tactical Asset Allocation	Difference vs SAA
Cash	2.5%	1.5%	-1.0%	2.5%	0.5%	-2.0%
Bonds	22.5%	22.5%	0.0%	12.0%	12.0%	0.0%
Government Bonds	8.5%	11.0%	2.5%	4.5%	7.0%	2.5%
Inflation Linked Bonds	3.0%	4.5%	1.5%	1.5%	3.0%	1.5%
Corporate Bonds	11.0%	7.0%	-4.0%	6.0%	2.0%	-4.0%
Equities	68.0%	70.0%	2.0%	83.5%	85.5%	2.0%
UK equities	2.4%	2.4%	0.0%	2.98%	3.00%	0.0%
International equities	65.6%	67.6%	2.0%	80.5%	82.5%	2.0%
US	44.0%	45.5%	1.5%	54.1%	55.6%	1.6%
Europe ex UK	8%	7.8%	0.0%	9.6%	9.6%	0.0%
Japan	4.1%	4.1%	0.0%	5.0%	5.0%	0.0%
Asia ex Japan	8.3%	8.8%	0.5%	10.2%	10.6%	0.4%
EM	1.4%	1.4%	0.0%	1.7%	1.7%	0.0%
Alternatives	7.0%	6.0%	-1.0%	2.0%	2.0%	0.0%
Hedge funds/alternatives	4.0%	2.0%	-2.0%	1.0%	0.0%	-1.0%
Commercial property	1.5%	1.5%	0.0%	0.5%	0.5%	0.0%
Gold	1.5%	2.5%	1.0%	0.5%	1.5%	1.0%

As at 31/11/2024 in GBP	Euro STOXX	MSCI UK	MSCI AC Asia ex Japan	MSCI Emerging Markets	S&P 500	TSE TOPIX
1m	-1.5%	2.6%	-2.2%	-2.5%	7.0%	2.1%
3m	-3.4%	-0.7%	3.5%	1.6%	10.7%	-0.1%
6m	-5.1%	1.8%	6.4%	4.3%	15.0%	2.3%
1yr	8.2%	15.1%	15.3%	11.4%	32.8%	12.9%
3yr	17.5%	34.1%	0.4%	0.2%	42.0%	16.6%
5yr	40.7%	36.3%	23.1%	19.1%	106.6%	29.6%

Source: RBC Brewin Dolphin, Guinness Global Investors

ASSET ALLOCATION OVERVIEW

Positive Asset Class View
Negative Asset Class View

EQUITIES

We expect the global economy to continue to expand, which is consistent with corporate profits going up. We also believe there is the potential for AI themes to drive both strong economy wide productivity and solid profit gains among the pick and shovel plays. Finally, there is a lot of momentum behind the stock market, and we believe it makes sense to stay on the right side of the trend. However, it does not appear to be a great time to raise our exposure further. For one, there is limited room for cyclical economic growth. With most economies close to full employment and labour force participation high, there isn't much scope for workers on the sidelines to get a job, earn an income, and increase aggregate consumption. Meanwhile, equity sentiment is bullish, with the dominant market emotion being one of "greed" rather than "fear". The implication is that a lot of good news is already in the price. Finally, US equity valuations are unappealing. Valuations don't work as a good predictor of medium-term returns, but eventually the medium-term becomes the long-term. As such, we maintain only a modest global equity overweight.

BONDS

Government bond yields tend to move in a directionally similar fashion as central bank rate expectations. In the US, the market is currently pricing in 85 basis points of Fed rate cuts by this time next year. In the UK, market implied expectations are for 78 basis points in cuts. Our base case is that both the US and UK experience decent economic growth over the next year. Our expectation is that inflation continues to slowly subside, but there to be an element of stickiness. As such, we doubt central banks will reduce rates by more than what is already priced in. The upshot is that that in this scenario, government bond prices probably don't have much upside. Nevertheless, we remain overweight, offsetting this with an underweight position in corporate bonds, where spreads are very tight. This positioning provides a hedge to our equity overweight if economic growth disappoints.

ALTERNATIVES

Gold has corrected from overbought territory following the US election. Looking ahead, there are both cyclical and structural factors supporting gold. These include the scope for real bond yields to continue to decline, and central banks diversifying their reserve holdings out of the US dollar and other developed world currencies. Gold also acts as a good hedge against several risks. Turning to property, while fundamentals are challenging in the office space, the market cap weighting of this subsector is small. The backdrop is notably brighter in other REIT subsectors. We maintain a neutral position.

CASH

Although cash continues to offer a decent yield, we are underweight. We see continued scope for equity market gains, and gold to move higher..

EQUITY ALLOCATION BY REGION

US EQUITIES

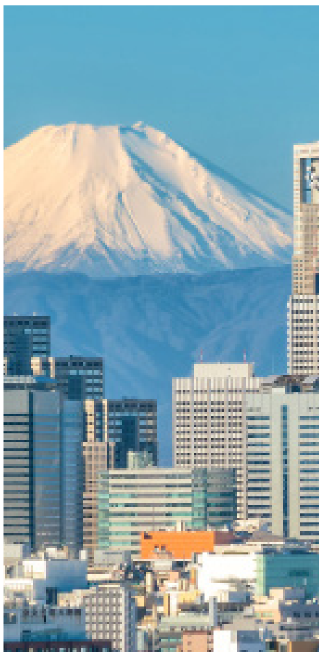
A key concern with regards to US equity exposure relates to valuation. Both equity valuation multiples and the valuation of the dollar appear stretched. Nevertheless, we are more optimistic on US equities than other regions. The secular outlook appears relatively bright for the tech stocks the US is so heavily weighted in. The main upside risk for the global equity market over the next few years is if an "AI boom" scenario unfolds. With the Fed now cutting rates, a weaker version of the second half of the 1990s is a possibility this cycle. Back then, excitement linked to the growth of the internet drove gains. This cycle, AI could be the driver. Following last month's victory of Donald Trump, we have boosted our US equity exposure. In a trade war, the country with the trade deficit stands to win most (or lose the least), and the US runs trade deficits against many countries. Trump's trade policies give the US a better chance of maintaining its growth advantage vs the rest of the world. Relatively strong growth could boost the US dollar, providing support to US equity relative performance in common currency terms. In the event of a global trade war, the US might also benefit from its relatively defensive sector composition.

EUROPE EX UK EQUITIES

We remain underweight Europe ex UK. The EU will be in Trump's sights given its big trade surplus vs the US. The EU also has additional growth headwinds coming from its two biggest economies. In France, the new government has just collapsed, and political uncertainty is high. The next government will be confronted with the same fiscal reality and will likely be forced to take steps to reduce the deficit, which should weigh on growth. Germany continues to struggle, with its auto companies under pressure from cheap Chinese EVs. More broadly, it's export sector is under pressure due to weak Chinese domestic demand.

UK EQUITIES

UK relative performance should continue to be closely linked to value vs growth style performance, and there are reasons to believe the outlook for the latter remains brighter. However, some diversification into the value plays that the UK is so heavily weighted in makes sense at this stage, in our view. Although the domestic economic outlook is less important for UK equity relative performance given its high international exposure, it still matters. Indeed, there is a positive relationship between the performance of UK vs global GDP and UK vs global equity performance. We suspect



Labour will have some success in boosting economic growth. However, the pathway to success is not guaranteed. The UK equity market trades on very undemanding valuation multiples.

JAPAN EQUITIES

There is momentum behind shareholder friendly reform in Japan, which could help drive a further expansion in relatively depressed price-to-book multiples. However, demographics amount to a major structural headwind for Japanese equity relative performance. Meanwhile, with the unemployment rate low and labour force participation high, Japan does not have much scope to put idle economic resources to work to drive cyclical growth. Despite low price-to-book multiples, Japan does not stand out as cheap, in our view. Indeed, it trades at a premium to the world ex US market on 12-month forward P/E.

ASIA EX JAPAN EQUITIES

The Chinese authorities appear to be taking the deflation risk more seriously. To successfully boost inflation, the authorities will try to stoke demand growth. The combination of higher inflation, stronger growth and declining real interest rates is a supportive backdrop for equities. The Chinese housing market remains weak. But the authorities are incentivized to drive an improvement asap. Given that over 90% of Chinese own their own home, they'd be risking a breakdown in social instability (which they are very keen to avoid) if house prices decline much further. China and Hong Kong equities appear oversold on a medium-term time horizon. We acknowledge that the change in tack by the authorities does not alter the fact that the structural headwinds leaning against China have not gone away. However, there are structural bright spots in the Asia ex Japan equity index, including India and Taiwan.

EMERGING MARKETS EX ASIA

Brazil, Saudi Arabia, South Africa, Mexico, and the UAE are the countries with the highest market cap weightings in the EM ex Asia equity index, making it very commodity exposed. We don't expect much upside to commodity prices in an environment where global growth is slowing. That said, EM ex Asia remains very cheaply valued.

AT A GLANCE...

THE MULTI-ASSET BALANCED FUND

MEDIUM RISK

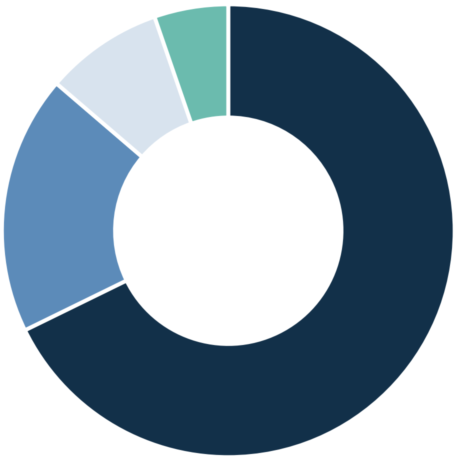
You are prepared to have more than half of your investment held in equities with the aim of achieving a higher investment return over the long term. The greater allocation to equities means your portfolio may experience heightened levels of volatility over the investment term.

The portfolio will typically include two thirds of the assets invested in equities whilst the remainder will be split between cash, fixed income and alternatives. You are prepared to accept fluctuations in the value of your portfolio to achieve your investment goals.

The Fund is actively managed without reference to a benchmark and invests in funds in a range of different asset classes. The investment objective is to provide capital appreciation over the long term. Returns will be generated through both capital growth and income, with a bias towards developed and liquid capital markets. The risk will be diversified by holding collective investments in a range of asset classes and geographies. The management of the portfolio aims to meet the objective conservatively by taking managed risk through fund selection and asset allocation. The portfolio is based on the Brewin Dolphin International MPS Passive Plus Balanced Strategy.

ASSET ALLOCATION

Equities	68.6%
Fixed Income	22.3%
Alternatives	6.0%
Cash	3.1%



EQUITY ALLOCATION

USA	47.6%
Other International (DM)	17.3%
UK	2.4%
Other International (EM)	1.3%
Cash	3.1%

Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change

Holding	% Weight
iShares Core S&P 500 UCITS ETF USD Dist	18.33%
Invesco EQQQ Nasdaq-100 UCITS ETF	8.54%
iShares Global Government Bond Index	7.44%
SPDR S&P US Dividend Aristocrats UCITS ETF	6.96%
iShares Global Corp Bond UCITS ETF	6.92%
Vanguard FTSE Developed Europe ex UK UCITS ETF	5.42%
Vanguard S&P 500 UCITS ETF	4.61%
Vanguard Investment Series PLC - Pacific Ex-Japan Stock Index Fund	4.49%
iShares Global Inflation-Linked Bond Index Fund US Dollar Hedged	4.46%
Fidelity MSCI Japan Index Fund	3.71%
Xtrackers CSI300 Swap UCITS ETF	3.71%
Xtrackers Russell 2000 UCITS ETF	3.47%
iShares Core UK Gilts UCITS ETF USD Hedged (Dist)	3.43%
iShares S&P 500 Health Care Sector UCITS ETF	2.91%
HSBC NASDAW Global Semiconductor UCITS ETF USD	2.78%
iShares Physical Gold ETC USD	2.47%
iShares Core FTSE 100 UCITS ETF USD	2.38%
Amundi Index FTSE EPRA NAREIT Global	1.54%
Lyxor MSCI Emerging Markets Ex China UCITS ETF	1.31%
Winton Trend Fund (UCITS) I USD Acc	0.71%
BNY Mellon Global Funds plc - Global Dynamic Bond Fund	0.70%
JPM Global Macro Opportunities USD	0.62%

Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change

RISKS

The Fund is a multi-asset fund investing primarily in other funds ("Underlying Funds") which may invest in equities, Government Bonds, fixed interest securities (which may include sub-investment grade securities), property and other investments. Investors should be willing and able to assume the risks of equity investing. The value of an investment can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Further details on the risk factors are included in the Fund's documentation, available at www.guinnessgi.com/literature

AT A GLANCE...

THE MULTI-ASSET GROWTH FUND

MEDIUM/HIGHER RISK

You are seeking to generate higher investment returns through a high exposure to equities to help achieve your long-term investment goals.

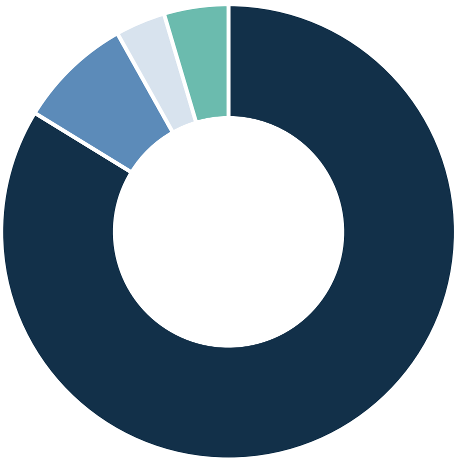
The portfolio will typically have a very high proportion of your investment held in equities and very low levels of fixed income, cash and alternative asset classes.

A larger proportion invested in equities is likely to lead to increased volatility in the overall value of the portfolio.

The Fund is actively managed without reference to a benchmark and invests in funds in a range of different asset classes. The investment objective is to provide capital appreciation over the long term. Returns will be generated through both capital growth and income, with a bias towards developed and liquid capital markets. The risk will be diversified by holding collective investments in a range of asset classes and geographies. The management of the portfolio aims to meet the objective conservatively by taking managed risk through fund selection and asset allocation. The portfolio is based on the Brewin Dolphin International MPS Passive Plus Growth Strategy

ASSET ALLOCATION

Equities	83.4%
Fixed Income	11.8%
Alternatives	2.0%
Cash	2.9%



EQUITY ALLOCATION

USA	57.4%
Other International (DM)	21.6%
UK	2.9%
Other International (EM)	1.5%
Cash	2.9%

Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change

Holding	% Weight
iShares Core S&P 500 UCITS ETF USD Dist	18.24%
Invesco EQQQ Nasdaq-100 UCITS ETF	10.39%
Vanguard S&P 500 UCITS ETF	9.08%
SPDR S&P US Dividend Aristocrats UCITS ETF	8.55%
Vanguard FTSE Developed Europe ex UK UCITS ETF	7.03%
Vanguard Investment Series PLC - Pacific Ex-Japan Stock Index Fund	5.62%
Fidelity MSCI Japan Index Fund	4.57%
Xtrackers CSI300 Swap UCITS ETF	4.39%
Xtrackers Russell 2000 UCITS ETF	4.14%
iShares Global Government Bond Index	3.95%
iShares S&P 500 Health Care Sector UCITS ETF	3.57%
HSBC NASDAW Global Semiconductor UCITS ETF USD	3.41%
iShares Global Inflation-Linked Bond Index Fund US Dollar Hedged	2.96%
iShares Core UK Gilts UCITS ETF USD Hedged (Dist)	2.93%
iShares Core FTSE 100 UCITS ETF USD	2.86%
iShares Global Corp Bond UCITS ETF	1.97%
Lyxor MSCI Emerging Markets Ex China UCITS ETF	1.53%
iShares Physical Gold ETC USD	1.47%
Amundi Index FTSE EPRA NAREIT Global	0.48%

Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change

RISKS

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EXPERT THINKING

When you invest with Guinness Global Investors you have a team of experts working for you.

STRENGTH AND DEPTH

They are part of our broader team who collaborate to interpret the wider market and economic environment and identify those funds that meet our standard for investment, adding up to the strength and depth of insight we need to deliver for you.

MEET THE GUINNESS TEAM

JONATHAN WAGHORN, CO-MANAGER

Jonathan joined Guinness Global Investors in September 2013 and is co-manager on the Guinness Multi-Asset range.

WILL RILEY, CO-MANAGER

Will joined Guinness Global Investors in May 2007 and is co-manager on the Guinness Multi-Asset range.

MEET THE RBC BREWIN DOLPHIN TEAM

DAVID HOOD, HEAD OF INVESTMENT SOLUTIONS

David joined RBC Brewin Dolphin in March 2009 as a quantitative analyst. He heads up the investment solutions team which specialises in model portfolio, fund construction and risk analysis.

“The Guinness Multi-Asset fund range follows a tried and tested investment approach so our investors can be confident about what to expect from it.”

- David Hood,
Head of Investment Solutions

GUY FOSTER,
HEAD OF RESEARCH

Guy is our Chief Strategist and oversees our broader team, which uses its collective expertise to make both strategic and tactical recommendations for asset allocation by RBC Brewin Dolphin.

JANET MUI,
INVESTMENT DIRECTOR

Janet is investment director at RBC Brewin Dolphin. As part of the research team, Janet is responsible for the commentary and communication of RBC Brewin Dolphin's macro/investment views to clients and the media.

NOTES

IMPORTANT INFORMATION

Issued by Guinness Global Investors a trading name of Guinness Asset Management which is authorised and regulated by the Financial Conduct Authority. This document is provided for information only. All the information contained in it is believed to be reliable but may be inaccurate or incomplete; it should not be relied upon. It is not an invitation to make an investment nor does it constitute an offer for sale. OCFs for all share classes are available on *www.guinness.gi.com*. Telephone calls will be recorded.

Documentation
The documentation needed to make an investment, including the Prospectus, supplement, the Key Information Document (KID), the Key Investor Information Document (KIID) and the Application Form, is available in English from the website *www.guinnessgi.com* , or free of charge from:-

The Manager: Waystone Management Company (IE) Limited (Waystone IE) 2nd Floor 35 Shelbourne Road, Ballsbridge, Dublin DO4 A4E0, Ireland; or, the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Waystone IE is a company incorporated under the laws of Ireland having its registered office at 35 Shelbourne Rd, Ballsbridge, Dublin, D04 A4E0 Ireland, which is authorised by the Central Bank of Ireland, has appointed Guinness Asset Management Ltd as Investment Manager to this fund, and as Manager has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

Investor Rights
A summary of investor rights in English is available here: *https://www.waystone.com/wp-content/uploads/Policy/IE/Waystone-Management-Company-(IE)-Limited/Waystone-Management-Company-(IE)-Limited-Summary-of-Investor-Rights.pdf*

Residency
In countries where the Funds are not registered for sale or in any other circumstances where their distribution is not authorised or is unlawful, the Funds should not be distributed to resident Retail Clients.

NOTE: THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS.

The Funds are sub-funds of Guinness Asset Management Funds PLC (the "Company"), an open-ended umbrella-type investment company, incorporated in Ireland and authorised and supervised by the Central Bank of Ireland, which operates under EU legislation. If you are in any doubt about the suitability of investing in these Funds, please consult your investment or other professional adviser.