MAY 2025
MARKET UPDATE & INVESTMENT REPORT

GUINNESS MULTI-ASSET FUNDS

GUINNESS GLOBAL INVESTORS

POWERED BY RBC Brewin Dolphin

CONTENTS

THE MONTH IN A MINUTE

APRIL OVERVIEW

The debate around the dollar's role as the world's reserve currency has intensified of late. A key attribute of a reserve currency is that it must have large, liquid markets. For the US, that is not set to change. Another attribute is a fully open capital account. No one is taking seriously the idea that the US meaningfully changes the openness of its capital account. But one of his senior advisors has floated an idea to impose a 'user fee' on foreign official holders of Treasury securities to make US dollar reserve accumulation less attractive, with the goal of driving the dollar lower. We would be very surprised to see this user fee idea implemented. But just the fact that it is on the menu of options for Trump raises questions. A third attribute of a reserve currency is that it must come from a country that is stable, and where foreigners have a high level of trust in its institutions. This is an area where perhaps investors are starting to ask questions about the US.

The US dollar has long punched above its weight. While the US represents only 11.3% of global trade and 26.5% of global GDP, the dollar has a much larger 48% share in Swift payments, a 58% share in official FX reserves, and a whopping 90% share in FX transactions. The US dollar has been losing some of its hegemony in recent years, as its share of official FX reserves has declined. While the US is likely to remain the dominant global reserve currency for some time, recent developments by the Trump administration are likely to speed up the de-dollarization process.

From a cyclical perspective, factors such as real interest rate and economic growth differentials will be important in determining dollar direction. On this front, we believe the US is set to lose some of its "exceptionalism", and there will be some real rate convergence.

The extent to which a currency trades above or below its estimate of purchasing power parity has generally worked well as a predictor of the longer-run trajectory. A repeat of the historical pattern suggests the dollar has scope to weaken further over the longer-term given that it remains expensively valued on this basis, even after the recent depreciation.

The US has long run so-called twin deficits. If the Republicans extend the expiring personal tax cuts, which seems likely, the US budget deficit is set to deteriorate further. The US has also run large current account deficits. The accumulation of these current account deficits has led to foreigners owning a whole lot more US assets than vice versa, which has led to a deeply negative US net international investment position. This isn't necessarily dollar bearish in isolation. But it does become dollar bearish if foreigners suddenly decide that prospective US risk adjusted investment returns are no longer as attractive (relative to elsewhere) as they once were.

With the above in mind, our sense is that the US dollar has scope to depreciate further over the medium to longer term.

That said, de-dollarization as a theme is now front and centre on all investor radar screens, sentiment toward the dollar has shifted from bullish to bearish, and the dollar is short-term oversold. As such, at least part of the dollar's weaker fundamentals are now in the price. Against that backdrop, it wouldn't be surprising if the dollar continued to stabilize over the near-term. In addition, although US growth prospects have soured of late, it would be hard to argue that, in the long-term, prospects are more attractive in other corners of the developed world. That should limit the severity of the expected dollar bear market.

THE MONTH IN NUMBERS

As at 30/04/2025	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%	3.0%	0.5%	2.5%	2.0%	-0.5%
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%	69.0%	1.0%	83.5%	84.5%	1.0%
UK equities	2.4%	2.4%	0.0%	2.99%	3.00%	0.0%
International equities	65.6%	66.6%	1.0%	80.5%	81.5%	1.0%
US	43.8%	43.8%	0.0%	53.7%	53.7%	0.0%
Europe ex UK	8.3%	8.8%	0.5%	10.2%	10.8%	0.6%
Japan	4.1%	4.1%	0.0%	5.0%	5.0%	0.0%
Asia ex Japan	8.0%	8.5%	0.5%	9.8%	10.3%	0.5%
EM	1.4%	1.4%	0.0%	1.7%	1.7%	0.0%
Alternatives	7.0%	5.5%	-1.5%	2.0%	1.5%	-0.5%
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%	2.0%	0.5%	0.5%	1.0%	0.5%

As at 30/04/2025 in GBP	Euro STOXX	MSCI UK	MSCI AC Asia ex Japan	MSCI Emerging Markets	S&P 500	TSE TOPIX
1m	2.1%	-0.8%	-2.7%	-2.1%	-4.1%	1.7%
3m	2.6%	-0.4%	-5.3%	-4.7%	-14.0%	-2.5%
6m	10.7%	6.9%	-4.4%	-3.4%	-5.6%	2.9%
1yr	9.7%	8.1%	3.9%	2.2%	4.7%	2.7%
3yr	42.0%	26.0%	5.3%	5.3%	30.9%	27.8%
5yr	90.9%	76.0%	23.7%	28.5%	90.6%	42.7%

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 continued solid profit gains among the pick and shovel plays. However, we believe only a small equity overweight is appropriate. For one, there is limited room for cyclical economic growth. Most economies are close to full employment and labour force participation is high. Meanwhile, US president Trump's immigration policies are likely to weigh on labour force growth. The upshot is that there's limited room for job growth, meaning there's limited room for aggregate demand to expand. Further, US equity valuation multiples are elevated. Valuations don't work as a good predictor of medium-term returns, but eventually the medium-term becomes the long-term. Finally, trade uncertainty is very high.

BONDS

Our base case view is that safe haven bond yields move in a trading range in the quarters ahead, and that explains in large part why we have a neutral position in the bonds asset class. Within bonds, we are overweight government bonds, and underweight corporates. The yield differential between corporate and government bonds remains tight, and spreads are vulnerable to widen in the event that economic growth deteriorates. Recessions are often unpredictable, with 5 of the 8 recessions the US has had since 1970 caused by shocks. Government bonds would very likely outperform corporate bonds in the event a negative shock to growth materializes. With spreads tight and given our desire to stick with a small equity overweight, our bond positioning acts as a partial hedge against this risk.

ALTERNATIVES

We retain a small overweight in gold. We expect central banks to continue to diversify their reserve holdings out of the dollar and other developed world currencies. And gold is likely to act as a good hedge in the event that two risks materialize. One, if a full blow global trade war occurs, real yields would likely drop and inflation would likely rise, a great backdrop for gold. The other risk is longer-term in nature. If inflation comes in persistently above expectations due to factors like de-globalization, a changing age structure of society (that means fewer workers relative to consumers, resulting in strong wage growth), and persistently high government deficits, gold would likely perform relatively well.

CASH

We hold a small overweight in cash, providing some ammunition we are able to deploy when the outlook for other typically higher yielding asset classes improves.

EQUITY ALLOCATION BY REGION

US EQUITIES

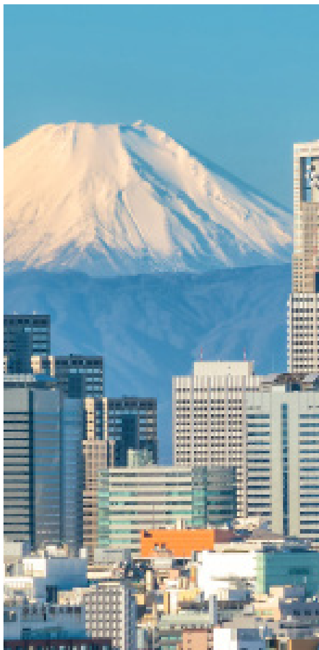
The US should maintain the productivity growth advantage it has enjoyed against the rest of the developed world. Meanwhile, the US equity market has outsized exposure to strong demand for AI goods and sevices. Nevertheless, we have cut our tactical position in the US down to neutral, for several reasons.   While the megacap digital names are trading on relatively high valuation multiples, that's less of an issue if they can continue to post outsized profit growth. But that will be challenging, given how big these companies already are. Notably, the S&P 500 excluding the magnificent 7 also trades on a large P/E premium to the world ex US market. While the dollar appears short-term oversold, our sense is that it has scope to decline over the medium/longer-term. A weak dollar would weigh on US equity relative performance in common currency terms. Finally, Trump trade policies could weigh on US profit margins. Some reshoring of manufacturing should result in higher labour costs, and tariffs will boost the cost of intermediate goods. In addition, the combination of retaliatory tariffs and consumers outside the US souring on US company products could reduce US corporate sales abroad. Given operating leverage, this should also weigh on margins.

EUROPE EX UK EQUITIES

We have raised to our allocation to Europe ex UK to a modest overweight. Trading on a 12-month forward P/E of 13.9x, Europe ex UK valuation metrics are significantly less demanding than the US. And the euro is cheaply valued based on estimates of the purchasing power parity conversion rate, suggesting it has scope to strengthen over the longer-term. We expect only modest corporate profit growth given subdued expectations for European economic growth. But a big boost to German defence and infrastructure spending should help close the growth gap with the US somewhat.

UK EQUITIES

UK relative performance should continue to be closely linked to global value vs growth style performance. 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 the high international exposure of the names that make up the index, it still matters. Indeed, there is a positive relationship between the performance of UK vs global GDP and UK vs global equity performance. We continue to believe the pessimism surrounding



the UK economy is overdone. The UK equity market also trades on very undemanding valuation multiples.

JAPAN EQUITIES

Japan has implemented shareholder friendly reforms, which could help drive a further expansion in relatively depressed price-to-book multiples. Japan is now experiencing a healthy dose of inflation, with wage growth strengthening. Importantly, inflation expectations have also picked up. 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.

ASIA EX JAPAN EQUITIES

China continues to battle multiple structural headwinds. But productivity in China is a notable bright spot. Meanwhile, the policy focus is shifting from a stance to contain the private sector to one that supports it. Finally, some of the economic data has turned slightly less bad. Encouragingly, there are structural bright spots in the Asia ex Japan equity index, including India, with its very strong economic growth prospects, and Taiwan, given its high exposure to semiconductors.

EMERGING MARKETS EX ASIA

Saudi Arabia, Brazil, 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. While we don't expect much upside to commodity prices, EM ex Asia remains very cheaply valued.



AT A GLANCE...

THE MULTI-ASSET BALANCED FUND

MEDIUM RISK

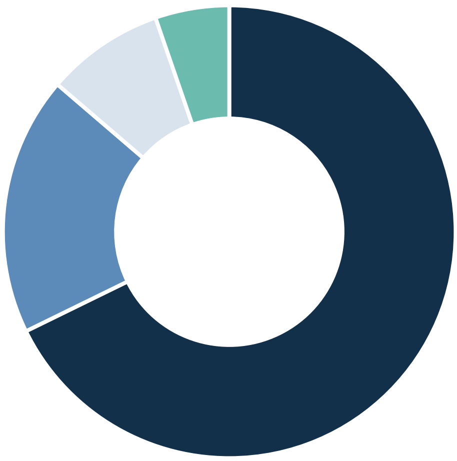
You are prepared to have more than half of your investment held in equities with the aim of achieving a higher investment return over the long term. The greater allocation to equities means your portfolio may experience heightened levels of volatility over the investment term.

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	69.4%
Fixed Income	21.9%
Alternatives	5.4%
Cash	3.3%



EQUITY ALLOCATION

USA	46.0%
Other International (DM)	19.8%
UK	2.3%
Other International (EM)	1.3%
Cash	3.3%

Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change. Data to 30.04.2025

Holding	% Weight
iShares Core S&P 500 UCITS ETF USD Dist	18.46%
Invesco EQQQ Nasdaq-100 UCITS ETF	8.79%
SPDR S&P US Dividend Aristocrats UCITS ETF	8.70%
Vanguard FTSE Developed Europe ex UK UCITS ETF	7.85%
iShares Global Government Bond Index	7.25%
Vanguard S&P 500 UCITS ETF	7.14%
iShares Global Corp Bond UCITS ETF	6.84%
iShares Global Inflation-Linked Bond Index Fund US Dollar Hedged	4.37%
Vanguard Investment Series PLC - Pacific Ex-Japan Stock Index Fund	4.34%
Fidelity MSCI Japan Index Fund	3.96%
Xtrackers CSI300 Swap UCITS ETF	3.61%
iShares Core UK Gilts UCITS ETF USD Hedged (Dist)	3.41%
iShares S&P 500 Health Care Sector UCITS ETF	2.96%
iShares Core FTSE 100 UCITS ETF USD	2.28%
iShares Physical Gold ETC USD	1.94%
Amundi Index FTSE EPRA NAREIT Global	1.52%
Lyxor MSCI Emerging Markets Ex China UCITS ETF	1.31%
BNY Mellon Global Funds plc - Global Dynamic Bond Fund	0.69%
Winton Trend Fund (UCITS) I USD Acc	0.64%
JPM Global Macro Opportunities USD	0.60%

Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change. Data to 30.04.2025.

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.

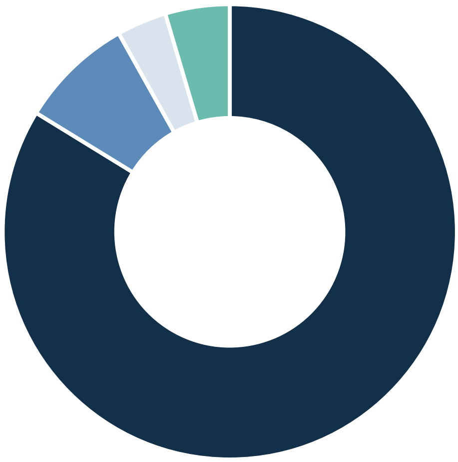
The portfolio will typically have a very high proportion of your investment held in equities and very low levels of fixed income, cash and alternative asset classes.

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	85.3%
Fixed Income	11.7%
Alternatives	1.5%
Cash	1.5%



EQUITY ALLOCATION

USA	56.6%
Other International (DM)	24.3%
UK	2.8%
Other International (EM)	1.6%
Cash	1.5%

Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change. Data to 30.04.2025.

Holding	% Weight
iShares Core S&P 500 UCITS ETF USD Dist	18.52%
Vanguard S&P 500 UCITS ETF	12.42%
SPDR S&P US Dividend Aristocrats UCITS ETF	11.21%
Invesco EQQQ Nasdaq-100 UCITS ETF	10.79%
Vanguard FTSE Developed Europe ex UK UCITS ETF	9.74%
Vanguard Investment Series PLC - Pacific Ex-Japan Stock Index Fund	5.46%
Fidelity MSCI Japan Index Fund	4.81%
Xtrackers CSI300 Swap UCITS ETF	4.25%
iShares Global Government Bond Index	3.88%
iShares S&P 500 Health Care Sector UCITS ETF	3.66%
iShares Core UK Gilts UCITS ETF USD Hedged (Dist)	2.94%
iShares Global Inflation-Linked Bond Index Fund US Dollar Hedged	2.92%
iShares Core FTSE 100 UCITS ETF USD	2.81%
iShares Global Corp Bond UCITS ETF	1.98%
Lyxor MSCI Emerging Markets Ex China UCITS ETF	1.62%
iShares Physical Gold ETC USD	0.97%
Amundi Index FTSE EPRA NAREIT Global	0.49%

Source: RBC Brewin Dolphin, Guinness Global Investors. Asset allocation and holdings are subject to change. Data to 30.04.2025

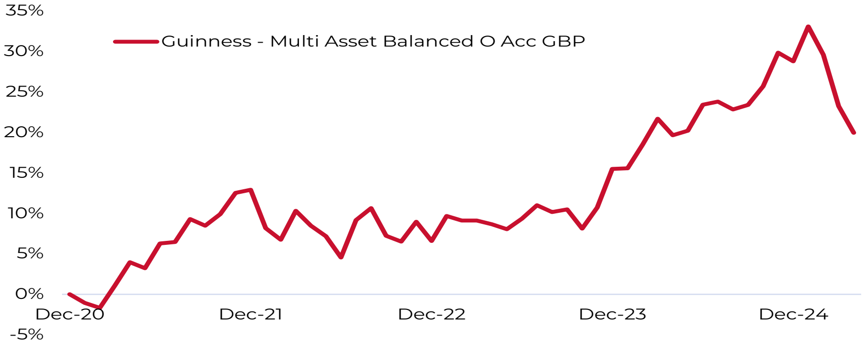
RISKS

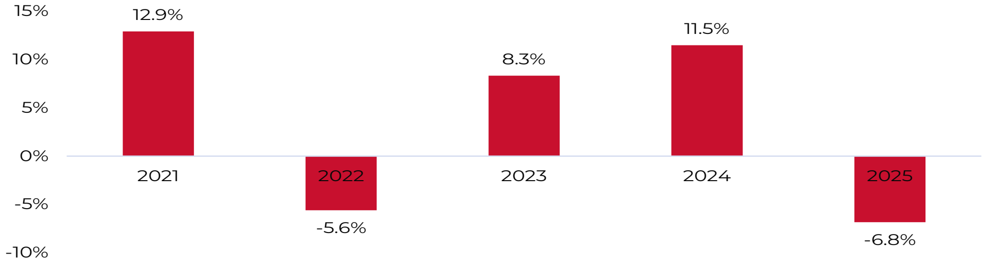
The Fund is a multi-asset fund investing primarily in other funds ("Underlying Funds") which may invest in equities, Government Bonds, fixed interest securities (which may include sub-investment grade securities), property and other investments. Investors should be willing and able to assume the risks 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

PERFORMANCE SINCE RELAUNCH OF STRATEGY (31.12.2020)

MULTI-ASSET BALANCED FUND

Past Performance does not predict future returns

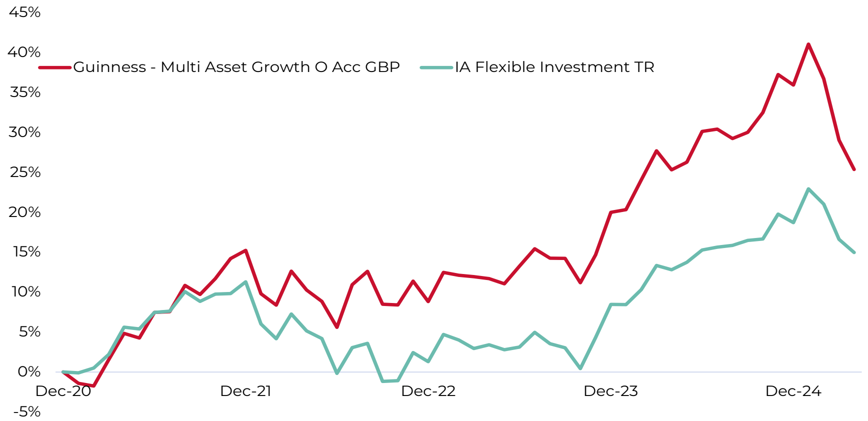


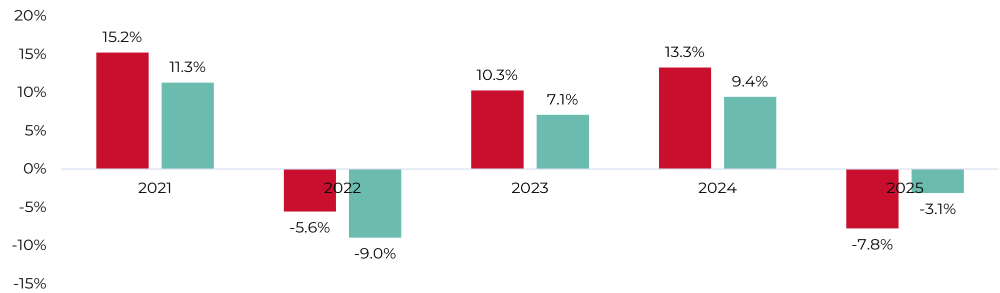


FE fundinfo net of fees to 30.04.25. Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The OCF is 0.99%. which was the OCF over the calendar year 2024. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return.

MULTI-ASSET GROWTH FUND

Past Performance does not predict future returns





The Fund is in the IA Flexible investment Sector. FE fundinfo net of fees to 30.04.25. Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The OCF is 0.98%. which was the OCF over the calendar year 2024. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return.

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.guinnessgi.com*. If you decide to invest, you will be buying units/ shares in the Fund and not investing directly in the underlying assets of the Fund 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, including collective redress mechanisms, is available here: *https://www.waystone.com/waystone-policies/*

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.

GUINNESS
GLOBAL INVESTORS

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