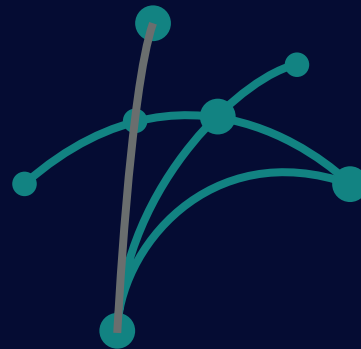


Omnis Agility



Trade tensions flared and economic signals softened, prompting market shifts and cautious repositioning

Market-moving events

Tariffs return to centre stage. Tariff tensions intensified in April as President Trump announced a new wave of duties on Chinese imports, pushing the average tariff level to around 110%. The EU retaliated with tariffs on €26 billion of US goods, while China raised duties on select US imports to 125%. Markets were rattled by the renewed uncertainty.

Markets bounce on hopes of talks. Equity markets sold off sharply early in the month but rallied after the US paused most tariff increases for 90 days and reports suggested negotiations with China had resumed. Still, US GDP in Q1 2025 turned negative, dragged down by front-loaded imports and weak personal consumption – the slowest since Q2 2023.

Growth outlook weakens, bonds disappoint. Surveys point to sluggish global growth in the second quarter of the year. As a result, investors are pricing in more rate cuts across developed markets. Credit spreads widened during April, but government bonds offered little of their usual protection, challenging traditional portfolio diversification.

Investment highlights

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.

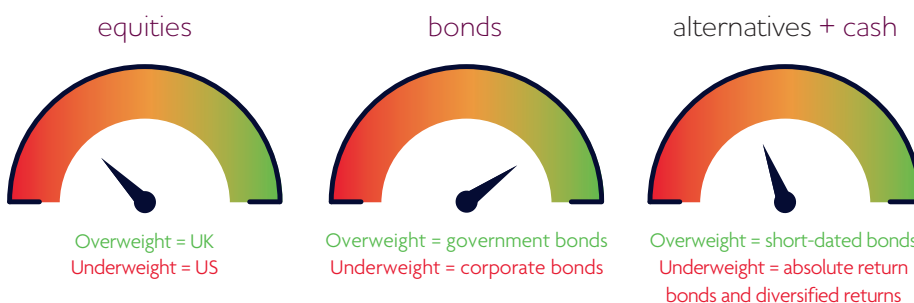
Targeting US smaller companies. We increased exposure to US smaller companies by adding the SPDR Russell 2000 US Small Cap UCITS ETF. Valuations remain attractive relative to large caps, and smaller firms may benefit more from any improvement in the US economy. With investor focus still skewed toward 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](#).



Our key investment themes include:

Equities: Latin America, China, US Smaller Companies, US Energy and UK Mid-cap
Bonds: US Treasuries and Global inflation-linked bonds

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Approved by Omnis Investments on 1 May 2025

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