MGTS Town Close Defensive Fund

As at 31 July 2026

Objective

The objective is to provide income with the potential for capital growth over any 5-year period.

Key Facts

Investment Manager	Town Close Financial Planning Ltd
Comparator	IA Mixed Investment 0-35% Shares
Fund Size	£28,012,734
Launch Date	20 October 2025
Share Class	MGTS Town Close Defensive Fund Acc
ISIN	GB00BRC1R861
OCF	0.540%
Yield	TBC

Market Commentary

Portfolio performance remained strong over the period, and the Committee made no changes to positioning.

July was a negative month for most asset classes. Global equities fell modestly, and most fixed interest declined as government bond yields rose. UK equities were the notable exception. Portfolios were down a little as a result, but remain ahead of benchmark year-to-date and well ahead of inflation.

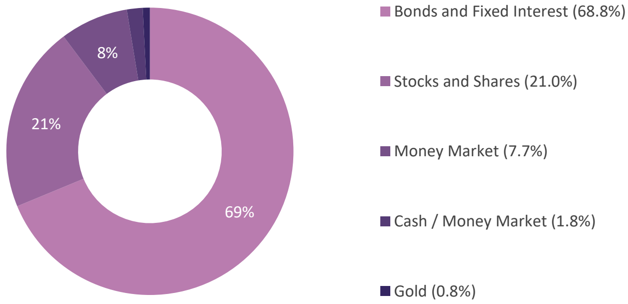
The main development has been in the bond market, where yields have risen. The Committee's assessment is that this reflects less drama than headlines suggest. Several factors are at work: upward pressure on Japanese government bond yields feeding through the wider risk-free market, ongoing questions over fiscal sustainability across the major sovereign issuers, and a renewed spike in the oil price following conflict in the Persian Gulf. Demand for bonds remains healthy, simply at higher yields than the market grew used to over the past decade.

A significant element is intervention. Authorities are acting to hold yields down, through Treasury buyback activity targeted at the long end of the curve and coordinated action in currency markets. The Committee's view is that the debt position itself is less the immediate concern than the consequences of suppressing yields. Holding yields artificially low while nominal growth remains firm represents an inflationary impulse. Prevented from showing up in bonds, that impulse is likely to be felt elsewhere, which is supportive rather than damaging for equities.

Against this backdrop the US economy remains strong, with a firm labour market. The Committee's recession probability framework has fallen below its 25% threshold, no longer signalling an elevated reading. Valuations are considered broadly justified, leverage and momentum are not extended, and the Committee could legitimately hold a more aggressive position than it currently does, though it does not judge that the right course at present.

No rebalance was undertaken. A full review of target allocations and the standing annual rebalance are scheduled for September.

Asset Allocation



Portfolio Holdings

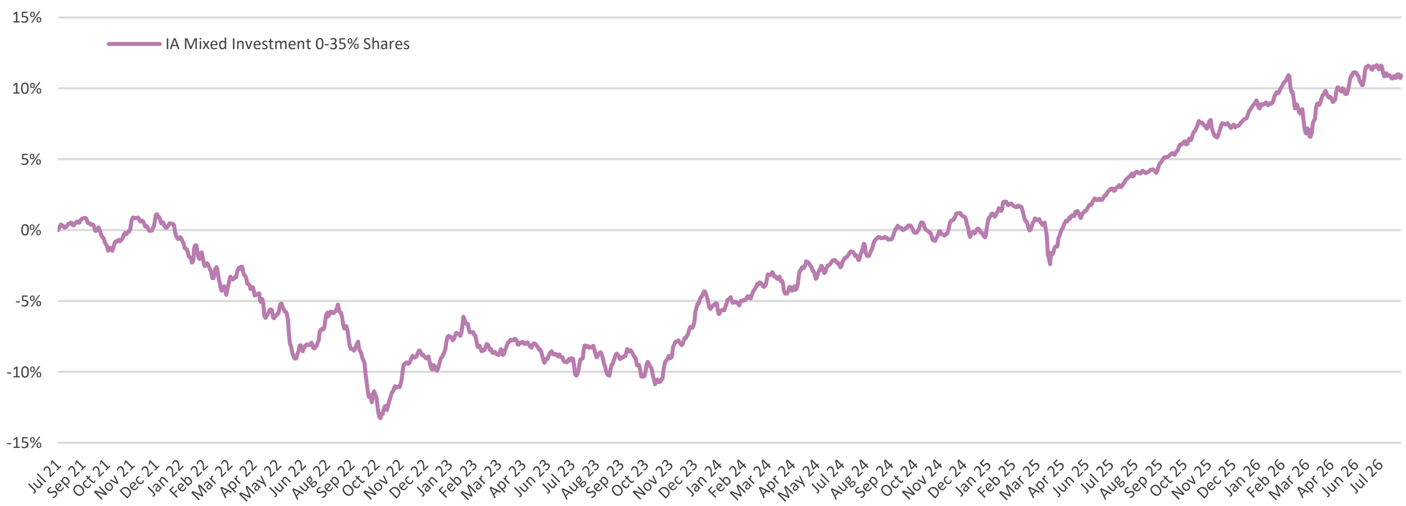
UK	**39.36%**
iShares £ Corp Bond 0-5yr GBP Dist	9.94%
iShares UK Gilts 0-5yr GBP Dist	9.73%
WS Keyridge Sterling Liquidity Fund I Acc	7.68%
iShares Core UK Gilts UCITS ETF GBP (Dist)	7.20%
GBP Cash	1.78%
Vanguard FTSE 100 ETF	1.53%
WisdomTree Core Physical Gold USD ETC	0.80%
Vanguard FTSE 250 UCITS ETF	0.69%
Global	**36.46%**
Vanguard Global Aggregate Bond UCITS ETF GBP	14.89%
iShares £ Ultrashort Bond ETF GBP Dist	7.61%
Aegon High Yield Bond Fund GBP B Acc	5.02%
iShares $ Floating Rate Bond UCITS ETF GBP Hedged	5.01%
Ishares MSCI World Small Cap UCITS ETF	2.28%
HSBC Multi Factor Worldwide Equity UCITS ETF	1.12%
iShares Edge MSCI World Quality Factor UCITS ETF	0.53%
North America	**17.65%**
Invesco US Trs Bd 7-10 Yr ETF USD Dis	9.35%
SPDR S&P 500 UCITS ETF USD Acc	3.27%
iShares S&P 500 USD (Dist)	1.71%
Invesco S&P 500 Equal Weight ETF Acc	1.68%
SPDR® S&P 400 US Mid Cap UCITS ETF USD Acc	1.11%
iShares NASDAQ 100 ETF USD Acc	0.52%
Global Emerging Markets	**2.33%**
iShares Core MSCI EM IMI UCITS ETF Acc	2.33%
Europe Ex UK	**2.21%**
HSBC Euro Stoxx 50 UCITs ETF Inc	2.21%
Japan	**1.10%**
Vanguard FTSE Japan ETF	1.10%
Asia Pacific ex Japan	**0.88%**
HSBC MSCI Pacific ex Japan UCITS ETF	0.88%

Performance

The IA (Investment Association) Mixed Investment 0-35% Shares Sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is expected to have a similar risk profile to the Sub-fund. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

Cumulative Performance	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
Town Close Defensive Acc	1.86	2.54	-	-	-	-
IA Mixed Investment 0-35% Shares	1.71	1.84	6.65	20.89	10.91	31.88

Discrete Performance	YTD	2025	2024	2023	2022	2021
Town Close Defensive Acc	2.71	-	-	-	-	-
IA Mixed Investment 0-35% Shares	2.85	8.02	4.37	6.06	-10.22	2.57



Source: Morningstar Direct as at 31 July 2026. Performance is bid to bid with income reinvested.

Past Performance is no guarantee of future performance and investors may get back less than the original amount invested.

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+44 (0) 345 607 6808
admin@margetts.com
advisers.mgtsfunds.com

1 Sovereign Court
Graham Street
Birmingham, B1 3JR