

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	£28,294,938
Launch Date	20 October 2025
Share Class	MGTS Town Close Defensive Fund Acc
ISIN	GB00BRC1R861
OCF	0.540%
Yield	TBC

Market Commentary

Markets continue to navigate a complex environment where economic conditions remain broadly stable, but several of the tailwinds that supported risk assets over the last year have weakened. Bond yields in both the UK and US have risen meaningfully, driven less by expectations of future rate hikes and more by reduced expectations for near-term interest rate cuts.

In the UK, fiscal credibility remains an important theme for gilt markets. While political uncertainty has increased, the Committee's view is that the UK is not facing a severe sovereign risk event. However, elevated yields and persistent inflation pressures continue to create a challenging backdrop for both bonds and equities.

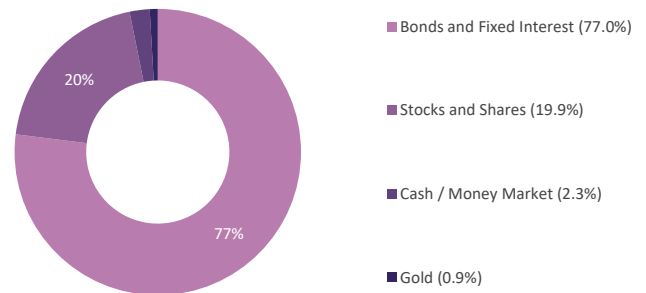
In the US, inflation data remains firmer than expected, reducing confidence that the Federal Reserve will ease policy in the near term. Labour market conditions remain relatively stable with no clear evidence of an imminent recession. The Committee's recession probability framework currently suggests recession risk is elevated relative to historical averages, but not yet at levels justifying a materially more defensive portfolio stance.

Equity markets have continued to perform reasonably well, particularly within large-cap US technology companies. However, the strong rebound in some areas means valuations are no longer especially attractive, while previous tailwinds from falling inflation, lower oil prices and lower interest rate expectations have faded.

Portfolio positioning therefore remains broadly neutral, reflecting a balanced approach between long-term growth participation and resilience should conditions weaken. Previously agreed portfolio refinements were fully implemented, including the transition to actively managed global high-yield exposure and the addition of a Sterling Liquidity Fund within the Defensive portfolio to improve liquidity management and flexibility.

The Committee does not believe current market conditions justify significant tactical changes. While recession risks and geopolitical uncertainty remain elevated, there are not yet sufficiently attractive valuation opportunities or clear macro signals to warrant materially increasing or reducing portfolio risk.

Asset Allocation



Portfolio Holdings

Global	44.13%
iShares £ Ultrashort Bond ETF GBP Dist	15.36%
Vanguard Global Aggregate Bond UCITS ETF GBP Hedged	14.98%
iShares \$ Floating Rate Bond UCITS ETF GBP Hedged	5.09%
Aegon High Yield Bond Fund GBP B Acc	4.99%
Ishares MSCI World Small Cap UCITS ETF	2.17%
HSBC Multi Factor Worldwide Equity UCITS ETF	1.06%
iShares Edge MSCI World Quality Factor UCITS ETF USD	0.50%
UK	32.26%
iShares UK Gilts 0-5yr GBP Dist	9.86%
iShares £ Corp Bond 0-5yr GBP Dist	9.85%
iShares Core UK Gilts UCITS ETF GBP (Dist)	7.30%
GBP Cash	2.26%
Vanguard FTSE 100 ETF	1.44%
WisdomTree Core Physical Gold USD ETC	0.90%
Vanguard FTSE 250 UCITS ETF	0.64%
North America	17.44%
Invesco US Trs Bd 7-10 Yr ETF USD Dis	9.55%
SPDR S&P 500 UCITS ETF USD Acc	3.13%
iShares S&P 500 USD (Dist)	1.64%
Invesco S&P 500 Equal Weight ETF Acc	1.56%
SPDR® S&P 400 US Mid Cap UCITS ETF USD Acc	1.05%
iShares NASDAQ 100 ETF USD Acc	0.50%
Global Emerging Markets	2.26%
iShares Core MSCI EM IMI UCITS ETF Acc	2.26%
Europe Ex UK	2.01%
HSBC Euro Stoxx 50 UCITS ETF Inc	2.01%
Japan	1.05%
Vanguard FTSE Japan ETF	1.05%
Asia Pacific ex Japan	0.85%
HSBC MSCI Pacific ex Japan UCITS ETF	0.85%

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
MGTS Town Close Defensive Fund Acc	0.67	1.19	-	-	-	-
IA Mixed Investment 0-35% Shares	0.13	1.33	8.66	18.54	10.69	36.53

Discrete Performance	YTD	2025	2024	2023	2022	2021
MGTS Town Close Defensive Fund Acc	0.84	-	-	-	-	-
IA Mixed Investment 0-35% Shares	1.12	8.02	4.37	6.06	-10.22	2.57



Source: Morningstar Direct as at 30 April 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.

Important Information

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