



For UK audience only

MULTI-ASSET

# Don't Get Tariff-ied! Multi-Asset Roundtables

John Husselbee – Head of Multi-Asset

James Klempster, CFA – Deputy Head of Multi-Asset

H2 2025

For professional investors and advisers only

**Past performance does not predict future returns. You may get back less than you originally invested.**

The Funds and Model Portfolios managed by the Multi-Asset Team may be exposed to the following risks:

**Credit Risk:** There is a risk that an investment will fail to make required payments and this may reduce the income paid to the fund, or its capital value;

**Counterparty Risk:** The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss;

**Liquidity Risk:** If underlying funds suspend or defer the payment of redemption proceeds, the Fund's ability to meet redemption requests may also be affected;

**Interest Rate Risk:** Fluctuations in interest rates may affect the value of the Fund and your investment. Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;

**Derivatives Risk:** Some of the underlying funds may invest in derivatives, which can, in some circumstances, create wider fluctuations in their prices over time;

**Emerging Markets:** The Fund may invest in less economically developed markets (emerging markets) which can involve greater risks than well developed economies;

**Currency Risk:** The Fund invests in overseas markets and the value of the Fund may fall or rise as a result of changes in exchange rates.

**Index Tracking Risk:** The performance of any passive funds used may not exactly track that of their Indices.

**ESG Risk:** there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

The risks detailed above are reflective of the full range of Funds managed by the Multi-Asset Team and not all of the risks listed are applicable to each individual Fund. For the risks associated with an individual Fund, please refer to its Key Investor Information Document (KIID)/PRIIP KID.

The issue of units/shares in the Liontrust Multi-Asset Funds may be subject to an initial charge, which will have an impact on the realisable value of the investment, particularly in the short term. Investments should always be considered as long term.

For the Multi-Asset Model Portfolios, any performance shown represents model portfolios which are periodically restructured and/or rebalanced. Actual returns may vary from the model returns. There is no certainty the investment objectives of the portfolio will actually be achieved, and no warranty or representation is given to this effect, whether express or implied. The portfolios therefore should be considered as long-term investments.



**Actively Different & Product Offering**



**Macro Update & Portfolio Positioning**



**Actively Different – Portfolio Differentiation**

## Investment Team\*

The nine-strong investment team has extensive experience of Multi-Asset, equity and fixed income investing, with an average of more than 20 years in the industry. The team currently manage £3.8bn.



**John Husselbee**  
(40)

Head of Liontrust  
Multi-Asset

**John Husselbee**, joined Liontrust in 2013 and was previously a co-founder and CIO of North Investment Partners, Director of Multi-Manager Investments at Henderson Global Investors, and NM Rothschild & Sons.



**James Klempster**  
(21)

Deputy Head of Liontrust  
Multi-Asset

**James Klempster** is deputy head of Multi-Asset at Liontrust. He is a fund manager and analyst with over 20 years' investment management experience, of which the past 18 have been focused on managing multi-asset, multi-manager funds and portfolios.



**Phil Milburn**  
(28)

Head of Rates



**Donald Phillips**  
(20)

Head of Credit



**Anthony Chemla**  
(19)

Investment Manager



**Sharmin Rahman**  
(17)

Investment Manager



**David Salisbury**  
(7)

Fund Analyst



**Adrian Holmes**  
(29)

Head of Multi-Asset  
Investment Support



**Jon Heasman**  
(7)

Multi Asset Investment  
Support Manager

(#) Industry experience years. \*As at 31.07.25. Source: Liontrust, AuMA as at 30.06.25. AuMA = Assets under Management and Advice.

# 1 Active Management

All stages of the Multi-Asset investment process are actively managed:

- Bespoke Strategic Asset Allocation
- Tactical Asset Allocation
- Unfettered Fund Selection
- Diversification across asset classes, managers, investment styles and geographies
- Portfolio construction – passive vehicles and actively managed funds

# 2 Active Adviser Support

- Adviser support tailored for client needs
- Direct fund manager access
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## Value for money

- Competitive OCFs
- Benefit of knowledge and resources of the six single strategy teams at Liontrust

## Suitability

- Broad ranges meet client risk profiles and suitability
- Complements other fund and portfolio ranges
- Supporting advisers in meeting Consumer Duty requirements

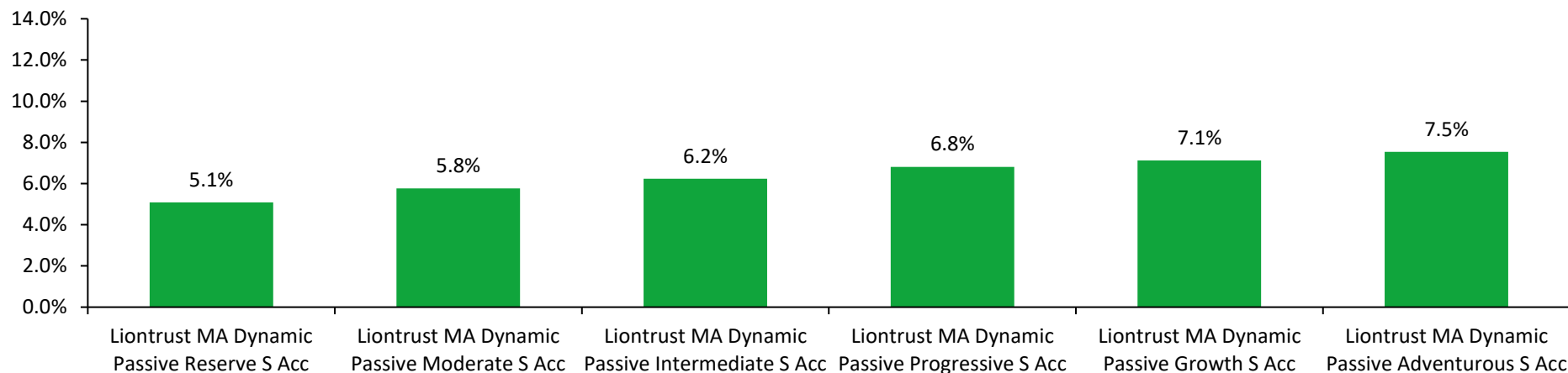
Liontrust Risk Profiles <sup>2</sup>	1	2	3	4	5	6	7	8
<b>Multi Asset Funds</b>								
Dynamic Passive	1	2	3	4	5	6	7	8
Blended	1	2	3	4	5	6	7	8
<b>MPS Portfolios</b>								
Dynamic Passive	1	2	3	4	5	6	7	8
Blended Growth	1	2	3	4	5	6	7	8
Blended Income	1	2	3	4	5	6	7	8
<b>IA Sectors</b>								
		0%–35%	20%–60%		40%–85%		Flexible	
MA Explorer Funds <sup>1</sup>		35%			70%	85%	100%	
MA Explorer Income Funds <sup>1</sup>			45%			85%		
MA Monthly High Income		35%						

Source: Liontrust, June 2025. 1. IA Mixed Assets sectors. 2. Hymans Robertson SAA, Volatility managed from 1 March 2023. IA = Investment Association. MA = Multi-Asset. MPS = Liontrust Managed Portfolio Service. WSS = Liontrust Wealth Solutions Service

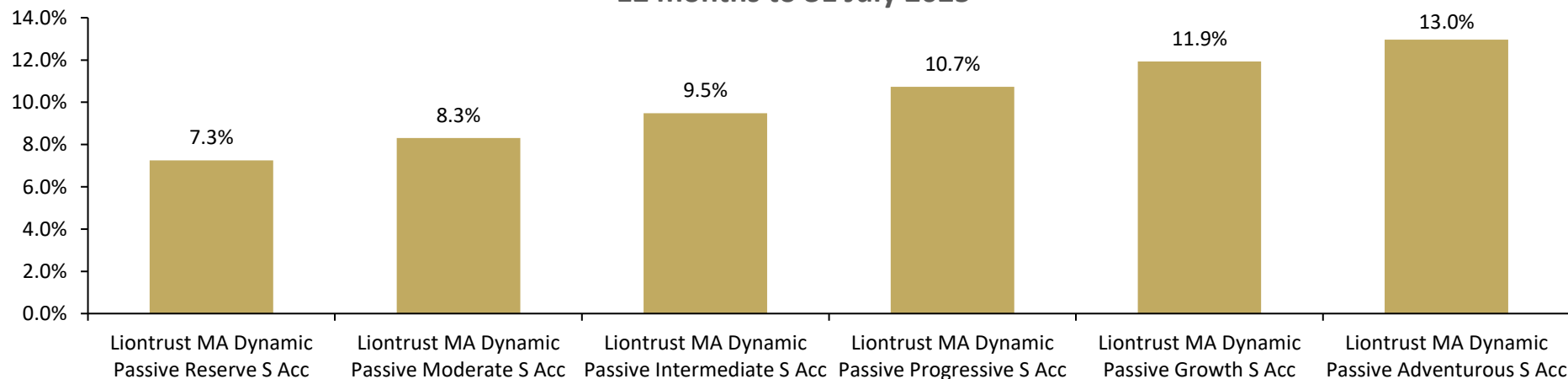
# Liontrust MA Dynamic Passive fund returns

## Past performance does not predict future returns

### YTD 2025



### 12 months to 31 July 2025



Source: FE Analytics, as at 31.07.25. Primary share class, total return figures are calculated on a single pricing basis with net income (dividends) reinvested. Performance figures are shown in sterling. Transaction costs are included for the period shown but may differ in the future as these costs cannot be determined with precision in advance

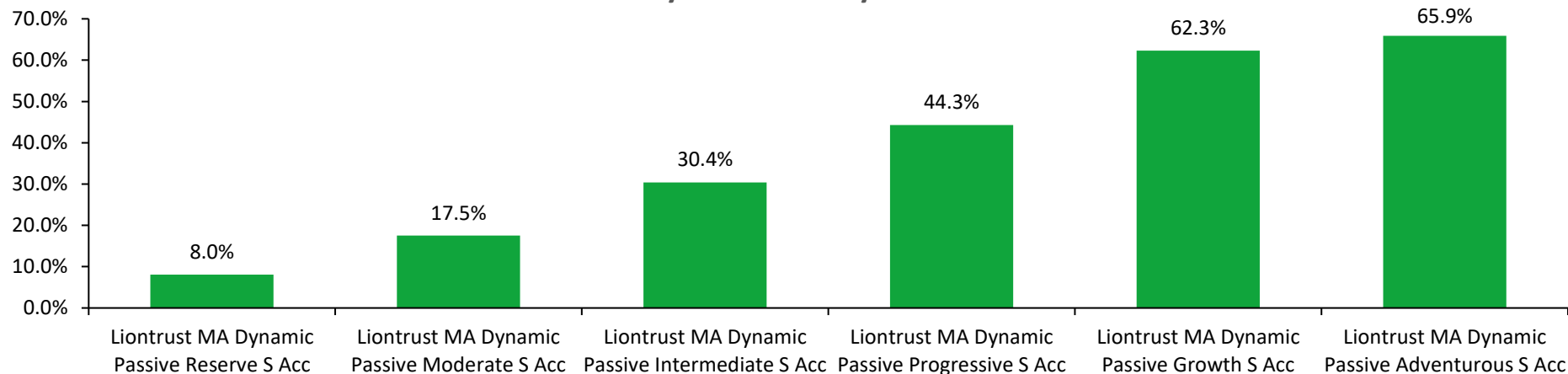
You may get back less than you originally invested. Please refer to the Key Risks slide for more information



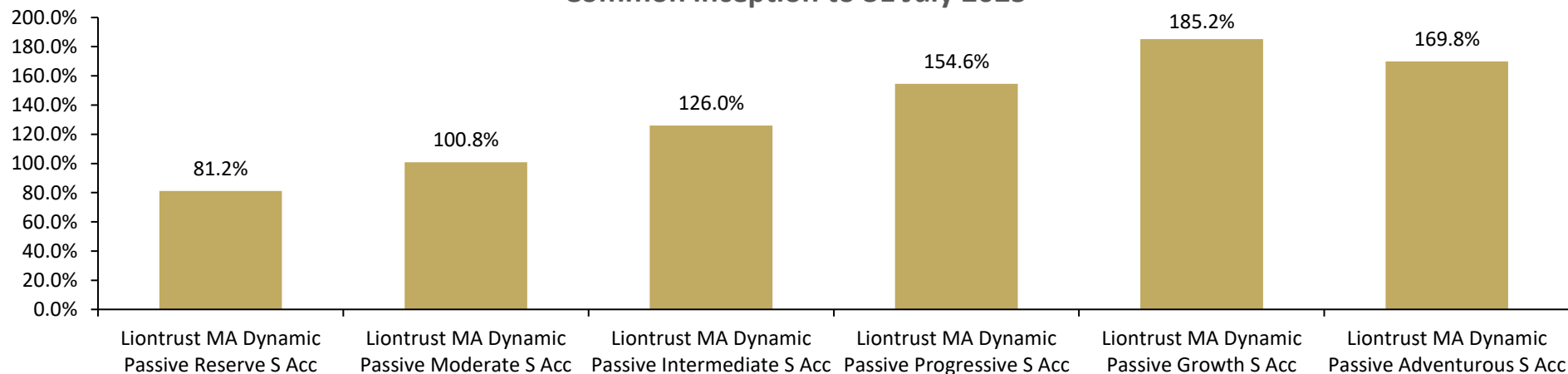
# Liontrust MA Dynamic Passive fund returns

## Past performance does not predict future returns

### 5 years to 31 July 2025



### Common inception to 31 July 2025



Source: FE Analytics, as at 31.07.25. Primary share class, total return figures are calculated on a single pricing basis with net income (dividends) reinvested. Common inception date is 08.03.11. Performance figures are shown in sterling. Transaction costs are included for the period shown but may differ in the future as these costs cannot be determined with precision in advance

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Actively Different & Product Offering



**Macro Update & Portfolio Positioning**



Actively Different – Portfolio Differentiation



For decades, globalisation helped countries grow by **trading freely** and **building global supply chains**.



Now, this trend is reversing — often called **deglobalisation** — driven by **national security concerns**, **self-sufficiency goals**, and **political populism**.



Countries are increasingly looking **inward**: putting up **trade barriers** to protect local jobs and industries.

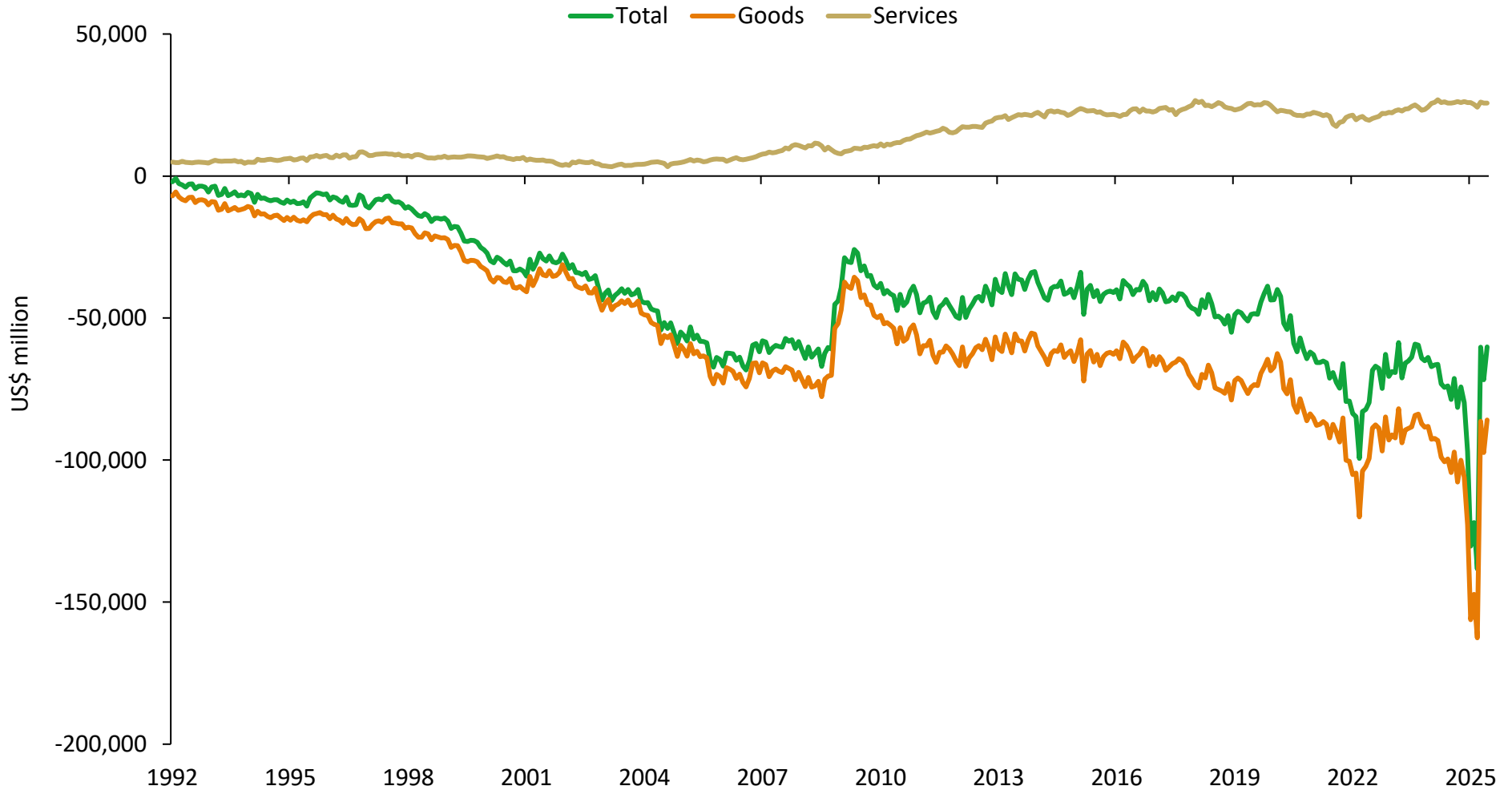


Example: **President Trump's tariffs** — an attempt to “bring jobs back” and shrink the U.S. trade deficit.




But reversing globalisation **isn't free** — it comes with **economic costs**.

## US Trade Deficit & Services Surplus (per month)




Source: Bureau of Economic Analysis – U.S. Department of Commerce as at 05.08.25



A **tariff** is a **tax on imported goods**. It makes foreign products more expensive, to favour local ones.




**Targeted tariffs** are used **carefully and selectively**. They can be helpful in three cases:



**National Security:** e.g., keeping defence manufacturing at home.




**Iconic Industries:** preserving industries tied to national identity (like French wine or Swiss cheese).




**Unfair Trade:** if another country cheats — subsidies, dumping, blocking access to their market.



These tariffs aim to **fix specific problems** without disrupting global trade entirely.



Unlike targeted tariffs, **Trump's approach was sweeping** — taxing a wide range of goods from many countries.




Claimed goal: reduce trade deficit, boost U.S. jobs — but at what cost?




**Main consequences:**



**Higher prices for American consumers** — tariffs are a **hidden tax**.



**Less competition** — local companies can charge **more for lower quality**.



**Retaliation** — other countries hit back with **their own tariffs**.

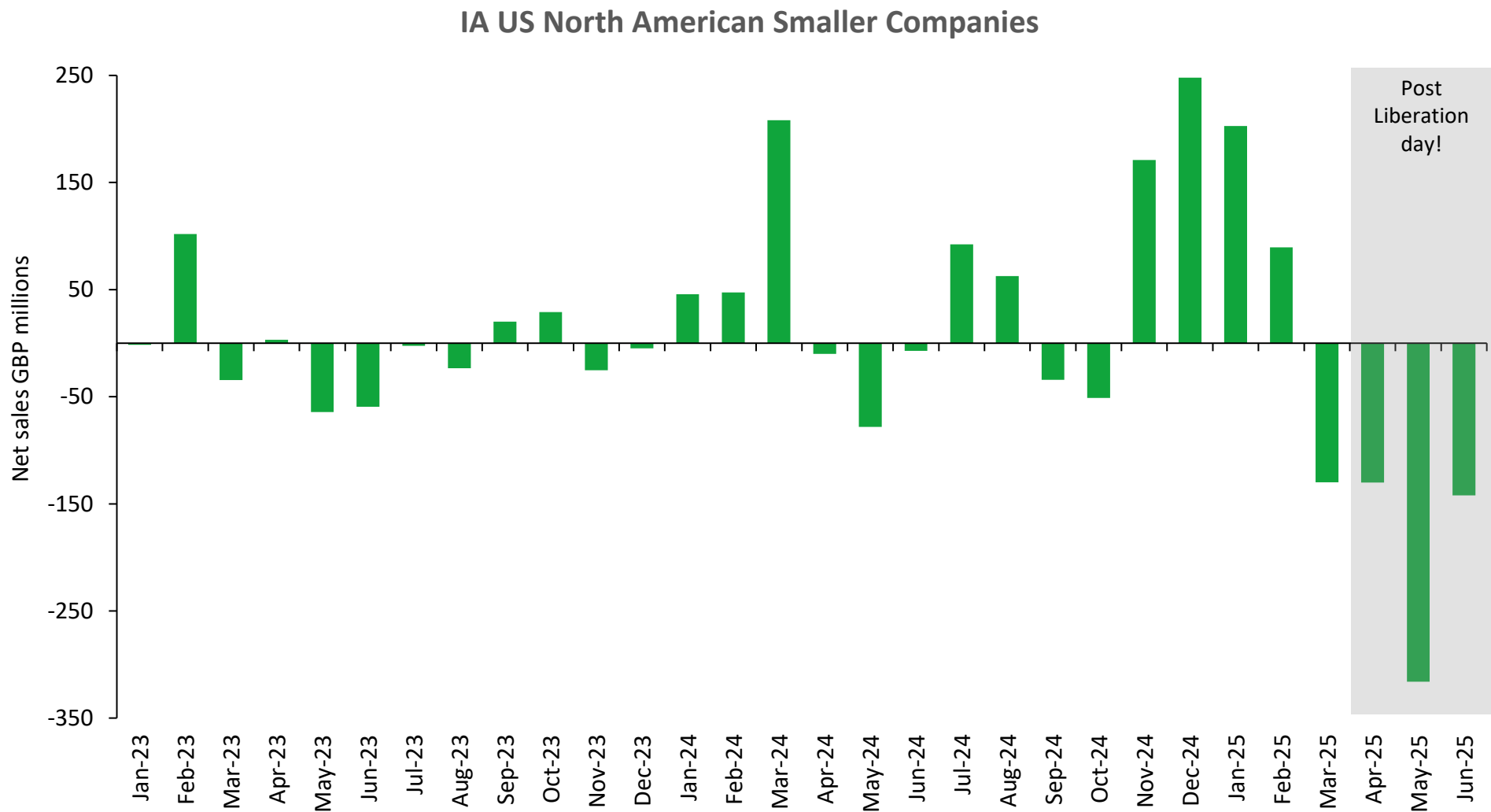


**Supply chain disruption** — businesses face uncertainty and rising costs.

## Trade Weighted USD (DXY)



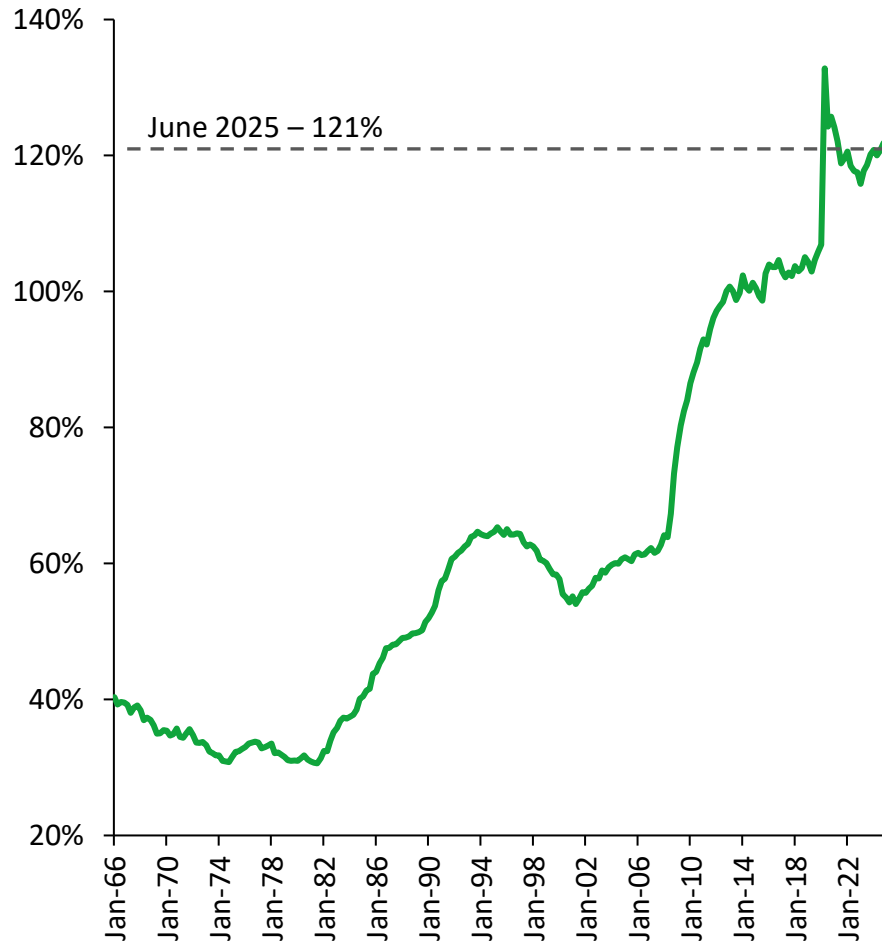
Source: Bloomberg as at 13.08.25



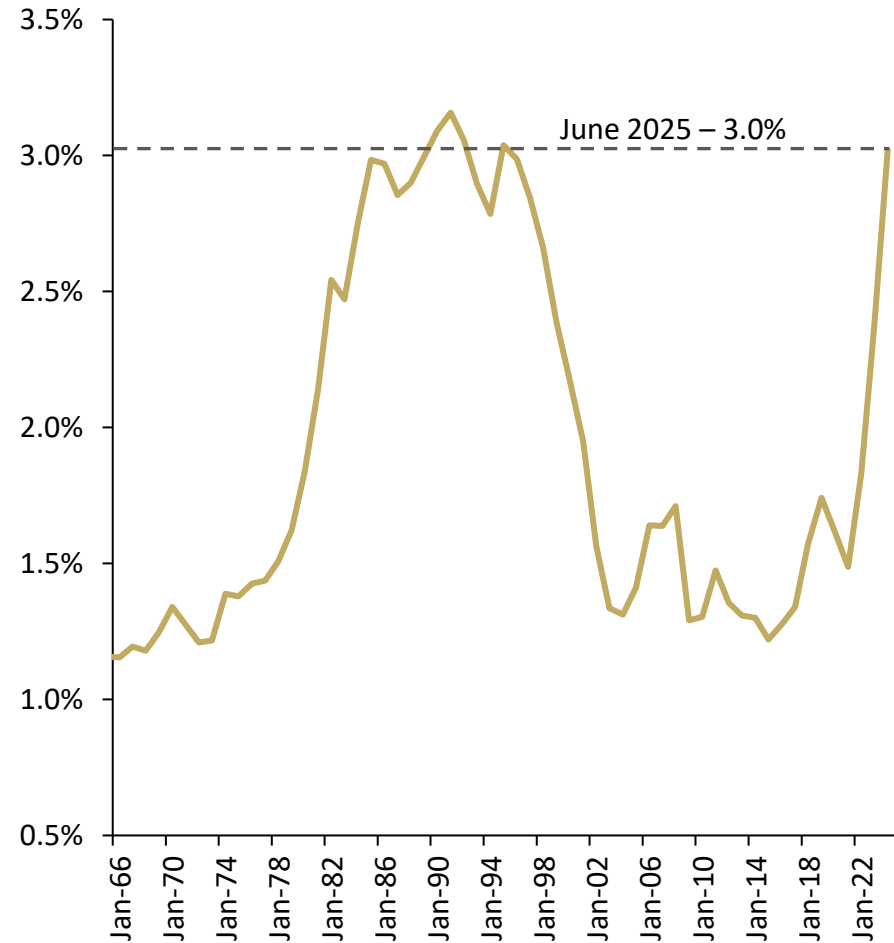
Source: The Investment Association as at 30.06.25



## US Debt as % of GDP

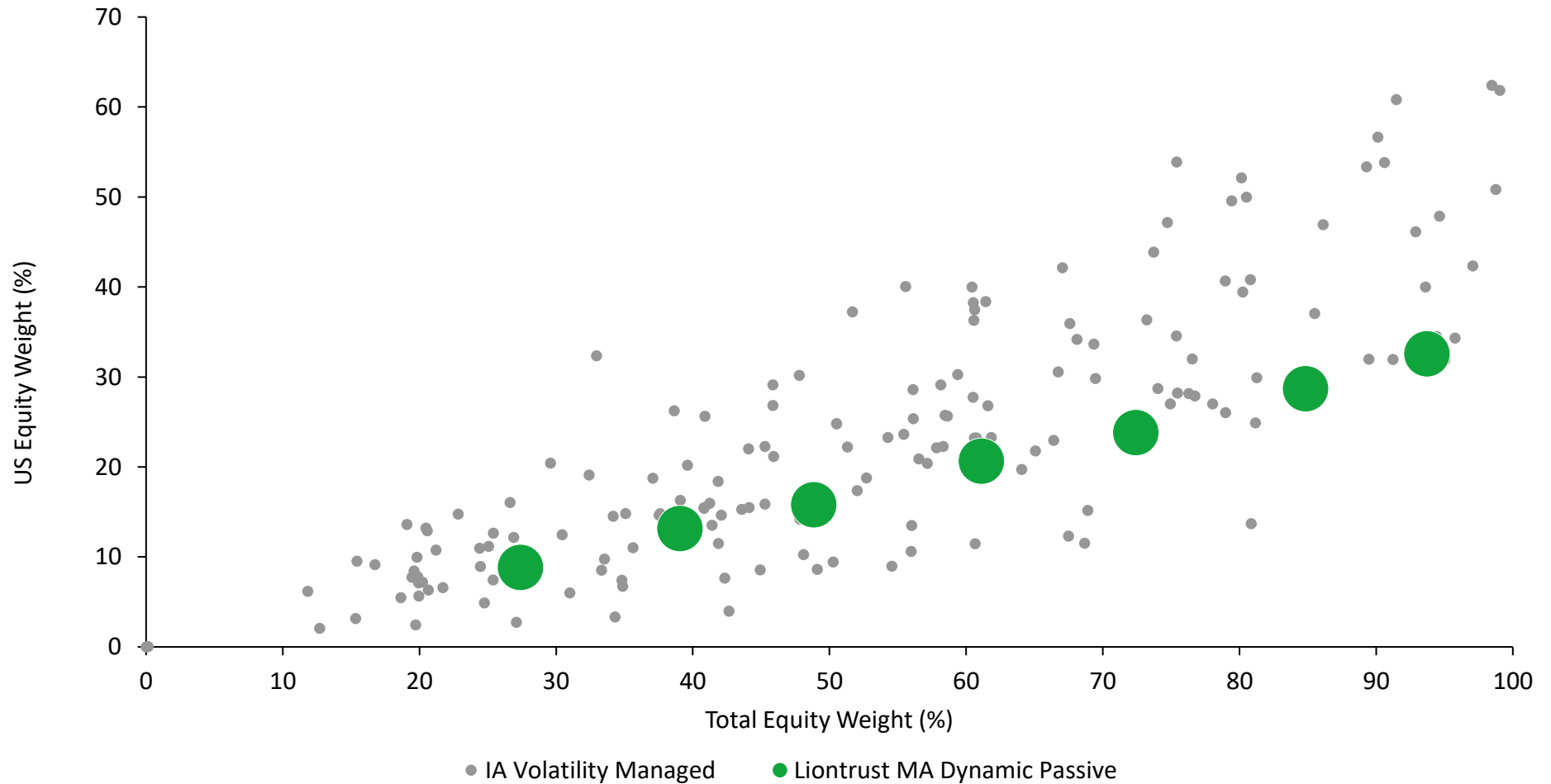


## Interest Payments as % of GDP

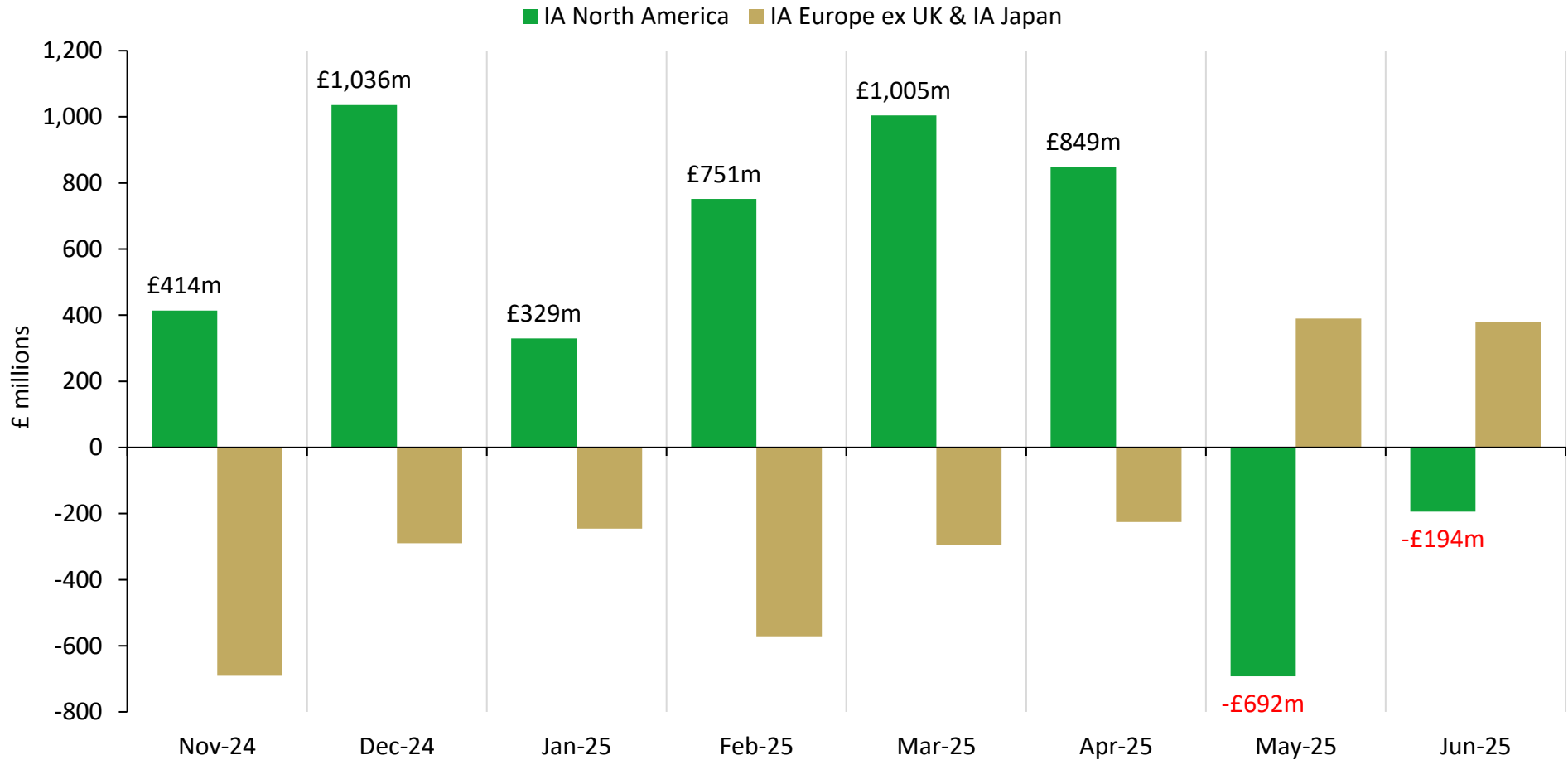


Source: Federal Reserve Bank of St Louis as at 13.08.25

## IA Volatility Managed sector



## Net monthly sales (£m)



Source: The Investment Association as at 30.06.25. The sector flows are the respective IA regional Large and Small cap sectors

# Winners rotate

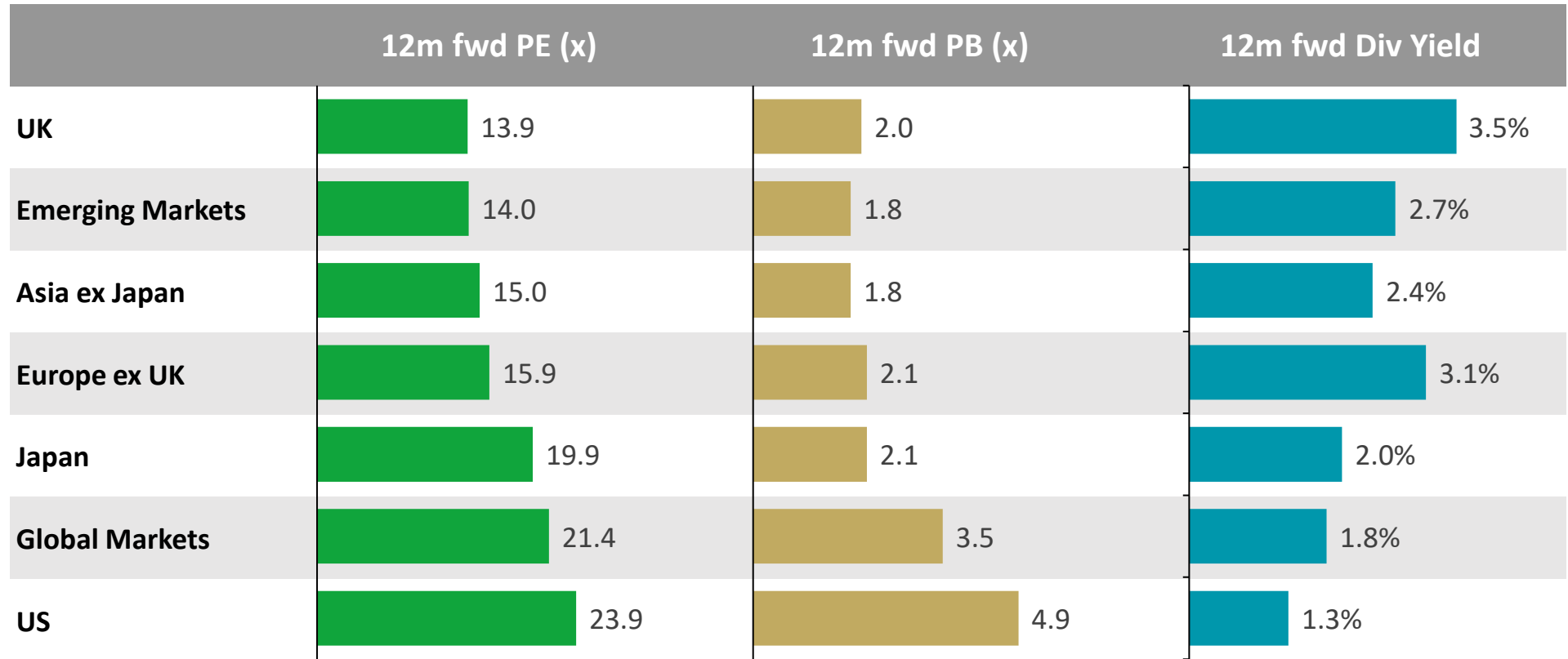
## Past performance does not predict future returns

### Liontrust Multi-Asset Tactical Asset Allocation by asset class

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD	Key:
		32.7			25.7							Europe ex-UK equities
		32.6	25.4		24.4				18.6	26.7		North America equities
23.1		27.3	25.1		20.0				14.8	13.9	13.5	Japan equities
22.3		25.2	15.8		19.1				13.5	12.1	9.1	UK equities
20.0		22.1	13.8		18.3	18.7			11.9	10.2	7.2	Global bonds
14.9	15.9	18.6	13.3		15.0	14.7			9.8	9.4	5.6	Global high yield
12.5	6.6	16.7	13.1		14.6	14.1	29.3		7.9	9.4	5.3	UK government bonds
9.2	5.8	15.7	10.6		13.9	11.0	28.4		6.9	8.9	4.4	UK corporate bonds
8.7	5.1	12.5	7.2		12.3	9.7	26.2		5.5	6.2	4.3	IA 20-60
5.0	1.7	12.3	6.7		12.1	9.1	18.3		4.8	5.3	3.5	Developed Asia equities*
3.9	1.5	11.2	4.9	1.2	11.0	7.5	18.1		4.6	5.1	3.3	Global infrastructure
2.9	1.0	10.9	2.0	1.0	7.5	5.6	16.7		4.1	3.8	3.1	Emerging market equities
2.7	1.0	10.6	1.8	1.0	5.9	5.1	6.3		3.8	2.5	2.4	Cash
1.9	0.7	3.5	1.1	0.6	5.3	3.5	2.8	15.0	3.6	2.0	2.4	Short duration gilts
1.2	0.5	2.6	0.7	0.4	1.1	1.5	2.6	1.4	1.9	1.9	2.3	Global property
0.4	0.5	0.4	0.3	0.3	0.7	0.2	0.1	0.3	1.3	1.7	2.1	Commodities
-0.7	-2.1		-0.3	-2.2		-4.9	-1.6	-2.5	-8.6	-4.3	-2.5	
-17.2	-2.4			-2.00		-6.7	-1.6	-4.5			-3.1	
	-4.1			-3.6		-9.8	-2.0	-6.1				
	-10.0			-5.1		-11.0	-2.4	-7.1				
	-25.3			-7.5			-3.3	-7.6				
				-8.6			-5.4	-8.2				
				-9.3				-9.7				
				-9.5				-10.0				
				-9.9				-12.6				
				-12.8				-13.8				
								-14.9				
								-19.3				
								-27.1				

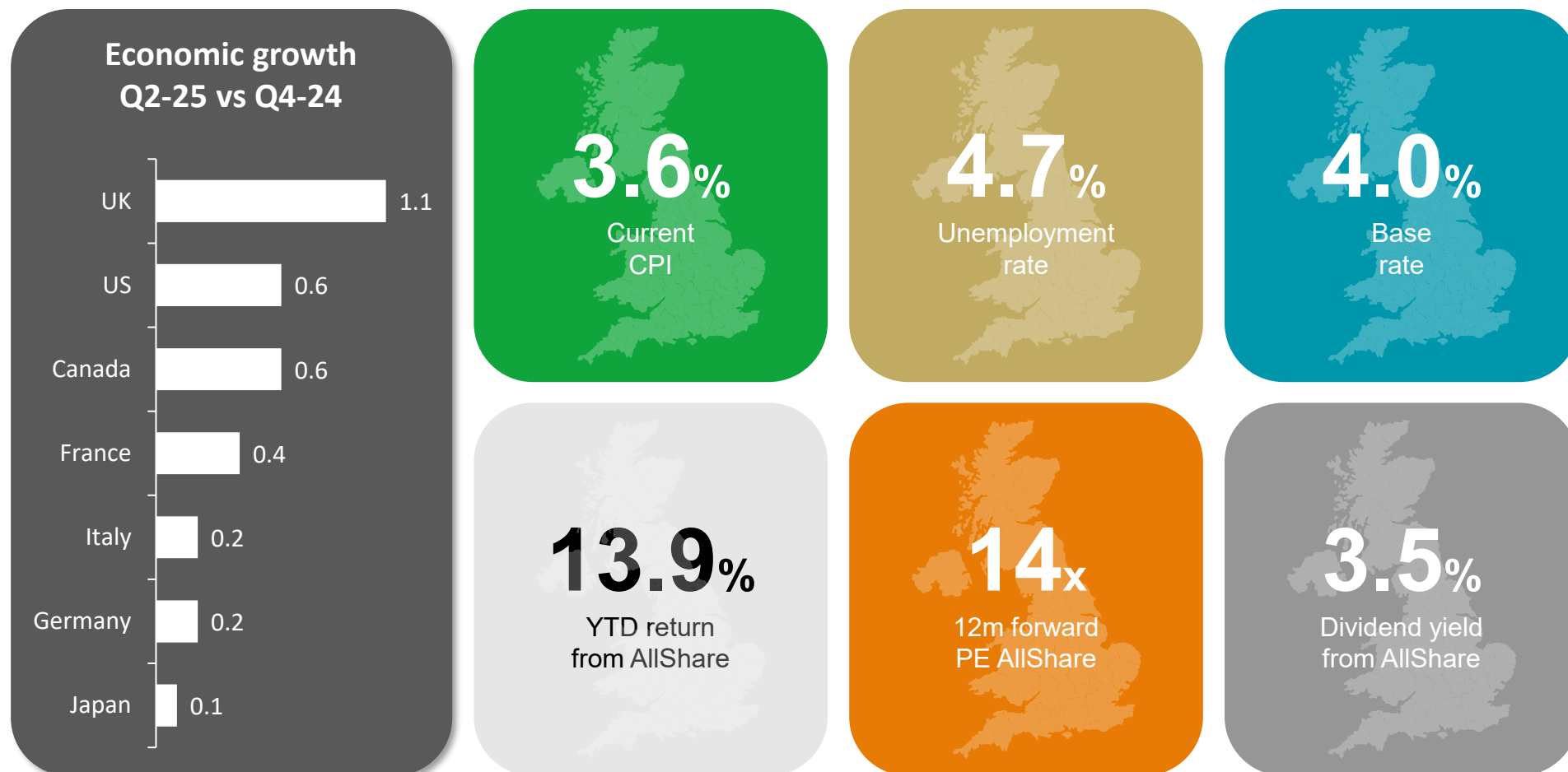
Source: Morningstar. Calendar year, net returns to 30.06.25 (based to GBP).

\*Developed Asia Pacific (ex-Japan) equities. YTD = Year to date. IA 20-60 = IA Mixed Investment 20-60% Shares



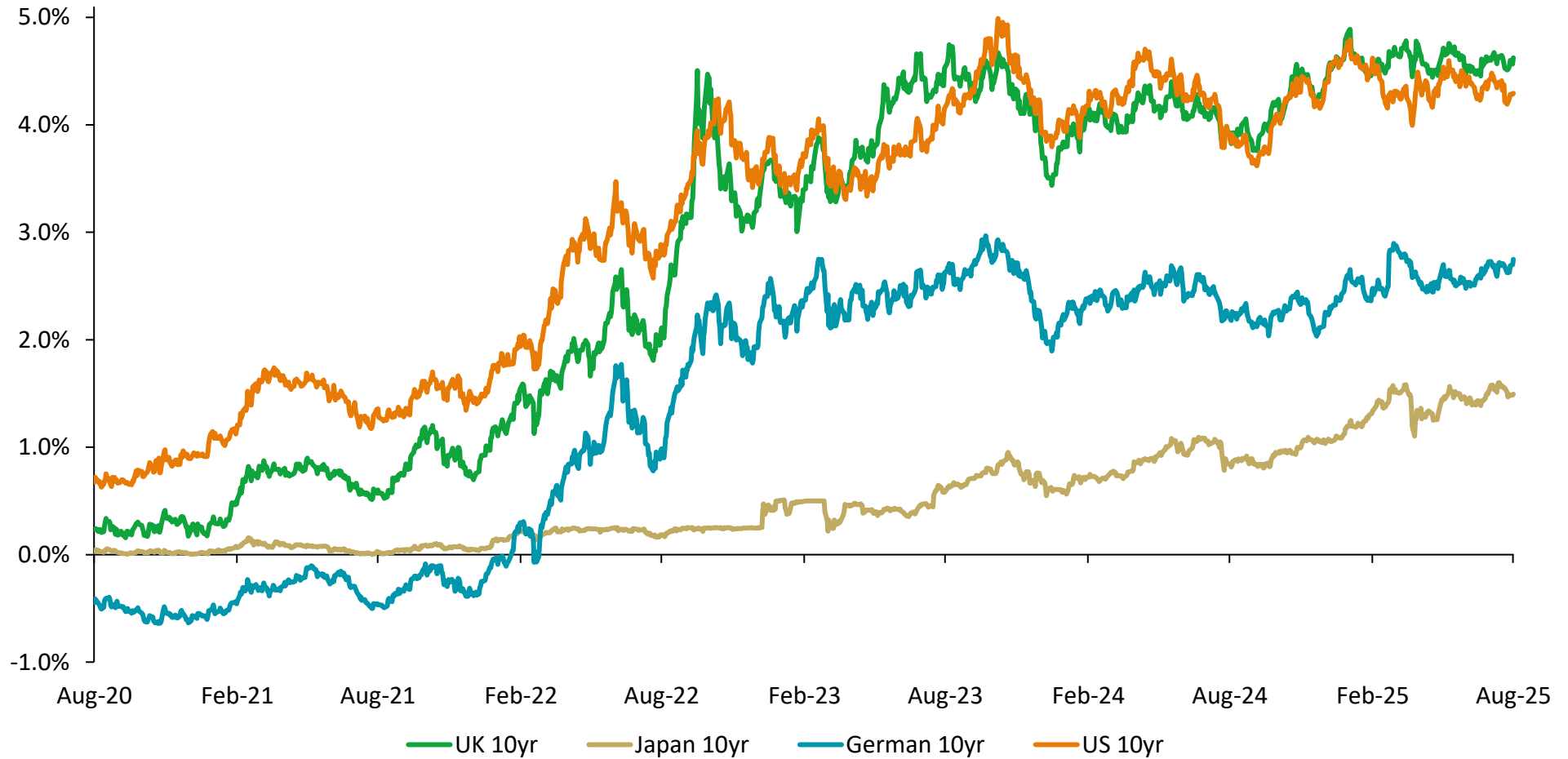
Source: Bloomberg as at 31.07.25.

## UK outperformed other G7 economies in H1-2025



Source: Bloomberg as at 13.08.25

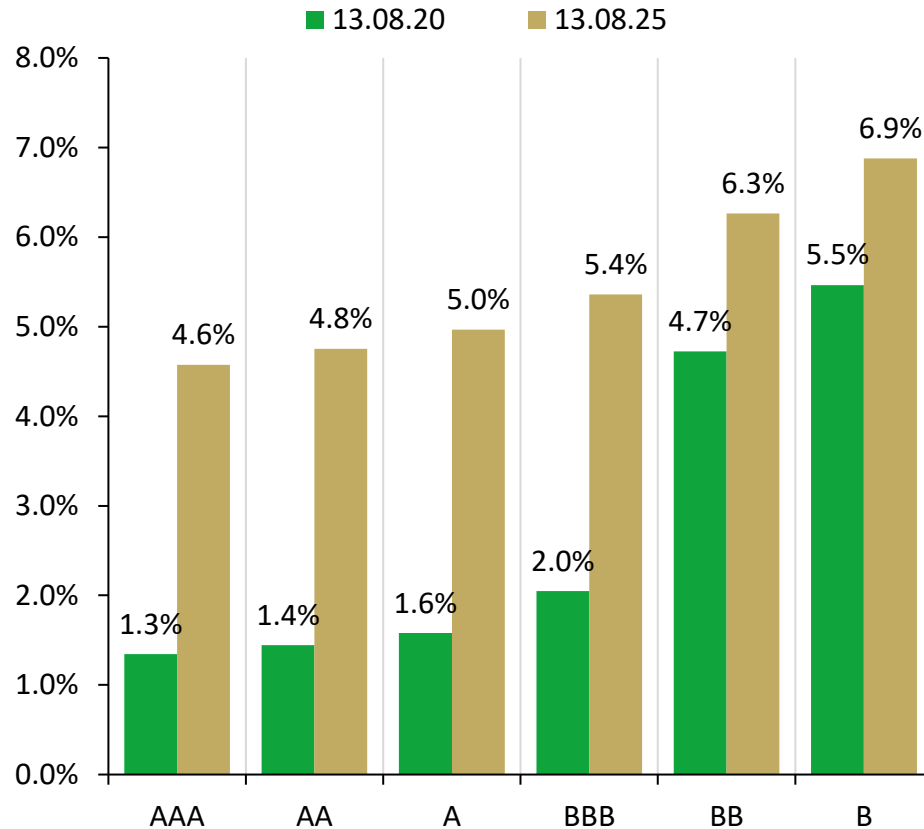
## Developed Market Yields



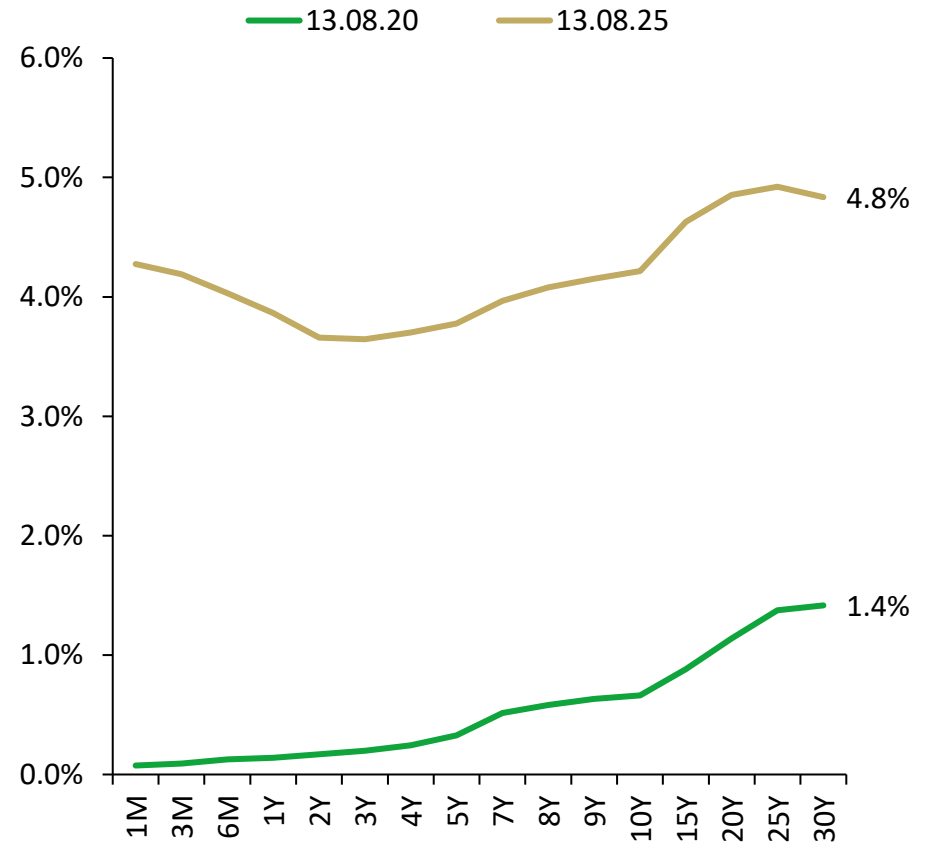
Source: Bloomberg as at 13.08.25



## 10 Year Yield Changes (US Composite)



## Yield Curve Changes – US Treasury



Source: Bloomberg as at 13.08.25



## Key benefits

- **Insight** – real time positions and risk oversight
- **Implementation** – more immediate transparency hastens speed of execution
- **Access** – to a wide range of fixed income asset classes
- **Efficiency** – of implementation through dedicated fixed income vehicles
- **Enhanced** – depth of macroeconomic knowledge on the team
- **Value for money** – direct investing leads to lower OCFs
- **Collaboration** – an integrated team making seamless portfolio construction decisions



## Focus areas

- Global government bonds
- Global investment grade corporate bonds
- Global short dated IG corporate bonds
- Global high yield bonds



## Current preference

- High yield is in a sweet spot
- Tariffs might hurt earnings but won't destroy balance sheets
- Credit spreads are tight but all in yields are attractive

TAA Scorecard						
	1	2	3	4	5	Direction of travel
<b>Overall</b>				●		↑
<b>Cash</b>	●					↓
UK gilts			●			↑
UK gilts Short Duration		●				↓
Global government bonds			●			↑
IG corporate bonds			●			↓
Global short-dated corporate bonds				●		↑
Index-linked bonds		●				↓
High yield				●		↑
Emerging market debt			●			↓
Convertibles		●				↓
<b>Equity overall</b>				●		↑
UK equity				●		↑
UK small caps				●		↑
US equity			●			↑
US small caps				●		↑
European equity		●				↓
European small caps			●			↑
Japanese equity				●		↑
Japanese small caps				●		↑
Asian equity				●		↓
Emerging markets equity				●		↓
<b>Real Assets</b>			●			↑
<b>Alternatives</b>			●			↑

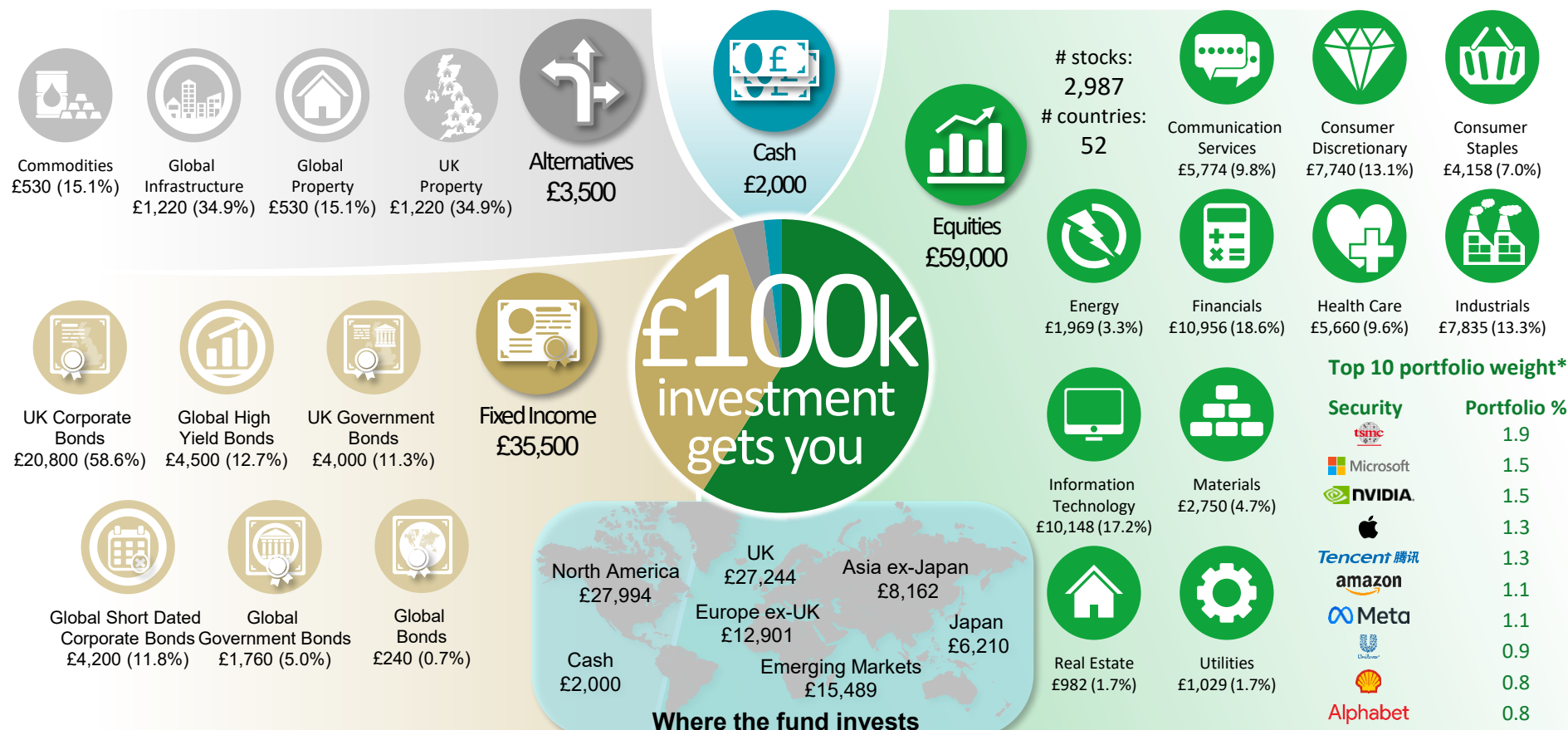
## #ActivelyDifferent

Structurally higher (but not high) inflation	→	Higher cost of capital
Adequate growth	→	Supportive background for markets
Mixed valuation picture	→	Be selective
Cost-insensitive buyers disappearing	→	Value over momentum
Political noise	→	Diversification
De-globalisation	→	New era
Short term noise / sentiment	→	Patience, discipline

Source: Liontrust, as at 14.05.25. Not all the asset classes are used in all the MA portfolios and funds

# What do you get for £100,000

## Past performance does not predict future returns



\* This is the overall look-through from Style Analytics for MA Blended Intermediate. The % weights are the aggregate of each security across the underlying equity funds in the portfolio. Source: Liontrust, 31.03.25. Liontrust MA Blended Intermediate Fund as an example of our strategy



Actively Different & Product Offering

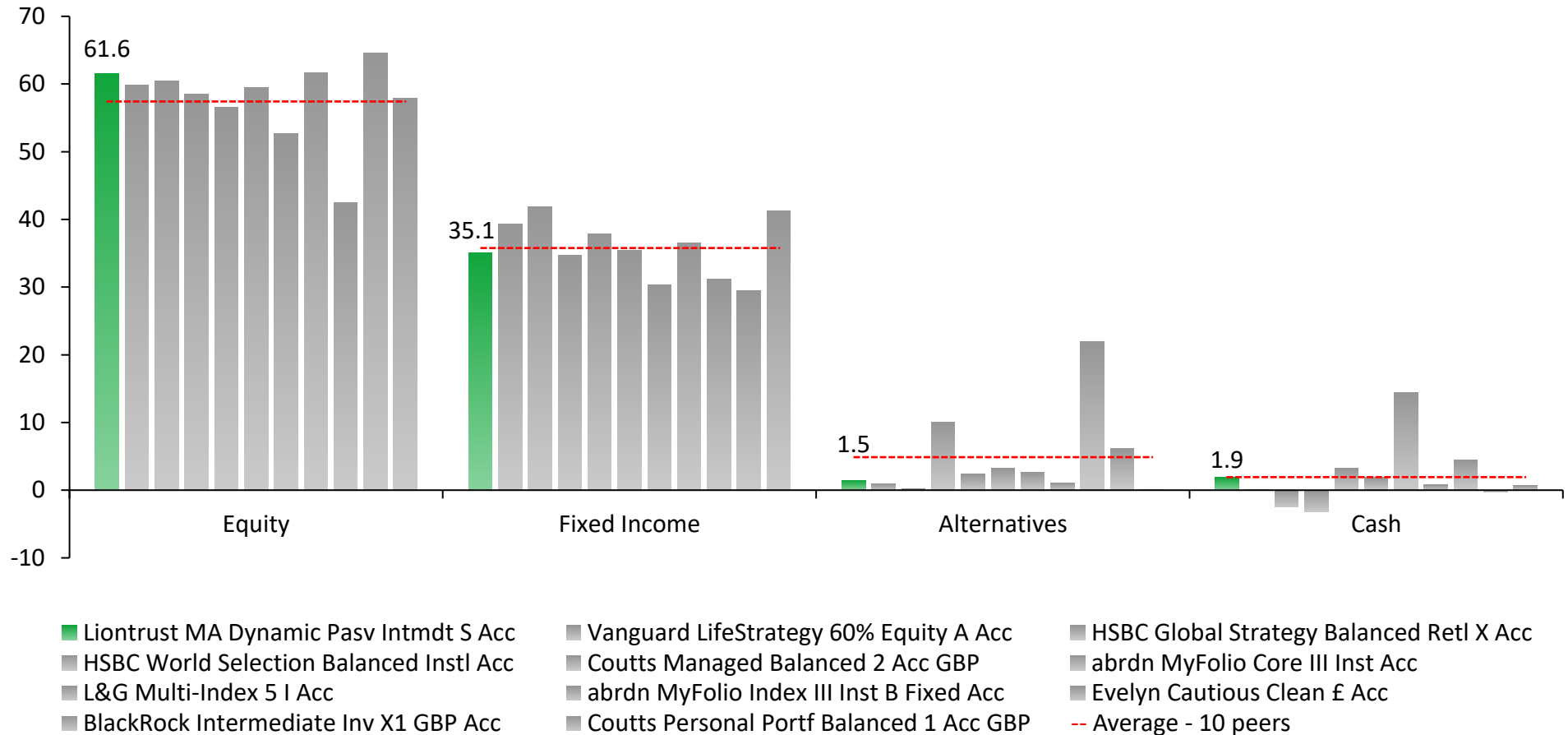


Macro Update & Portfolio Positioning



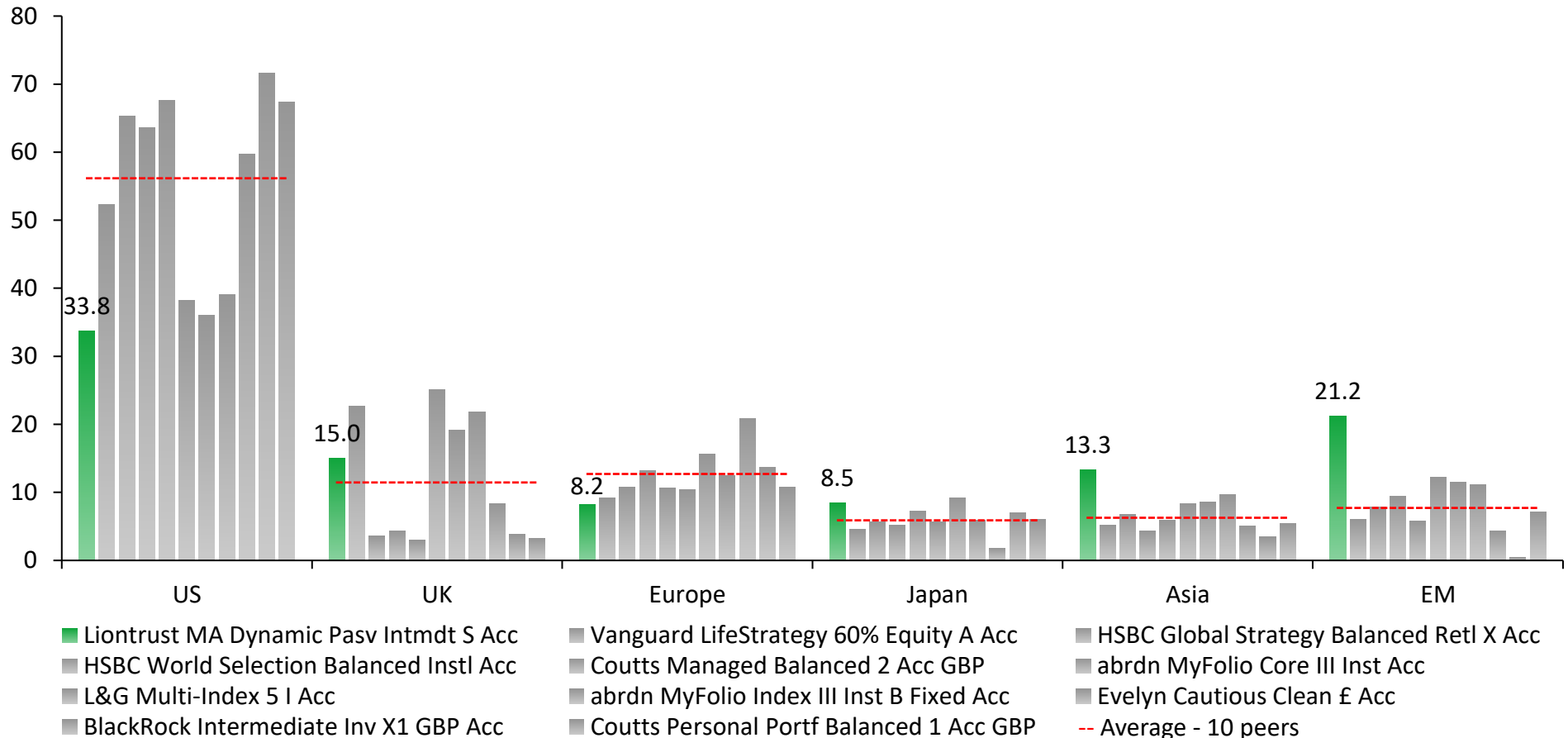
**Actively Different – Portfolio Differentiation**

## Portfolio Allocation



Source: Morningstar EAA GBP Allocation 40-60% Equity Screen; Top 10 AUM / Passive / Fund of funds, Liontrust allocation comparison, data as at 20.08.25

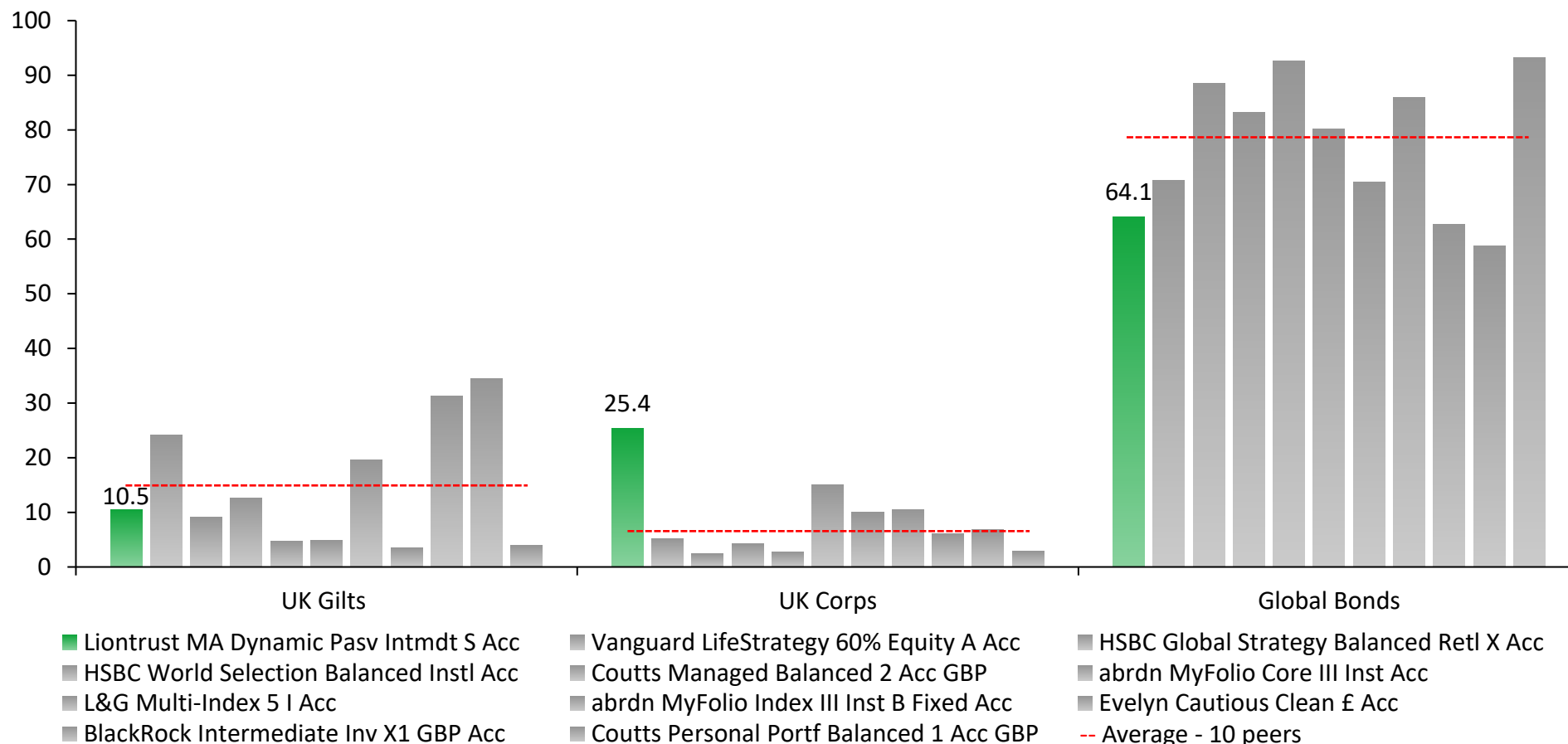
### Equity (pro rata)



Source: Morningstar EAA GBP Allocation 40-60% Equity Screen; Top 10 AUM / Passive / Fund of funds, Liontrust allocation comparison, data as at 20.08.25



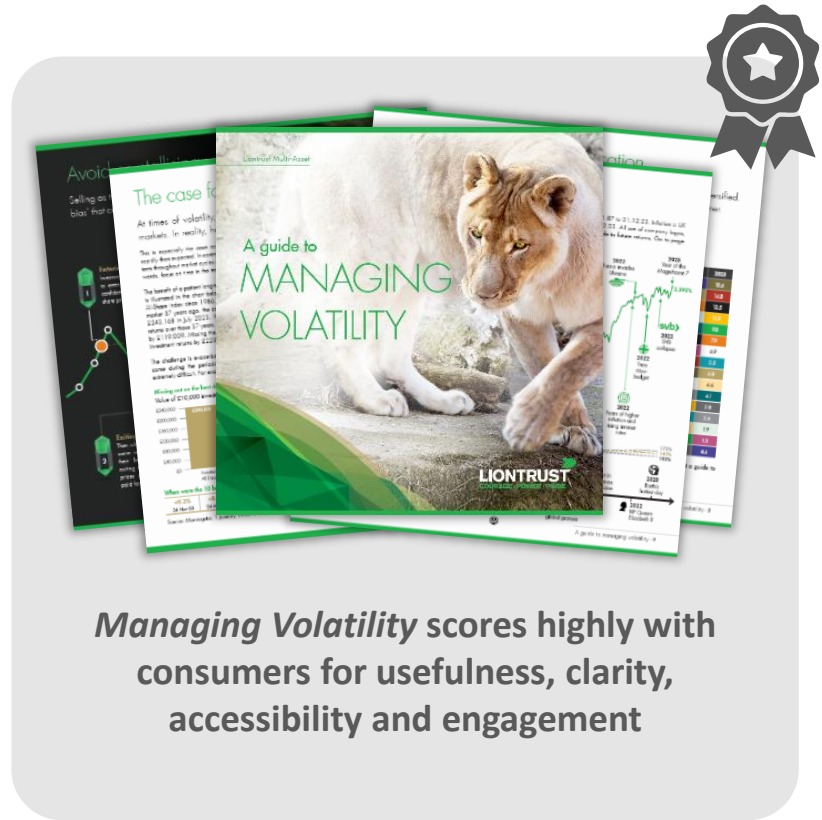
## Fixed Income (pro rata)



Source: Morningstar EAA GBP Allocation 40-60% Equity Screen; Top 10 AUM / Passive / Fund of funds, Liontrust allocation comparison, data as at 20.08.25



## Market-leading literature – Helping advisers meet consumer duty requirements



“

Given the last few days, this is a timely reminder to keep invested for the long-term and the importance of diversification, which can help smooth the bumpy road. **Thank you to Liontrust Asset Management PLC for producing such a helpful guide.**

**ANDY BURNS, CHAPEL WEALTH MANAGEMENT, April 2025**

”

“

**This is one of the best financial services informational documents I have seen.** The way it is set out is visually very appealing. The use of images and charts are great. The language used is easy to understand and in no way full of confusing jargon. Where there are technical terms, the document does really well to explain them.

**CONFIDENT INVESTOR, CONSUMER DUTY PANEL, July 2024**

”



“

...for a client facing educational piece this is **one of the best documents I have seen in my near 30-year career.**

**MARTIN ANDREWS, PSA FINANCIAL SERVICES, April 2025**

”

“

**One of the best documents I have read in some time.** Very topical and relevant and scored for me in several areas in terms of content, bulleting, graphs, data, and general presentation. The history of long-term investing was very informative, and I loved the graph setting out the ups and downs of recent decades.

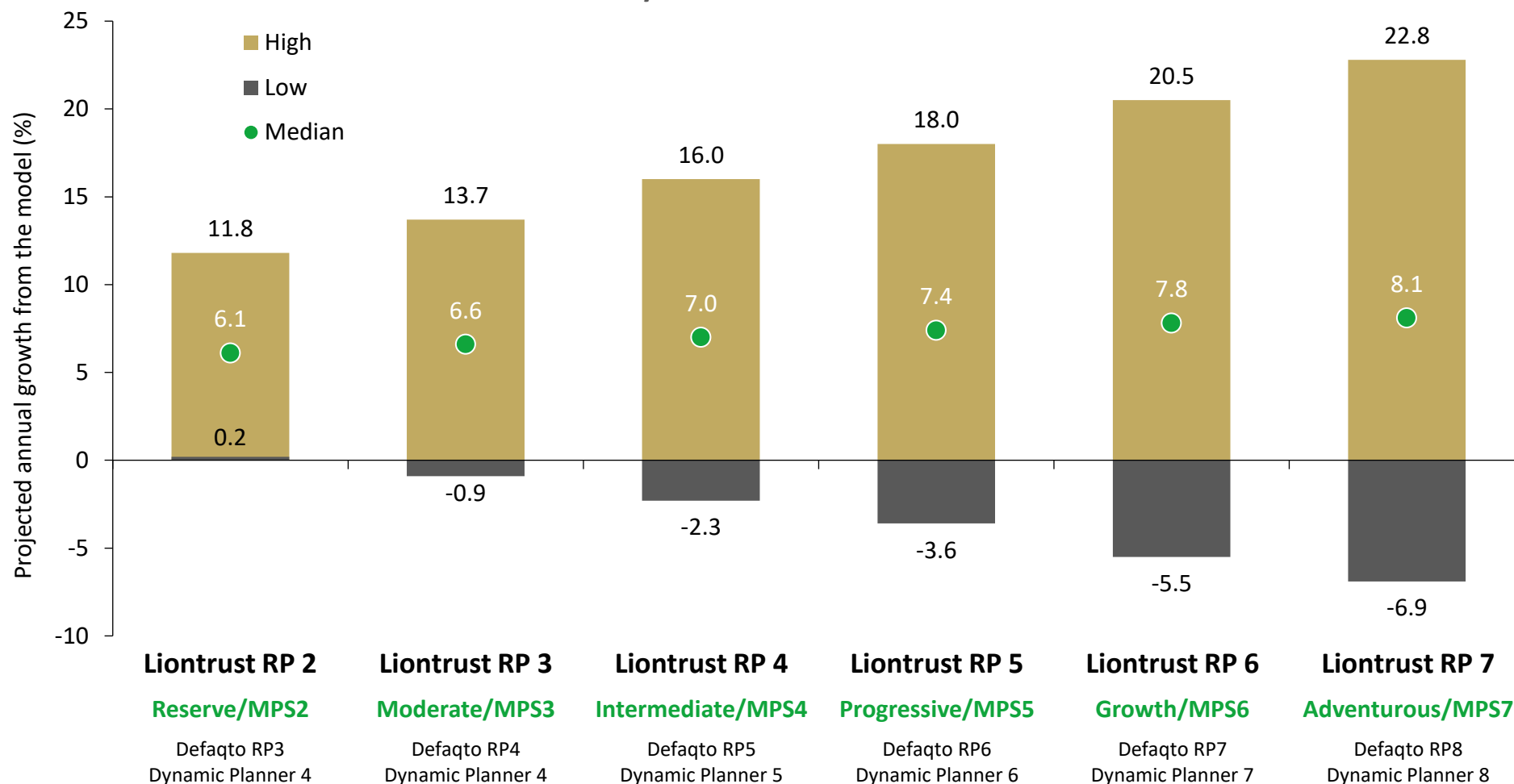
**CONFIDENT INVESTOR, CONSUMER DUTY PANEL, July 2024**

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This presentation includes information, materials, views or opinions of others outside the Liontrust group and/or in their own individual capacity. Such information, materials, views or opinions have not been verified or approved by Liontrust, they do not represent the views or values of Liontrust and must not be relied upon as such.

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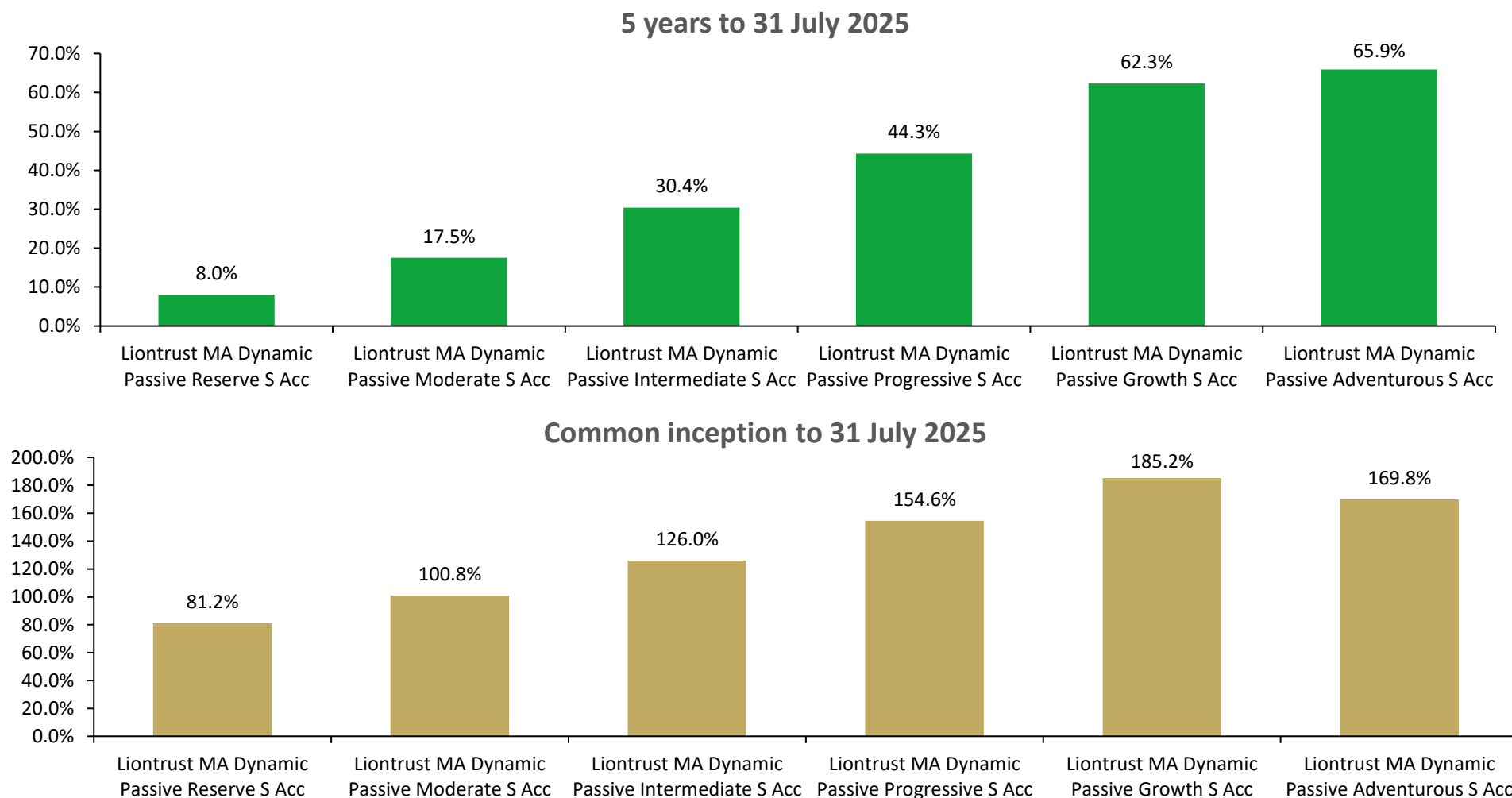
5 years to 30 June 2025



Source: Liontrust, as at 22.07.25. RP = Risk Profile. MPS = Managed Portfolio Service

# Liontrust MA Dynamic Passive fund returns

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Source: FE Analytics, as at 31.07.25. Primary share class, total return figures are calculated on a single pricing basis with net income (dividends) reinvested. Common inception date is 08.03.11. Performance figures are shown in sterling. Transaction costs are included for the period shown but may differ in the future as these costs cannot be determined with precision in advance

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To previous quarter 12 months ending (%)	Jun-25	Jun-24	Jun-23	Jun-22	Jun-21
Liontrust MA Dynamic Passive Reserve Fund S Acc	5.9	9.5	-4.5	-8.7	4.1
Liontrust MA Dynamic Passive Moderate Fund S Acc	6.1	11.2	-2.5	-7.6	7.1
Liontrust MA Dynamic Passive Intermediate Fund S Acc	6.2	12.9	0.3	-5.9	10.8
Liontrust MA Dynamic Passive Progressive Fund S Acc	6.6	13.9	2.9	-4.3	15.2
Liontrust MA Dynamic Passive Growth Fund S Acc	6.6	15.9	6.4	-3.4	21.0
Liontrust MA Dynamic Passive Adventurous Fund S Acc	6.8	17.1	6.7	-4.2	23.7

Source: FE Analytics, as at 30.06.25. Total return figures are calculated on a single pricing basis with net income (dividends) reinvested. Performance figures are shown in sterling. Transaction costs are included for the period shown but may differ in the future as these costs cannot be determined with precision in advance

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**This is a marketing communication.** Before making an investment decision, you should familiarise yourself with the different types of specific risks associated with the investment portfolio of each of our Funds and Multi-Asset Model Portfolios. For Liontrust Funds, this information can be found in the final Prospectus and Key Investor Information Documents (KIIDs) and/or PRIIP/KID available on our website: [www.liontrust.co.uk](http://www.liontrust.co.uk). Our Multi-Asset Model Portfolios are available exclusively through financial advisers. Financial advisers can find further information on the different types of specific risk associated with the Liontrust Multi-Asset Model Portfolios in the relevant brochure, also available on our website: [www.liontrust.co.uk](http://www.liontrust.co.uk). If you are not a professional investor please consult a regulated financial adviser regarding the suitability of such an investment for you and your personal circumstances.

BWC | AP | COMP 20.08.25

A close-up, high-contrast photograph of a lion's face, focusing on its right eye which is a striking green color. The lion's fur is golden-brown and textured. The background is dark and out of focus.

**LIONTRUST**   
COURAGE · POWER · PRIDE