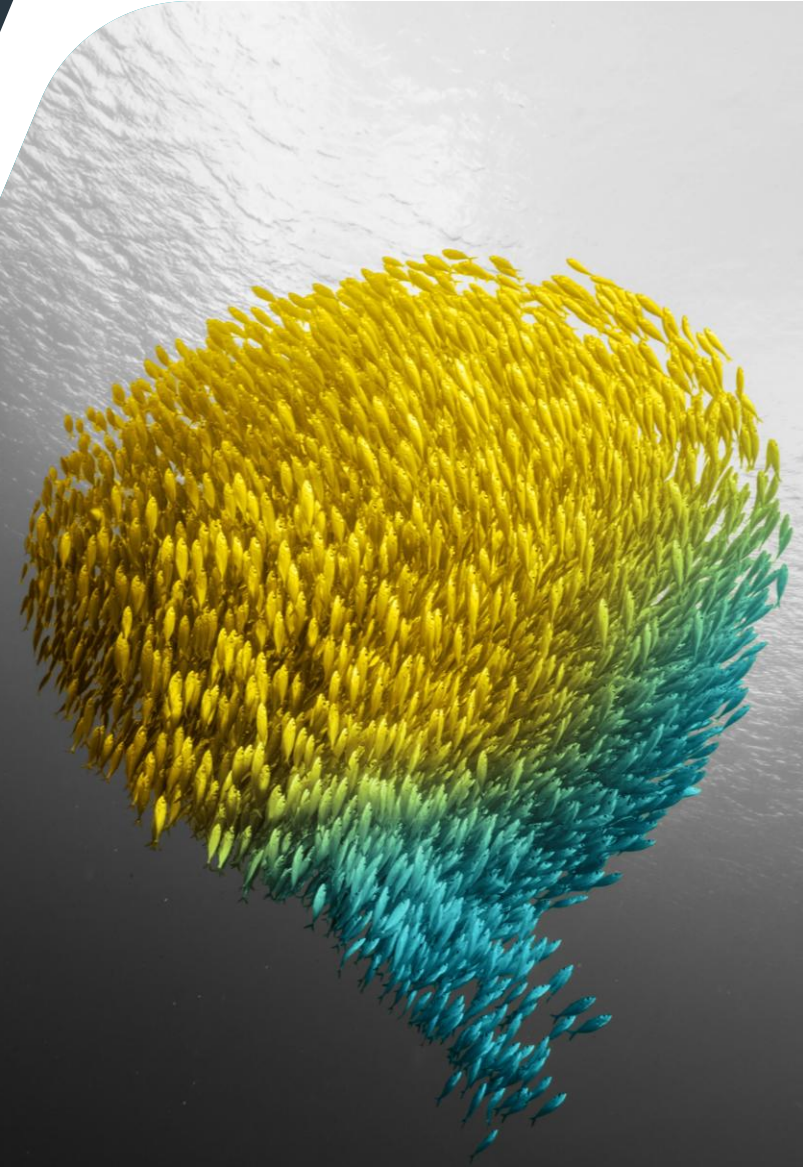


# Aviva Investors

What's going to drive your clients' investments?

**June 2025**

This document is for professional clients, institutional/qualified investors and advisers only. It is not to be distributed to or relied on by retail clients.



# Learning objectives

2

1

To understand the current market factors influencing Multi Asset portfolios

2

How multi asset funds can influence positive change in a client circumstance and why diversification is still critical in an investment portfolio

3

Recognise the factors that have impacted the performance of securities in recent times and the outlook for the remainder of 2025

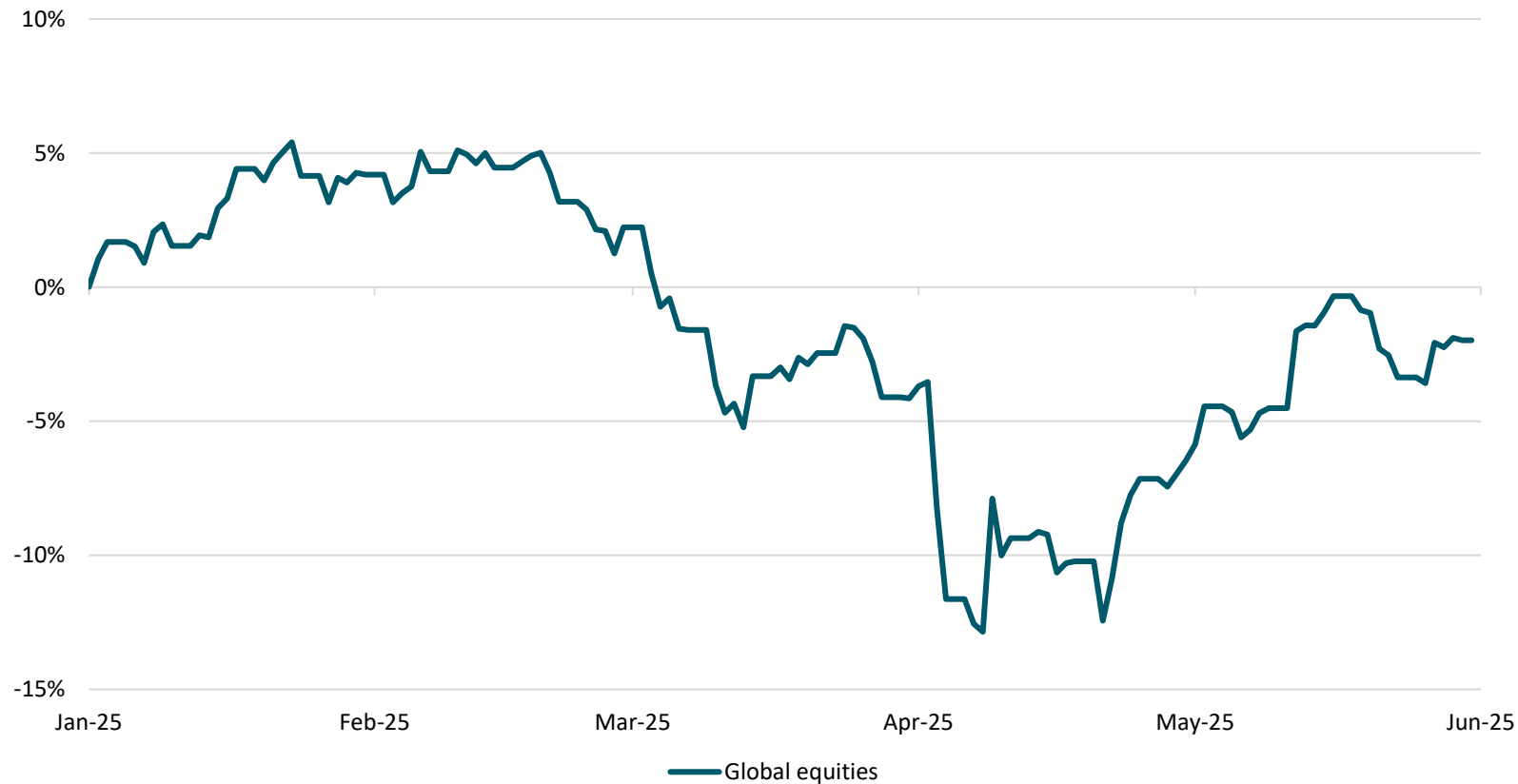
# Feel familiar?

3



# Where are global equity markets heading?

4



?

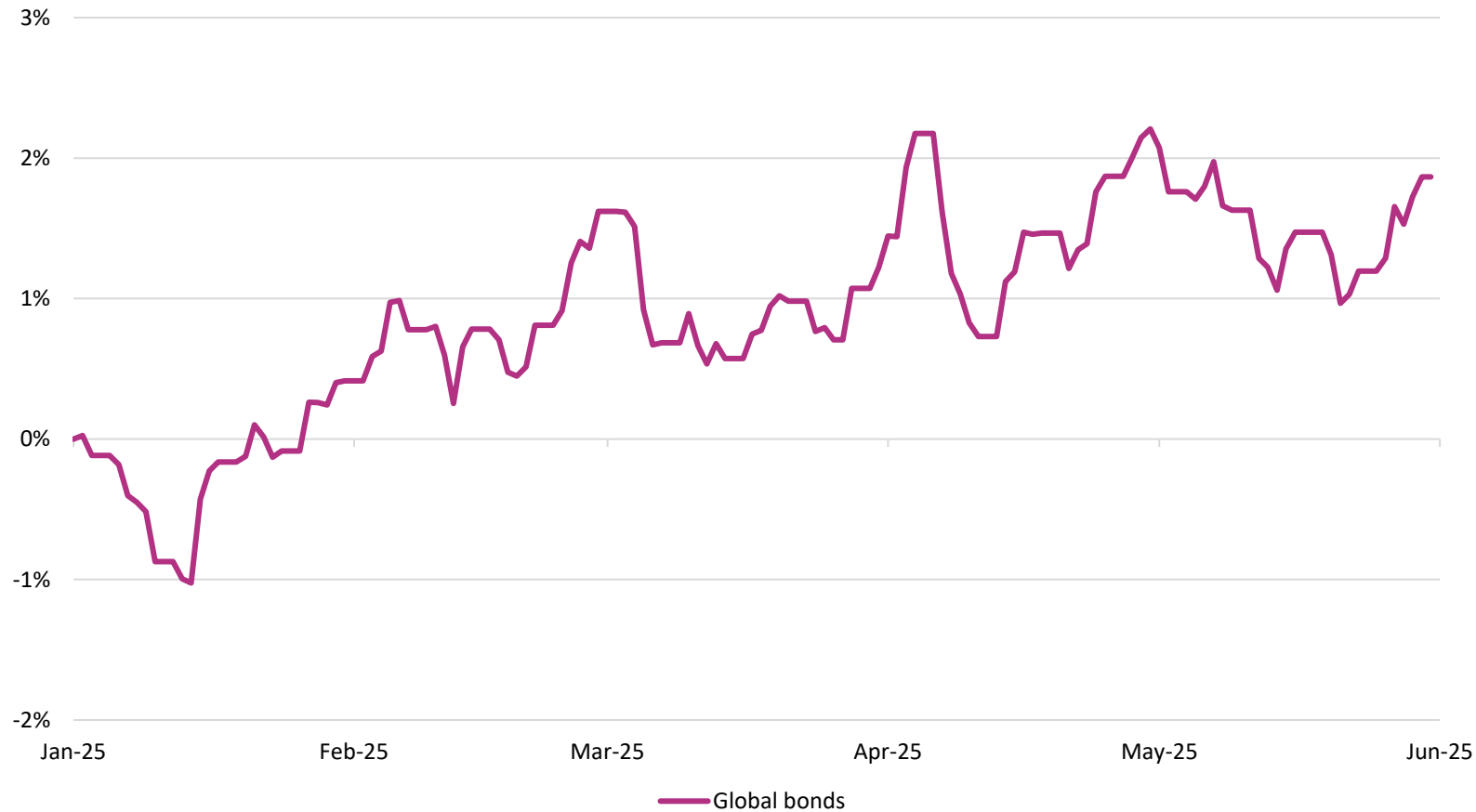
What do you think,  
higher or lower?

**Past performance is not a reliable indicator of future returns.**

Source: Morningstar Direct as at 31<sup>st</sup> May 2025. Data is represented by the MSCI ACWI and is in GBP.

# What about global bond markets?

5



What do you think,  
higher or lower?

**Past performance is not a reliable indicator of future returns.**

Source: Morningstar Direct as at 31<sup>st</sup> May 2025. Data is represented by the Bloomberg Global Aggregate TR Hdg GBP.

## Two key questions

6

Will Trump's tariff war and deficit  
cause a global recession?

Should you invest globally  
or be UK biased?

## Two key questions

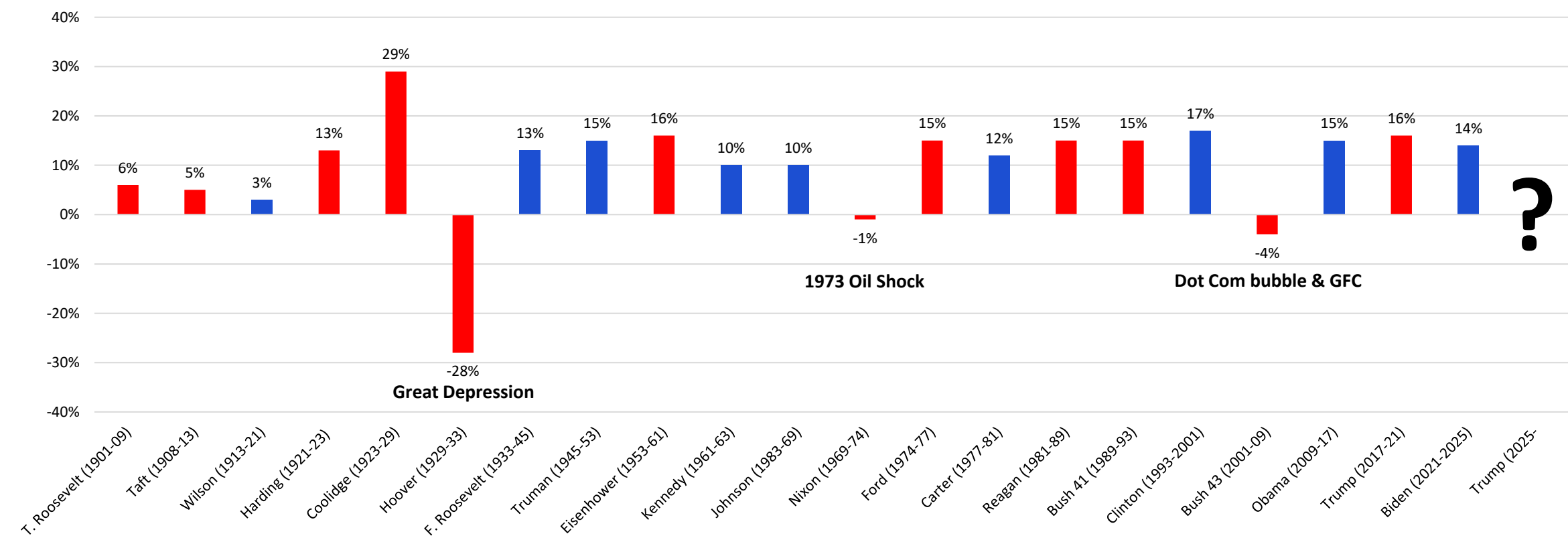
7

Will Trump's tariff war and deficit  
cause a global recession?

Should you invest globally  
or be UK biased?

# Presidents and performance

Annualised US equity performance by President



Source: GFD, Deutsche Bank. Trump 2025 performance is from Morningstar Direct as at 30<sup>th</sup> April 2025.  
Note: Daily S&P total return data only available from 1988. Here we started at inauguration. Before that, nearest month to inauguration used.



# What are the reasons for Tariffs?

9

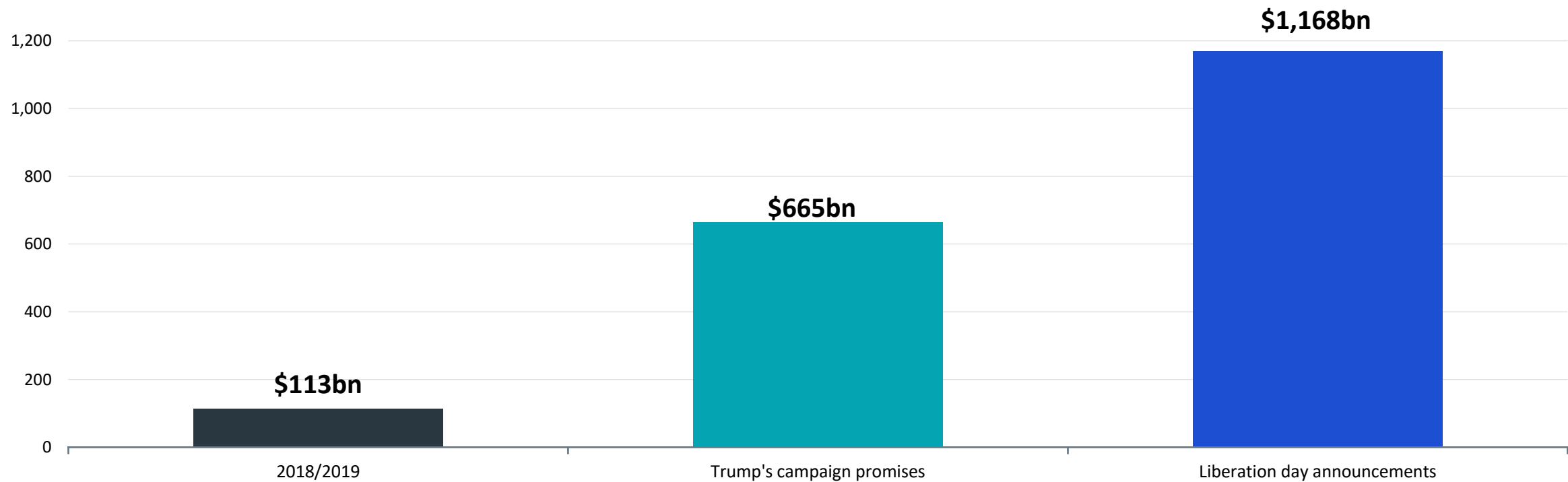
1 Bring manufacturing back to the US

2 Generate revenue and shrink trade deficits

3 Negotiate better trade deals for the US

## Where will Trump’s tariffs settle?

Potential revenue raised (\$bn)

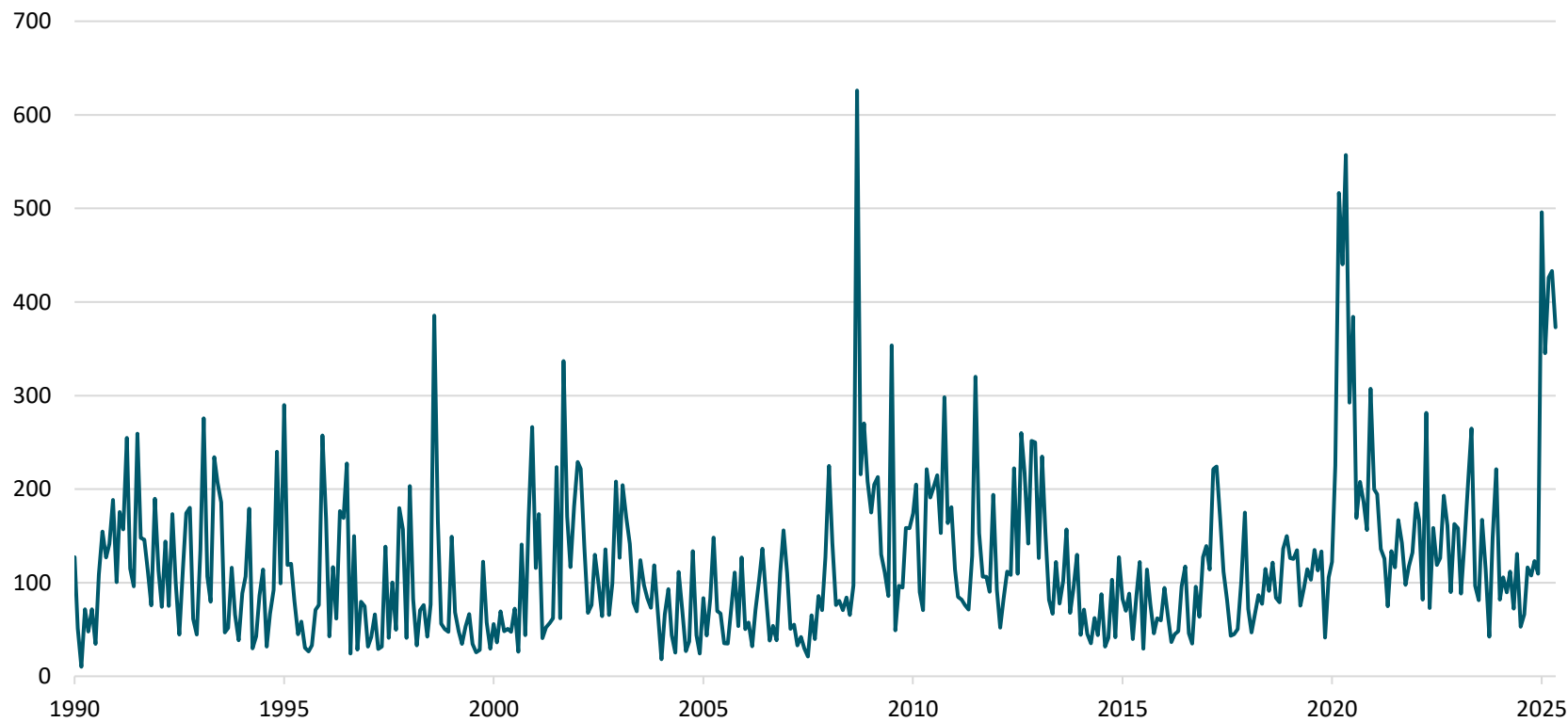


For illustrative purposes only and not intended as an investment recommendation.  
Source: UBS, White House announcements, Aviva Investors as at 11 April 2025.

# The US Policy Uncertainty Index

11

Over the previous 35 year the index is...



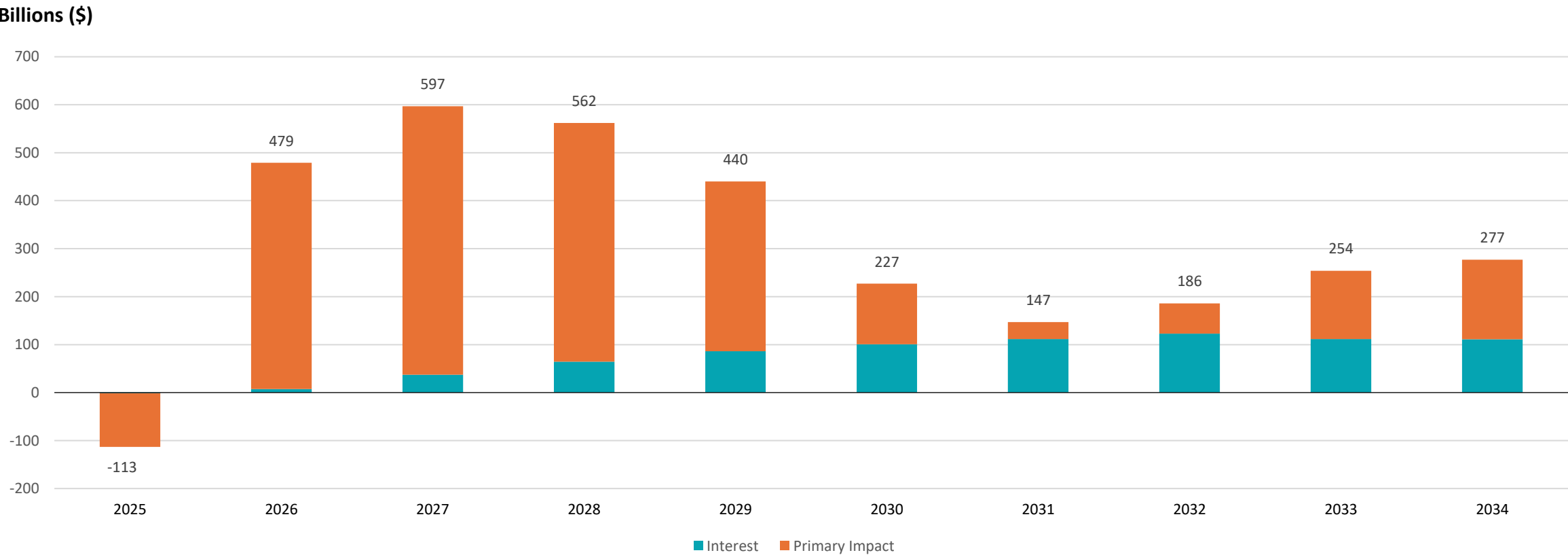
Following 'Liberation Day', the Index reached nearly **12x higher** than average

Tariff uncertainty has since calmed, but markets remain cautious around the US deficit

Source: Bloomberg as at 31<sup>st</sup> May 2025.

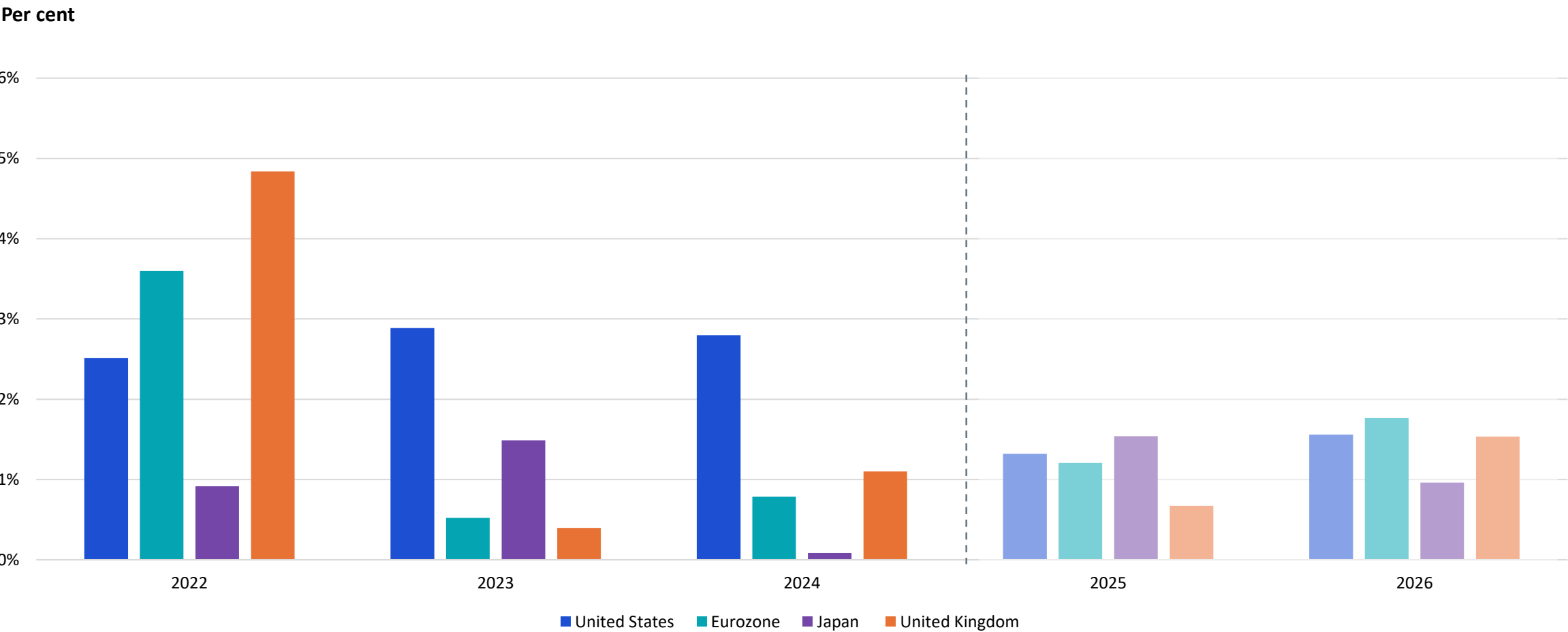
# “One Big Beautiful Bill”

The bill is expected to add at least \$3 to \$5 trillion to the national debt.



Source: Congressional Budget Office and CRFB estimates as May 18<sup>th</sup> 2025.

# Aviva Investors growth projections



Source: Aviva Investors, Macrobond as at 3 April 2025.

Will Trump's tariff war and deficit cause a global recession?

✓ Slower US growth, but we don't expect a deep recession

✓ Global equity and bonds markets can still fare well

✓ A long-term approach is always important

## Two key questions

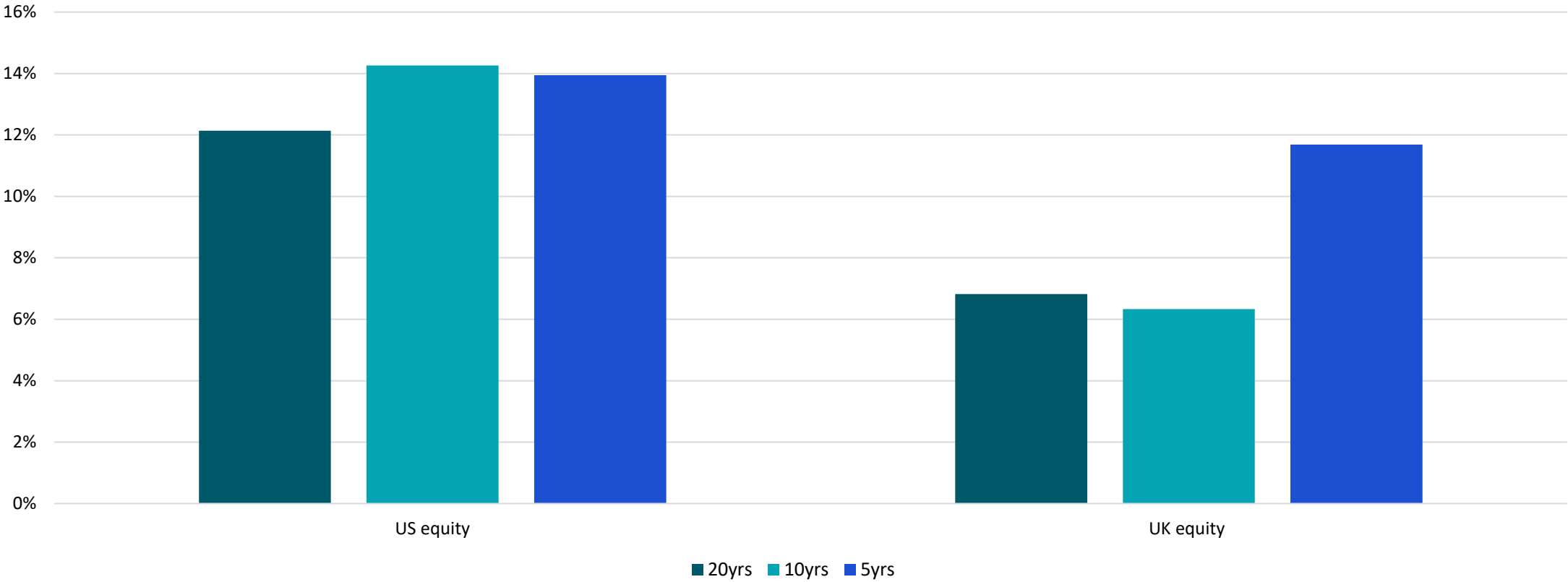
15

Will Trump's tariff war and deficit  
cause a global recession?

Should you invest globally  
or be UK biased?

# US vs UK – who wins?

## US equities have continually outperformed UK equities over the long-term



**Past performance is not a reliable indicator of future performance.**

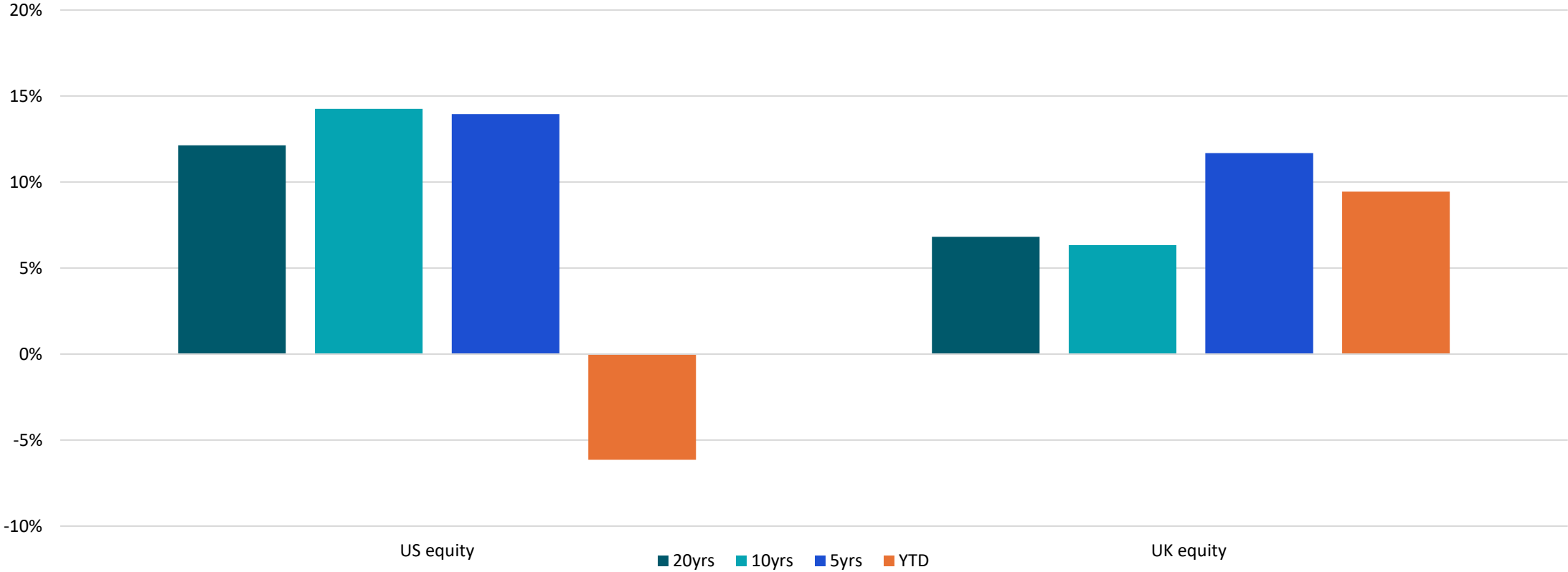
For illustrative purposes only and not intended as an investment recommendation.

Source: Morningstar Direct, as at 31<sup>st</sup> May 2025. Indices used are available on request. The performance for all the equity indices are in GBP terms.



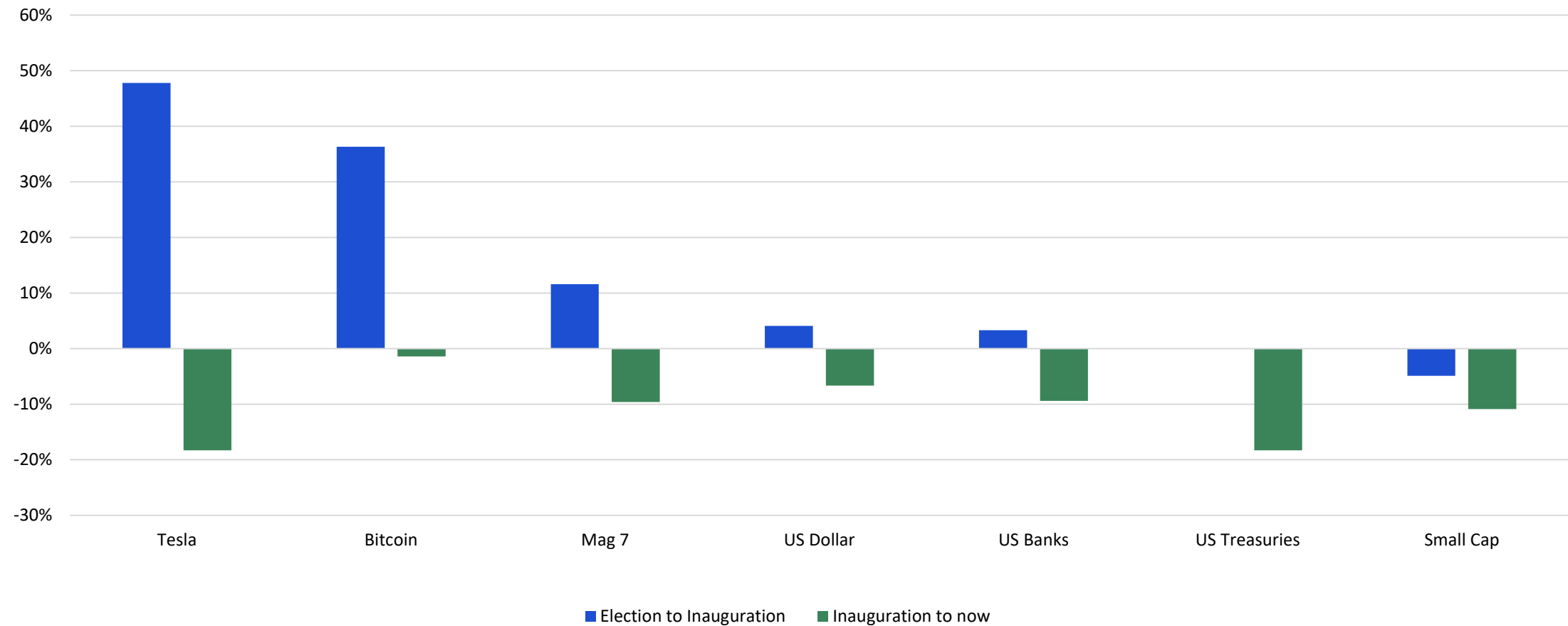
# US vs UK – who wins?

But this year UK equities have been outperforming the US



**Past performance is not a reliable indicator of future performance.**  
For illustrative purposes only and not intended as an investment recommendation.  
Source: Morningstar Direct, as at 31<sup>st</sup> May 2025. Indices used are available on request. The performance for all the equity indices are in GBP terms.

# Reversal of the Trump Trade



**Past performance is not a reliable indicator of future performance.**  
For illustrative purposes only and not intended as an investment recommendation.  
Source: Bloomberg, as at 31<sup>st</sup> May 2025. Indices used are available on request. Asset class returns are in Dollar, which is represented by the DXY.

# Why has UK done well this year?

Defensive nature




UK Financials and Consumer Staples are up 16.6% and 2.4% YTD

Defence stocks rallying


Europe Aerospace and Defence up 60.8% YTD

Less impacted by Trump's tariffs



The UK runs a trade deficit with the US

**Past performance is not a reliable indicator of future returns.**  
Source: Bloomberg as at 31<sup>st</sup> May 2025. UK Financials, UK Consumer Staples and Europe Aerospace and Defence are represented by MSCI UK Financials (GBP), MSCI UK Consumer Staples (GBP) and MSCI Europe Aero and Defence Index (USD).

# Four reasons to remain global long-term

20

**2.2%**

UK's share of  
global GDP<sup>1</sup>

**3.4%**

UK's share of global  
equity market cap<sup>2</sup>

There is a  
value-bias within  
UK equity market

UK regulation and  
reporting



25% of Mixed sector is invested in UK equity<sup>3</sup> – is that too much?

Source: 1. <https://www.statista.com/statistics/270452/united-kingdoms-share-of-global-gross-domestic-product-gdp/>. 2. <https://www.msci.com/documents/10199/8d97d244-4685-4200-a24c-3e2942e3adeb>. 3. In defence of home bias – how a more patriotic portfolio could protect your advice business

Should you invest  
globally or be  
UK biased?



UK is an important region as part of a diversified portfolio



However, we don't believe it should be the dominant region

Will Trump's tariff war and deficit  
cause a global recession?

---

Slower US growth, but we don't expect a deep  
recession, with potential  
for markets to perform well

Should you invest globally  
or be UK biased?

---

We believe global diversification  
is still best, compared to  
being UK biased

1

To be well informed on the current market conditions to enhance client conversations

2

Gain answers to questions from leading professionals in the investment space

3

Evaluate the need for increased diversification in a volatile market

# MAF range

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# It takes Aviva and Aviva Investors



Source: Aviva Investors and Aviva plc, as at 31 December 2024. 1. Aviva's analysis using latest information available including company reporting, Fundscape, Boring Money, Corporate Advisor, ABI, Insurance Ireland, UK Finance, Swiss Re Group Watch, Milliman. 2. For example, the Aviva Life Mixed Investment (40-85% Shares) (PM) Ini fund was launched on 01 November 1974. Aviva Investors is the name under which a number of globally integrated asset management businesses operate. Aviva Investors Global Services Limited is our main investment arm ultimately 100% owned by Aviva plc (a multinational financial services company). The AUM figures shown above are for the group of companies, trading as Aviva Investors, the fund management arm of the Aviva Group. Please note individual componentry of Real Assets may not reflect the overall Real Assets AUM which reflects components managed within Fixed Income across Multi-Asset & Macro and Credit, and methodical treatment of nominal versus market value in illiquid assets. Multi-asset & Macro AUM reflects add back of cross-holdings and therefore the sum of business breakdown AUM will be to the total firm-level AUM. AUM figures including rounding, may fluctuate and should be taken for illustrative purposes only.

# Our fund multi-asset fund ranges

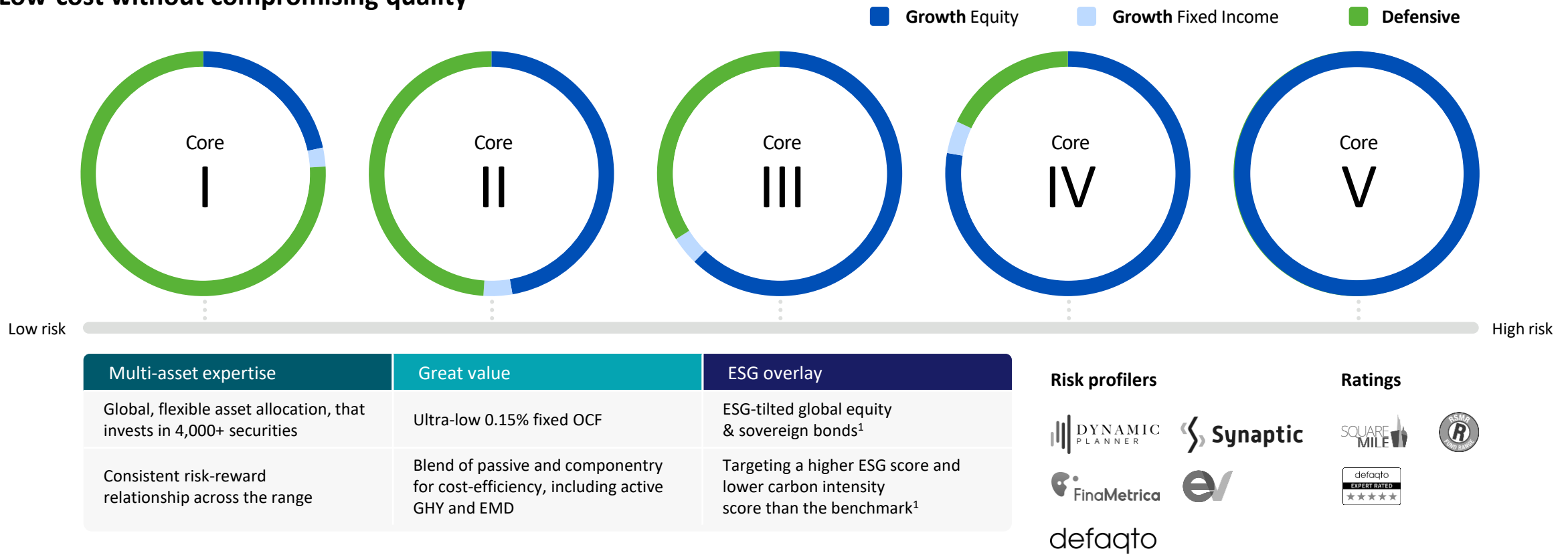
26

	 MAF Core	 MAF Plus	 MAF Income	 MAF Stewardship
What does it aim to do?	Deliver market returns	Outperform the market	Deliver monthly income	Invest sustainably
Number of funds	5	5	1	4
Fund cost (OCF)	0.15% fixed	0.60% capped	0.60% capped	0.45% capped
Partnership pricing?		✓	✓	✓

Source: Aviva Investors, as at 31<sup>st</sup> May 2025. Sustainable investments MAF Stewardship Funds I to IV only are defined as either investments in companies with an overall positive alignment to the UN SDGs as determined by the Investment Manager's Sustainable Investment Policy or in bonds classified by Climate Bonds Initiative as 'green', 'social' or 'sustainability' bonds. For further information please refer to the Fund's KIID and Prospectus.

# MAF Core summary

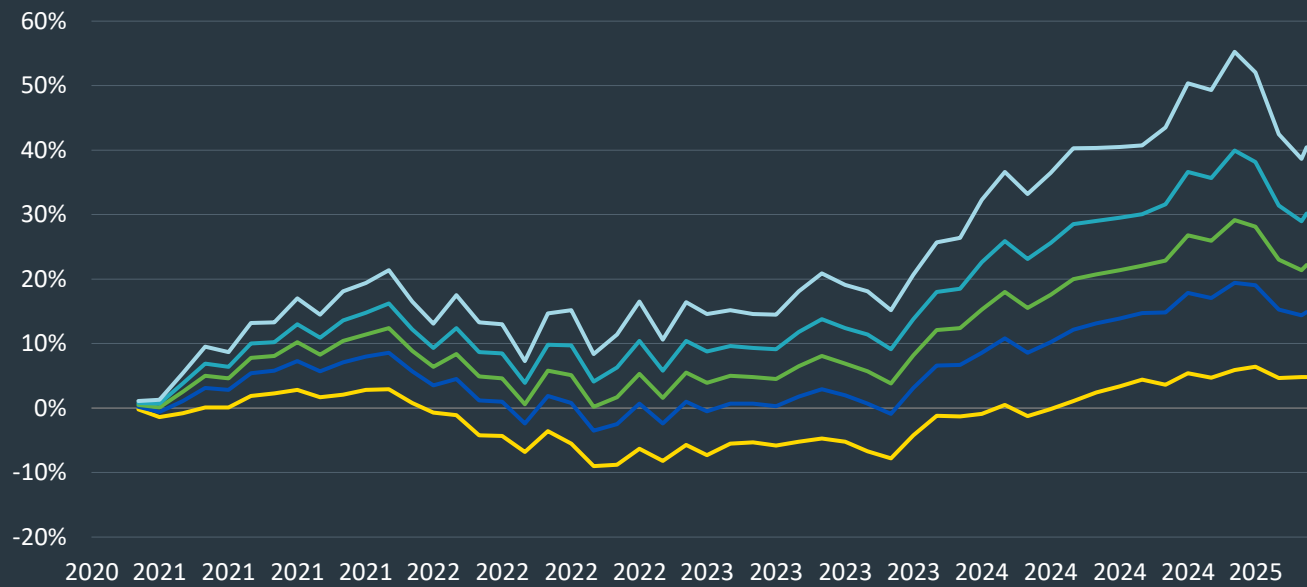
## Low-cost without compromising quality



Performance

Performance (%)	1Y	2Y (ann.)	3Y (ann.)	4Y (ann.)	S.I. (ann.)
<b>Multi-Asset Core I</b>	<b>6.1</b>	<b>5.2</b>	<b>3.0</b>	<b>1.1</b>	<b>1.1</b>
IA Mixed Investment 0-35%	4.0	4.7	2.0	0.5	0.9
Benchmark	6.8	5.6	3.3	1.2	1.2
<b>Multi-Asset Core II</b>	<b>5.4</b>	<b>6.6</b>	<b>4.2</b>	<b>2.6</b>	<b>3.1</b>
IA Mixed Investment 20-60%	3.9	5.8	3.1	1.4	2.5
Benchmark	6.2	7.4	4.8	3.1	3.6
<b>Multi-Asset Core III</b>	<b>5.1</b>	<b>7.6</b>	<b>5.0</b>	<b>3.7</b>	<b>4.5</b>
IA Mixed Investment 40-85%	3.0	6.7	3.9	2.6	4.0
Benchmark	5.9	8.4	5.7	4.2	5.0
<b>Multi-Asset Core IV</b>	<b>4.8</b>	<b>8.6</b>	<b>5.9</b>	<b>4.8</b>	<b>5.9</b>
IA Mixed Investment 40-85%	3.0	6.7	3.9	2.6	4.0
Benchmark	5.5	9.5	6.6	5.3	6.4
<b>Multi-Asset Core V</b>	<b>4.1</b>	<b>10.0</b>	<b>7.0</b>	<b>6.1</b>	<b>7.7</b>
IA Mixed Investment Flexible	2.2	6.4	3.9	2.5	4.1
Benchmark	4.8	11.2	8.0	7.1	8.7

Cumulative performance



Come and chat to us for more information

Past performance is not a reliable indicator of future performance.

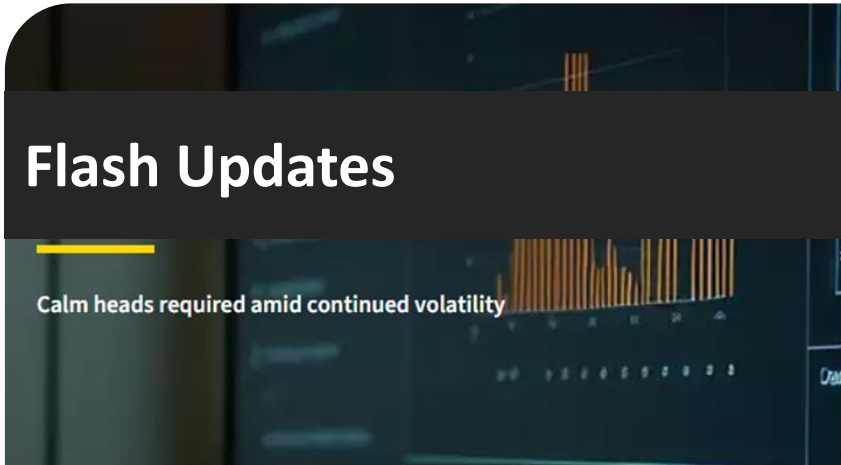
The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

Source: Morningstar as at 07 May 2025. Performance is net of fees in Sterling, Mid to Mid income reinvested. It can go down as well as up. Investors may not get back the original amount invested. For MAF Core I-IV, the performance benchmark is a composite index, comprising a mix of global equities and global bonds. For MAF Core V, the performance benchmark is an index comprising 100% global equities. Funds launched on 30 November 2020. Further information on the fund’s benchmarks can be found in the Prospectus.

# How can we support you?

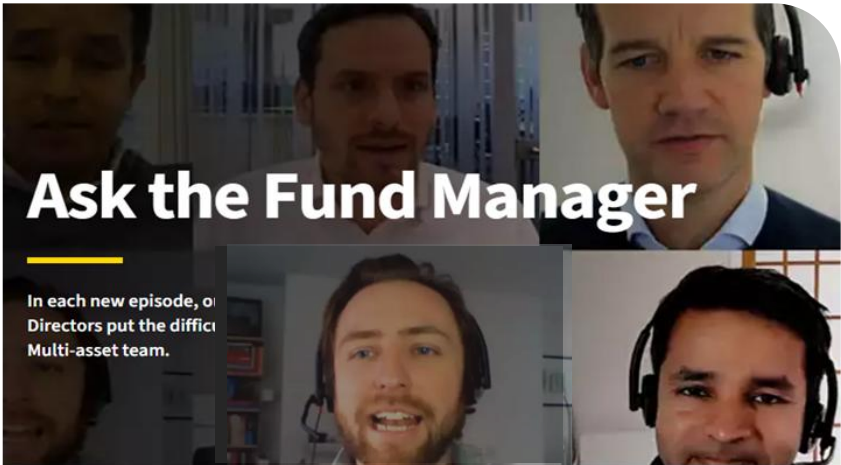
## Flash Updates

Calm heads required amid continued volatility



## Ask the Fund Manager

In each new episode, our Directors put the difficult Multi-asset team.



AVIVA INVESTORS

Q2 2025

## House View

Policy disruption reshapes the world order

24 APRIL 2025 15:00 BST



AVIVA INVESTORS

## 7 lessons for Investors during market turmoil

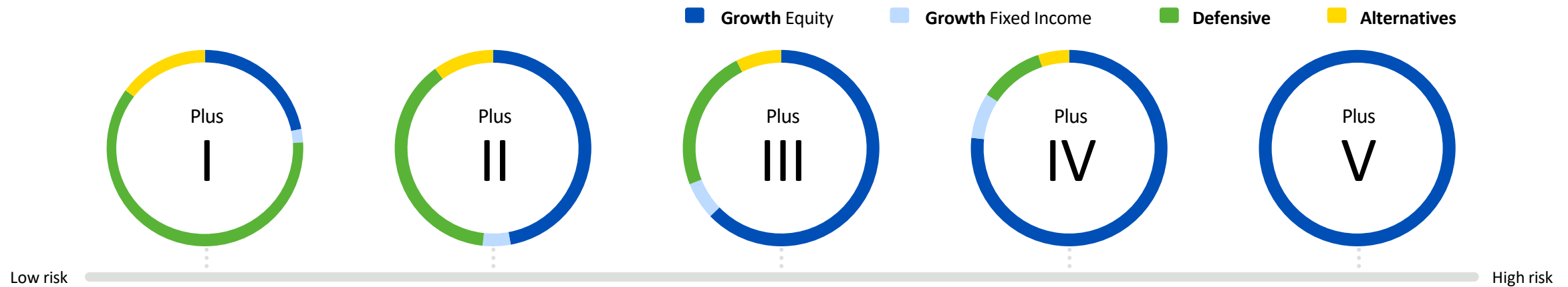
January 2025



# Q&A

# Appendix

## Aiming to enhance your clients returns



Multi-asset expertise	Great value	Global opportunities
Tactical, active asset allocation	0.35% capped OCF	Targeting global markets for capital growth
Exposure to over 8,000 securities	Includes access to active componentry and alternative assets for extra diversification	Active building blocks to drive returns

### Risk profilers



defaqto

### Ratings



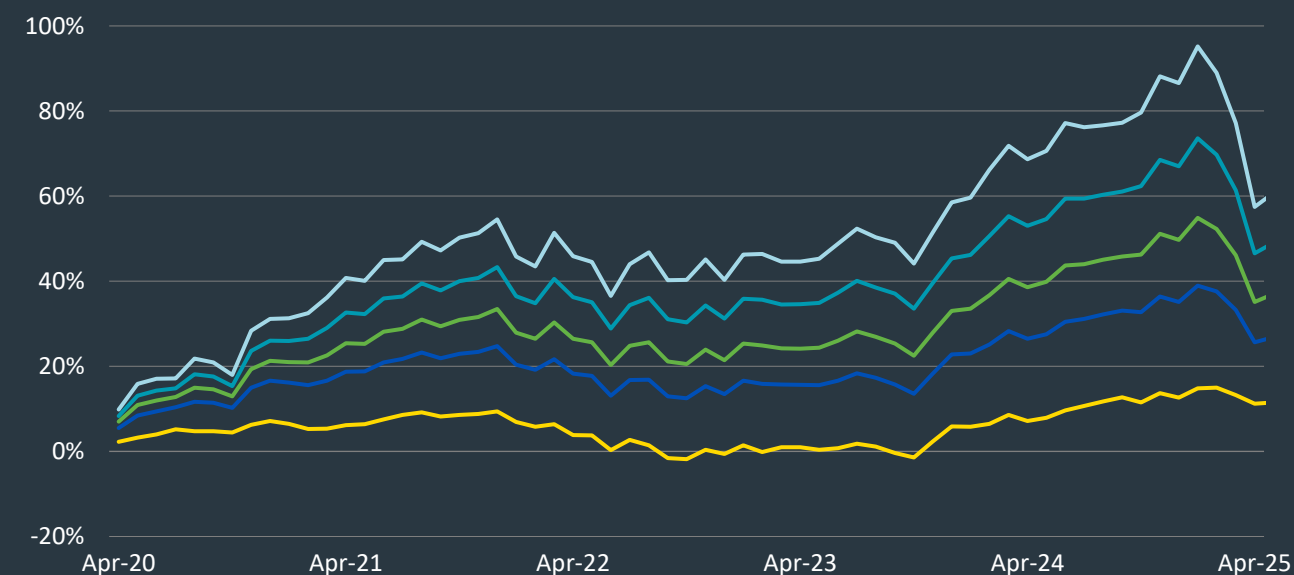
This diagram is for illustrative purposes only, asset allocations are subject to change.



## Performance

Performance (%)	1Y	2Y (ann.)	3Y (ann.)	4Y (ann.)	5Y (ann.)
<b>Multi-Asset Plus I</b>	<b>6.1</b>	<b>6.1</b>	<b>3.1</b>	<b>1.7</b>	<b>2.1</b>
IA Mixed Investment 0-35%	4.0	4.7	2.0	0.5	2.3
Benchmark	6.8	5.6	3.3	1.2	-
<b>Multi-Asset Plus II</b>	<b>4.8</b>	<b>7.0</b>	<b>3.9</b>	<b>2.8</b>	<b>4.7</b>
IA Mixed Investment 20-60%	3.9	5.8	3.1	1.4	4.4
Benchmark	6.2	7.4	4.8	3.1	-
<b>Multi-Asset Plus III</b>	<b>4.3</b>	<b>7.9</b>	<b>4.6</b>	<b>3.6</b>	<b>6.2</b>
IA Mixed Investment 40-85%	3.0	6.7	3.9	2.6	6.4
Benchmark	5.9	8.4	5.7	4.2	-
<b>Multi-Asset Plus IV</b>	<b>3.7</b>	<b>8.6</b>	<b>5.2</b>	<b>4.6</b>	<b>7.9</b>
IA Mixed Investment 40-85%	3.0	6.7	3.9	2.6	6.4
Benchmark	5.5	9.5	6.6	5.3	-
<b>Multi-Asset Plus V</b>	<b>2.5</b>	<b>9.4</b>	<b>5.8</b>	<b>5.3</b>	<b>9.5</b>
IA Mixed Investment Flexible	2.2	6.4	3.9	2.5	6.8
Benchmark	4.8	11.2	8.0	7.1	-

## Cumulative performance



**Come and chat to us for more information**

### Past performance is not a reliable indicator of future performance.

The value of an investment and any income from it can go down as well as up. Investors may not get back the original amount invested.

Source: Morningstar, as at 07 May 2025. Performance is net of fees in Sterling, Mid to Mid income reinvested. Funds II, IV and V launched on 1 November 2010 and I and III launched on 6 February 2012. SC2 share class launched on 20 August 2012. Prior to 30 November 2020, the fund was not managed against a performance benchmark and therefore no benchmark performance data is available prior to this date. For MAF Plus I-IV, the performance benchmark is a composite index, comprising of a mix of global equities and global bonds. For MAF Plus V, the performance benchmark is an index comprising 100% global equities Further information on the fund's benchmarks can be found in the Prospectus.

# Key risks

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The value of an investment and any income from it can go down as well as up and can fluctuate in response to changes in currency and exchange rates.

Investors may not get back the original amount invested.

The Fund uses derivatives, these can be complex and highly volatile. This means in unusual market conditions the Fund may suffer significant losses.

The Fund Invests in emerging markets, these markets may be volatile and carry higher risk than developed markets.

## **Equities Risk**

Equities can lose value rapidly, can remain at low prices indefinitely, and generally involve higher risks - especially market risk - than bonds or money market instruments. Bankruptcy or other financial restructuring can cause the issuer's equities to lose most or all of their value.

## **Fixed income risk**

Investments in fixed interest securities are impacted by market and credit risk and are sensitive to changes in interest rates and market expectations of future inflation. Bonds that produce a higher level of income usually have a greater risk of default.

## **Investment & currency**

The value of an investment and any income from it can go down as well as up and can fluctuate in response to changes in currency and exchange rates. Investors may not get back the original amount invested.

## **Emerging markets**

Investments can be made in emerging markets. These markets may be volatile and carry higher risk than developed markets.

## MAF Core

This product does not have a UK sustainable investment label. This is because – although the fund has sustainability characteristics - it does not meet the criteria for a label. Sustainable investment labels help investors find products that have a specific sustainability goal. They can only be applied to funds with an explicit sustainability objective and that meet other specific regulatory criteria for a UK sustainable investment label.

## MAF Plus

The Investment Manager endeavours to comply with the requirements of the UK Stewardship Code when managing the Funds' assets. Stewardship is the responsible allocation, management and oversight of capital to create long-term value for investors leading to sustainable benefits for the economy, the environment and society. Environmental (particularly climate) and social factors, in addition to governance, have become material issues for fund managers to consider when making investment decisions and undertaking stewardship. The Investment Manager therefore considers a range of financial and non-financial information when assessing investments and to inform its stewardship activities, including considering the potential or actual material risk that sustainability issues may have on an investment. For more information on how the Investment Manager carries out this activity and meets the requirements of the UK Stewardship Code, as well as details about Aviva Investors' firmwide policy, please see our website:

<https://www.avivainvestors.com/en-gb/about/responsible-investment/policies-and-documents/>

## THIS IS A MARKETING COMMUNICATION

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The Aviva Investors Multi-asset Funds comprise two ranges, each with five funds (together the "Funds"): Aviva Investors Multi-asset Plus Fund range comprises the Aviva Investors Multi-asset Plus Fund I ("MAF Plus I"), the Aviva Investors Multi-asset Fund Plus II ("MAF Plus II"), the Aviva Investors Multi-asset Plus Fund III ("MAF Plus III"), the Aviva Investors Multi-asset Plus Fund IV ("MAF Plus IV") and the Aviva Investors Multi-asset Plus Fund V ("MAF Plus V") Aviva Investors Multi-asset Core Fund range comprises the Aviva Investors Multi-asset Core Fund I ("MAF Core I"), the Aviva Investors Multi-asset Fund Core II ("MAF Core II"), the Aviva Investors Multi-asset Core Fund III ("MAF Core III"), the Aviva Investors Multi-asset Core Fund IV ("MAF Core IV") and the Aviva Investors Multi-asset Core Fund V ("MAF Core V")

The Funds are sub-funds of the Aviva Investors Portfolio Funds ICVC. For further information please read the latest Key Investor Information Document and Supplementary Information Document. The Prospectus and the annual and interim reports are also available on request. Copies in English can be obtained free of charge from Aviva Investors UK Fund Services Limited, 80 Fenchurch Street, London, EC3M 4AE. An Aviva company. You can also download copies from our website. Issued by Aviva Investors UK Fund Services Limited. Registered in England No 1973412. Authorised and regulated by the Financial Conduct Authority. Firm Reference No. 119310. Registered address: 80 Fenchurch Street, London, EC3M 4AE. An Aviva company.

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