

Investment Update - Trump's Turmoils...

April 2025

“The reason our stock market is so successful is because of me. I’ve always been great with money, I’ve always been great with jobs, that’s what I do.” D.J. Trump – November 2017

Just a few months into his current tenure in the oval office, and the self-proclaimed master of markets has managed to put a significant dent in the valuations of stock markets around the world following a strong run of growth for global equities.

Through this volatility we would like to provide you with an update to summarise our thoughts and feelings and provide insight from professional investment managers in the industry commenting on the economics of the situation.

Trump's Tariffs – Current Market Volatility

In the past few weeks, global investment markets have faced another sharp bout of volatility, primarily driven by the long-anticipated imposition of Trump's extensive tariff regime, which has now come into full effect. These sudden changes to global trade dynamics have naturally unsettled markets, and particularly hit the valuations of speculative technology companies and those with high exposure to international trade & services.

The announcement and extent of these tariffs sent shockwaves through financial markets around the world however, while there is much noise and scaremongering in the media, it is ultimately important to remain focussed on the long term and put things into perspective. While equity markets have stumbled after a historic run of form, bond markets have shown diversifying resilience with a jump in values. Gold prices also surged to a record high, reflecting increased demand for safe-haven assets. These movements provide welcome support within multi-asset portfolios (as the majority of our portfolios are), as they can benefit from the stability and growth in these asset classes during times of market volatility.

It is important to remember that this is not the first time we've seen reactionary market falls in response to geopolitical developments (in the last 5 years alone we have lived through Covid and Russia's invasion of Ukraine) – and it certainly won't be the last. Historically, such sharp corrections are often followed by a period of stabilisation and recovery as markets digest the news and re-evaluate the broader economic landscape. Volatility can be unnerving, especially when it makes headlines, but we urge all clients appreciate that emotional investment decisions made during periods of short-term uncertainty often come at a cost – and typically it is those who stay the course are rewarded over time.

SIP Wealth Management | Swansea

Unit B, Marina Villas
Trawler Road
Maritime Quarter
Swansea
SA1 1FZ

Tel: 01792 720 200

SIP Wealth Management | Mumbles

48 Newton Road
Mumbles
Swansea
SA3 4BQ

sipwealthmanagement.co.uk

Investment Strategy Through Periods of Uncertainty

Our current investment approach and strategy remains unchanged - ensure that all client portfolios are well-diversified across geographies, sectors and asset classes, and stay the course while we expect some level of stability to return to investment markets. This strategy is designed to smooth out returns during periods of market instability and ensure you are well-positioned to benefit from future recovery and growth.

Summary & Final Thoughts

While the headlines may feel dramatic, and market movements unsettling, it's vital to take a step back and remember the fundamentals: markets respond to uncertainty, but they also recover from it. The recent sell-off, triggered by Trump's tariff implementation, is another chapter in the ongoing story of market cycles — and not the end of the book.

Periods like this remind us why we diversify, why we remain disciplined, and why we avoid making knee-jerk decisions. Our role as your trusted advisers is not only to manage your portfolio but also to help you stay focused on your long-term goals, even when the short-term feels uncomfortable.

We remain confident that, in time, markets will recalibrate and return to growth — as they have done time and time again. Until then, our guidance is simple: remain calm, remain invested, and stay the course.

As always, we're here if you'd like to talk through any part of your portfolio or financial plan in more detail or to discuss any specific changes you would like to make to your portfolios.

Kind regards,

SIP Wealth Management Investment Committee

SIP Wealth Management | Swansea

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