Quilter

Investing in uncertain times

Our seven principles for smarter investing

Suitable for customers and investors.

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Helping you invest in uncertain times

The current economic conditions present financial challenges. However, history shows that getting financial advice and investing with a long-term outlook is key to achieving your financial goals. Here are seven essential principles to help you invest in uncertain times:

1. Get financial advice

Speak to a financial adviser and get some expert advice. They can help to put your mind at ease about whether you are doing the right thing. They can also help to take the emotion out of investing and provide an objective view. A good financial adviser could be the best investment you ever make.

2. Have a plan and stick to it

Your money needs to be in the right place to recover in value and make a profit if markets go up. It is important not to sell an investment as a knee-jerk reaction if its value goes down temporarily. It is vital to make a long-term investment plan and stick to it.

3. Start sooner rather than later

The earlier you begin investing, the better. This is thanks to the 'magic' of compounding. When you reinvest returns, they generate more returns over time. Simply put, the longer your money stays invested, the greater the potential for growth. Waiting even a few years could mean you need to invest much more to achieve the same results.

4. Avoid sticking solely to cash

When markets get shaky, it can be tempting to play it safe by moving everything into cash savings. While this might feel like a secure option, inflation can silently erode the value of your money over time. Equities, while riskier, could offer better protection against inflation and more opportunities for growth in the long run.

5. Diversify your portfolio

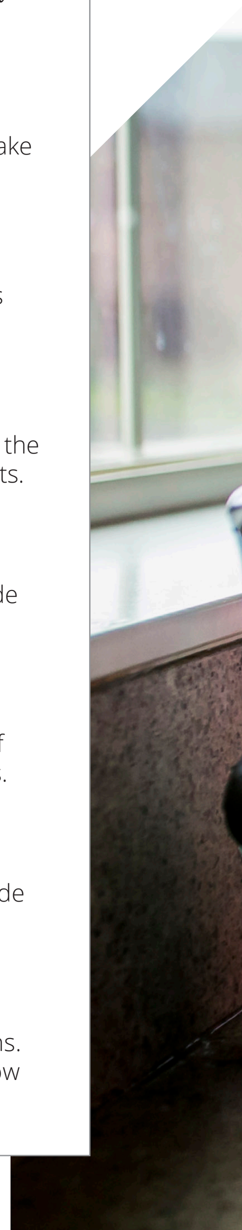
Don't put all your eggs in one basket. Spreading your investments across different types of assets, like equities (company shares) and bonds, could reduce the risk of one poor performer dragging down your entire portfolio. Diversification helps smooth out the highs and lows, giving you more stability during times of market stress.

6. Think long term

Volatility is a perfectly normal feature of investing. Markets can go up as well as down. Ignoring short-term noise and looking at the bigger picture can help you ride out the fluctuations and potentially achieve stronger returns over the long term.

7. Stay the course

In the face of volatility, it's easy to panic and pull out of the market. However, missing just a few of the best-performing days could significantly impact your returns. History has shown that market recoveries often follow downturns, so the key is to have a plan, stick to it, and remain invested. Investing can help your money grow over time, although the value of investments can go down as well as up.

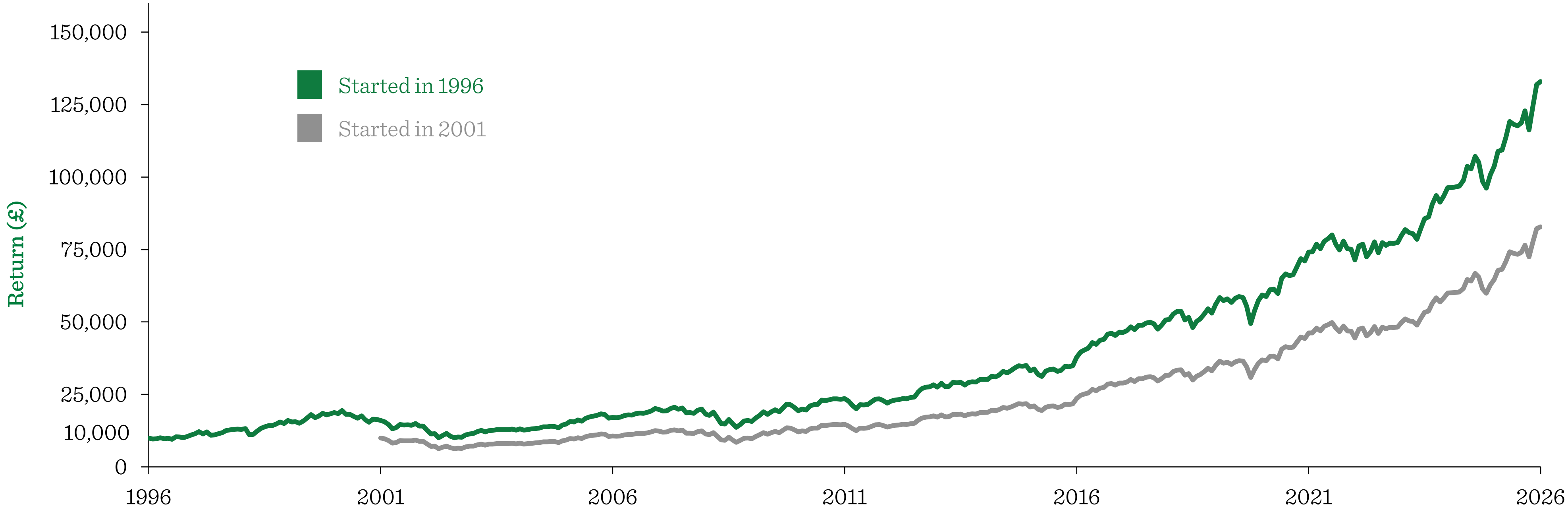


Over the following pages, we have put together some helpful charts that bring these principles to life and demonstrate the benefits of a long-term, diversified approach to investing.

Start sooner rather than later

Compound interest – earning interest on your interest – can have an incredible effect on your investments.

The chart below shows the benefits of investing as soon as possible. If you invested into global equities 30 years ago, you could have made £50,079 more than someone who started investing five years later, even though you both invested £10,000. If the later investor wanted to accumulate the same amount as you they would have needed to make an initial investment of £16,045.



Key takeaways

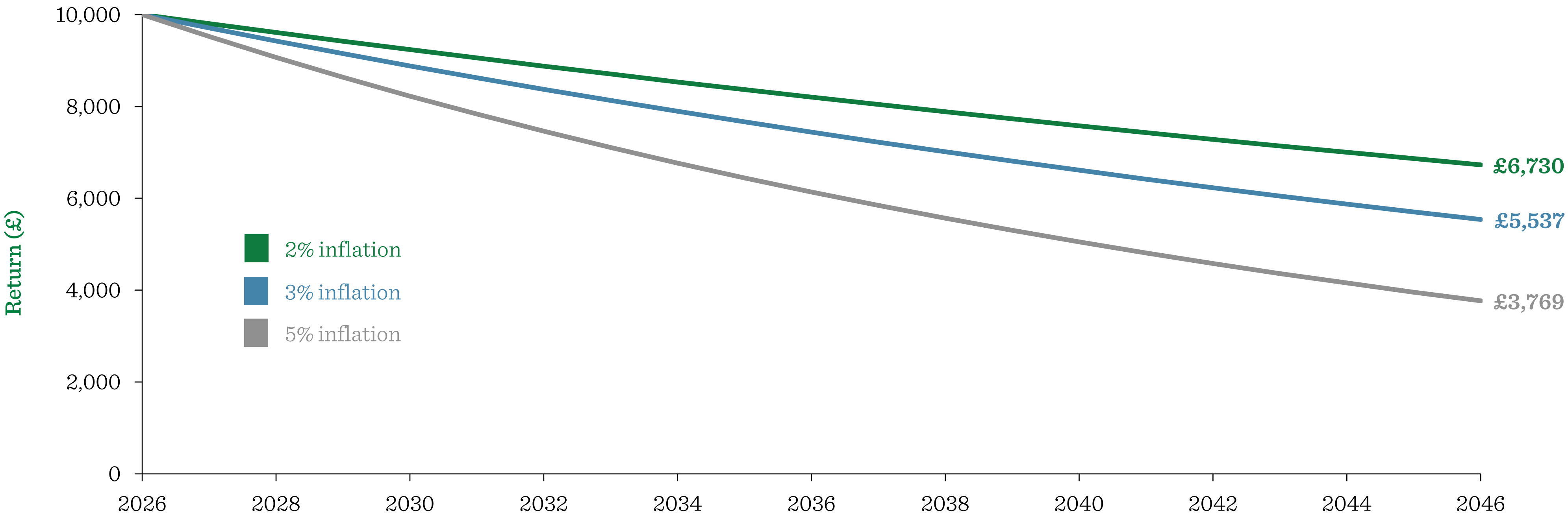
- Invest as early and as soon as you can.
- Grow your investments quicker by earning interest on your interest.
- Avoid withdrawing money to boost the effects of compound interest.

The performance figures shown refer to past performance. Past performance is not a reliable indicator of future performance. Source: Quilter and Morningstar as at 30 June 2026. Total return, percentage growth over period 1 July 1996 to 30 June 2026. Global equities are represented by the MSCI All Country World Index. Based on an initial investment of £10,000.

Avoid sticking solely to cash

It is tempting to see cash as a safe haven against market volatility, but inflation can be very damaging to your investments.

The chart below demonstrates how inflation of just three percent would reduce the value of cash by almost half over a twenty year period. Inflation can be incredibly corrosive to any savings held in cash.



Key takeaways

- Inflation can be devastating to your savings over the long term.
- Holding your investments in cash does not provide any protection against inflation.
- Cash should only be held for an emergency or for short- to medium-term income purposes.

Source: Quilter and Morningstar as at 30 June 2026 This information provided is for illustrative purposes only and does not represent the past performance of any particular investment. Based on an initial investment of £10,000.

Diversify your portfolio

By spreading your money across different types of assets, it is possible to avoid exposing your investments to undue risk.

The jumble of colours below – with each colour representing a different type of asset – shows how varied the performance of equities (company shares), bonds, and commodities has been over the past 10 years. You have no guarantee that the investment that is top in one year will perform well in the next.

Return (%)	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026
Best	Europe ex UK equities	US equities	US equities	US equities	Commodities	Commodities	Europe ex UK equities	US equities	UK equities	Emerging markets equities
	Emerging markets equities	UK equities	Europe ex UK equities	Japanese equities	US equities	UK property	US equities	Japanese equities	Europe ex UK equities	Asia Pacific equities
	Asia Pacific equities	Japanese equities	Global bonds	Global bonds	Emerging markets equities	UK equities	Japanese equities	Asia Pacific equities	US equities	Japanese equities
	Japanese equities	Asia Pacific equities	Emerging markets equities	Asia Pacific equities	Europe ex UK equities	Cash	UK equities	Emerging markets equities	Emerging markets equities	Commodities
	US equities	Emerging markets equities	Asia Pacific equities	Europe ex UK equities	UK equities	US equities	Cash	UK equities	Asia Pacific equities	US equities
	UK equities	UK property	UK property	Cash	Asia Pacific equities	Japanese equities	Asia Pacific equities	Europe ex UK equities	Global bonds	Europe ex UK equities
	UK property	Commodities	Cash	Emerging markets equities	Japanese equities	Global bonds	Global bonds	Commodities	Japanese equities	UK equities
	Cash	Europe ex UK equities	UK equities	UK property	UK property	Europe ex UK equities	Emerging markets equities	Cash	Cash	Cash
	Global bonds	Cash	Japanese equities	UK equities	Cash	Asia Pacific equities	UK property	Global bonds	UK property	Global bonds
Worst	Commodities	Global bonds	Commodities	Commodities	Global bonds	Emerging markets equities	Commodities	UK property	Commodities	UK property

Key takeaways

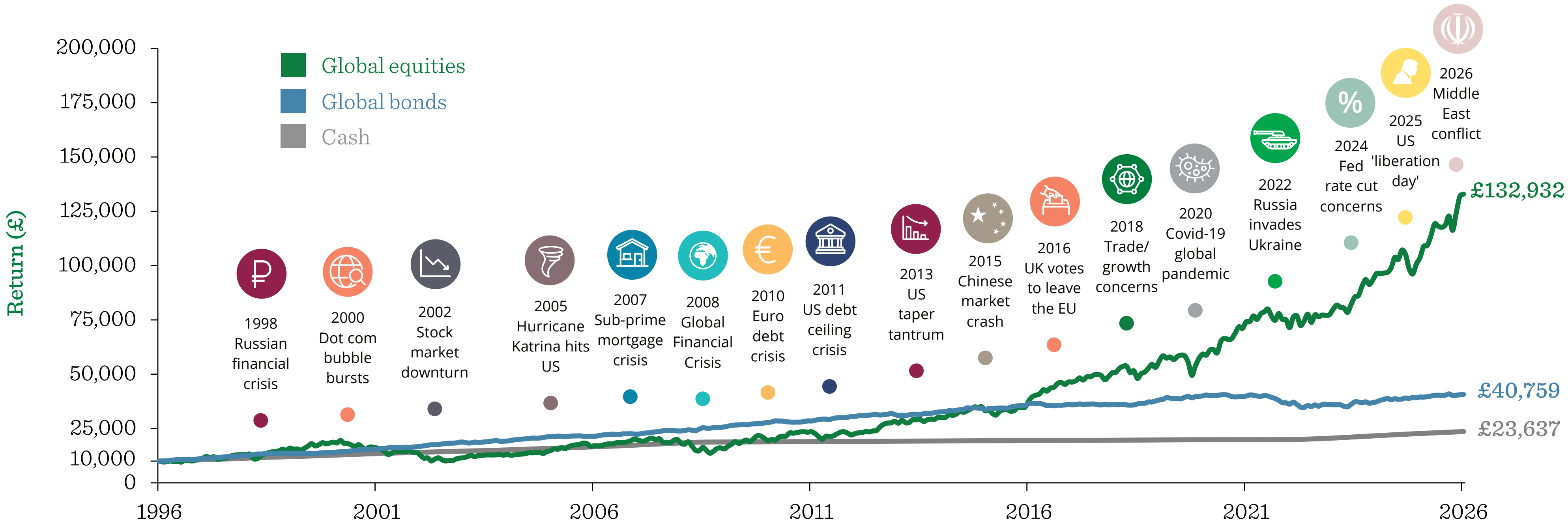
- Spread your money across a range of different investments to reduce risk.
- Do not assume that the past performance of an investment will reflect its future performance.
- Investing in a range of assets is likely to be more successful than trying to pick just one or two.

The performance figures shown refer to past performance. Past performance is not a reliable indicator of future performance. Source: Quilter and Morningstar as at 30 June 2026. Discrete annual return, percentage growth over period 1 July 2016 to 30 June 2026. Equities are represented by an appropriate MSCI index, commodities by the Bloomberg Commodity Index, global bonds by the Bloomberg Global Aggregate Index, UK gilts by the ICE BofA UK Gilt Index, and UK property by the IA UK Direct Property sector average.

Think long term

Investing with a long-term outlook is the best way to grow your investments over time.

The chart below shows that over the long term there is an upward trend of market returns, despite the short-term volatility caused by major events. In fact, if you invested into global equities 30 years ago, your investment could have grown to be worth more than 13 times its original value.



Key takeaways

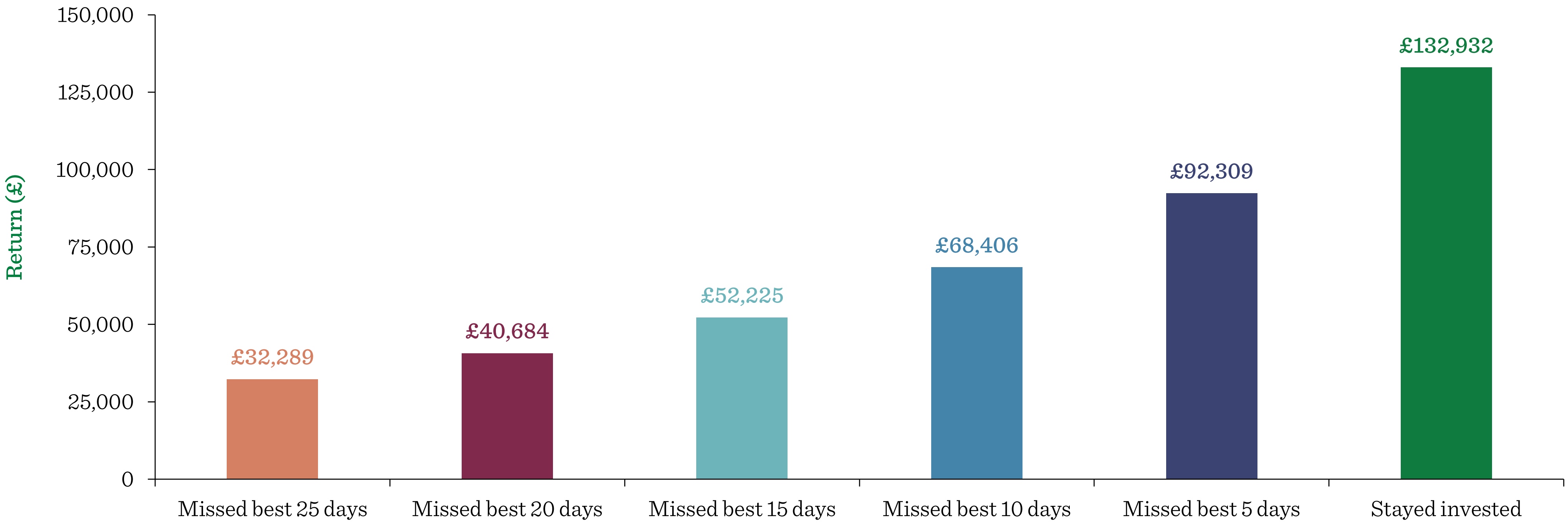
- Do not let short-term blips distract you from your long-term plan.
- People who stay invested are more likely to see their investments recover.
- Investing over the long term (five years or more) is more likely to be successful.

The performance figures shown refer to past performance. Past performance is not a reliable indicator of future performance. Source: Quilter and Morningstar as at 30 June 2026. Total return, percentage growth over period 1 July 1996 to 30 June 2026. Global equities are represented by the MSCI All Country World Index, global bonds by the Bloomberg Global Aggregate Index, and cash by the Bank of England Base Rate.

Stay the course

During periods of volatility it can be tempting to exit the market, but missing just a few of the best days can have a big impact on your overall return.

The chart below shows that if you stayed invested in global equities over the past 30 years, you could have received a potential return more than four times greater than someone who tried to time the market and missed the best 25 days.



Key takeaways

- Time in the market is usually more successful than trying to time the market.
- Keeping your money invested means you can benefit from any upsides or bounces.
- Missing just a few good days can significantly reduce how much your investment grows.

The performance figures shown refer to past performance. Past performance is not a reliable indicator of future performance. Source: Quilter and Morningstar as at 30 June 2026. Total return in pounds sterling over period 1 July 1996 to 30 June 2026. Global equities are represented by the MSCI All Country World Index.

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Before making any decisions, we recommend you speak to your financial adviser and get some expert advice. Your financial adviser is responsible for understanding your specific investment objectives and appetite for risk. They will work closely with you to determine what is right for you.

If you are a financial adviser and want to find out more about our investment solutions, please speak to one of our investment directors on 0207 167 3700, email us at ***enquiries@quilter.com***, or visit our website at ***quilter.com***.

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