MULBERRY BOW

# MULBERRY BOW QUARTERLY NEWSLETTER

July 2026 Insights

## MULBERRY BOW NEWS

MARC BALDREY
FINANCIAL PLANNER

### Unlike a British heatwave, cash often feels a little bit too comfortable…

In financial planning, standing still is rarely neutral; especially when everything else is moving.

It's a bit like a British heatwave. For a few days of unusually high temperatures, everything changes. Routines shift, decisions slow, and what is clearly temporary starts to feel strangely normal. Fans sell out, windows stay open, and we begin to wonder whether this might just be 'how things are now'.

Cash has had a similar effect on financial behaviour over the past couple of years.

Higher interest rates have made cash feel unusually comfortable. Savings accounts, government gilts and fixed-term cash 'bonds' have offered returns that, at times, have made doing nothing feel like a sensible strategy.

For many clients – particularly after a liquidity event – that has translated into holding more cash than originally intended, for much longer than originally planned.

Meanwhile, markets have been quietly resilient. Despite geopolitical uncertainty, inflation concerns and changing interest-rate expectations, global equities have continued to recover and compound through periods of volatility more effectively than 'sentiment' (or perhaps I should say the media's commentary on sentiment) might suggest.

This creates an interesting contrast. Cash feels safe and productive, while markets continue to move forward in the background, despite feeling even more uncertain than usual.

### When cash becomes sticky

Liquidity events vary, it may be an inheritance, a divorce or perhaps you are a business owner who sold some or all of a business you helped build, but the described above pattern is fairly common.

After years of concentration risk, moving into cash is often the right first step. It creates breathing space, reduces pressure after an especially busy period relating to the event and retains optionality while long-term plans are made.

The challenge comes when what begins as a temporary holding quietly becomes a long-term position.

### The behavioural shift

The issue isn't cash itself. It's how it changes our perception of progress. When cash yielded almost nothing, standing still felt like falling behind. Today, standing still can feel like a strategy.

That subtle shift can delay important planning decisions, including:

- Structuring long-term investments
- Deploying proceeds tax efficiently
- Pension and intergenerational planning
- Rebuilding a diversified portfolio aligned to long-term objectives

### As the environment changes

If interest rates continue to normalise, the trade-off becomes clearer: liquidity versus long-term compounding. At that point, the opportunity cost of remaining in cash becomes more visible, but also more and more difficult to address. This is not because markets have suddenly changed, but because the comparison point has.

Cash stops feeling like an active decision and starts to resemble an unintended allocation.

### Final thoughts

For many people, the more valuable question is not so much:

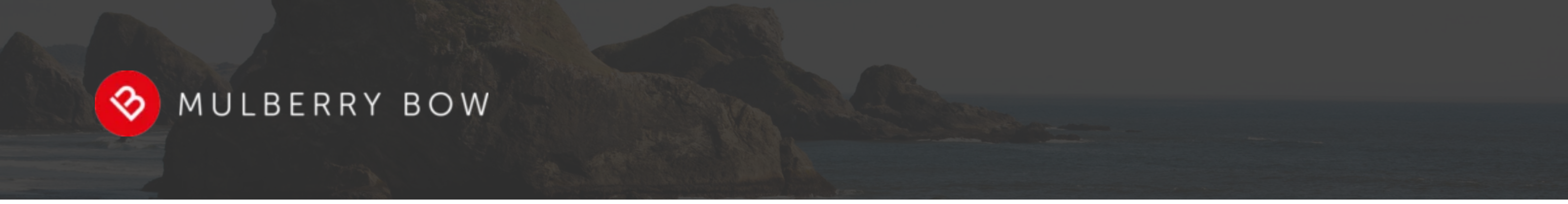
*"Where is my cash earning the highest rate today?"*

But rather:

*"Is this capital well positioned to achieve what I want it to achieve over the next decade and beyond?"*

Over the long term, the greater risk is often not moving in the wrong direction, but failing to move at all, while everything around you continues to evolve.

That conversation almost always comes back to balance: holding enough liquidity to cover known capital expenditure and provide flexibility, while ensuring long-term capital is invested *with purpose.*




# INVESTMENT OUTLOOK

## MARKET UPDATE - JUNE 2026

Markets continued to be volatile in June but both equity and bond markets ended the month modestly higher. After initial weakness at the start of the month, a ceasefire between the United States and Iran, formalised in a Memorandum of Understanding signed at the Palace of Versailles on 17 June following the G7 summit, was the catalyst to a sharp relief rally across risk assets. Under the surface, there was significant rotation within equity markets.

### Equity

US Equities delivered positive returns over the month, supported by US dollar strength, yet with considerable intramonth volatility due to the rotation into and out of AI-related names. Semiconductor stocks continued to surge higher, whilst the Mag7 stocks fell back. SpaceX completed the largest IPO in stock market history, raising $75 billion and surging 19% on its first day to achieve a market capitalisation exceeding $2 trillion.

In the UK, the FTSE All Share Index rose over the month, mainly driven by FTSE 100 performance, supported by financials, industrials, and a handful of international diversified blue-chips. The more domestically focused FTSE 250 lagged large cap stocks in June.

Emerging markets were exposed to similar swing factors surrounding AI supply chain stocks which led to a volatile month, ending with flat performance. Nevertheless, it continues to benefit from a strong earning upgrade cycle, with consensus EPS growth expectations lifted when compared to the start of the year.

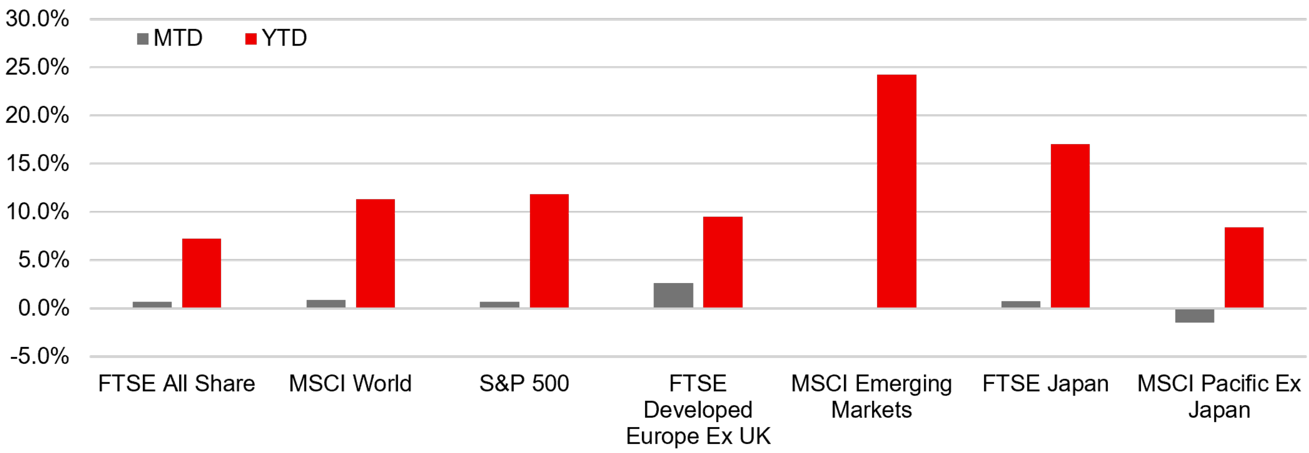



*Figure 1: Equity market returns (Source: Bloomberg 2026)*

### Fixed Income

Sovereign bond markets moved higher even as several central banks, including the Bank of Japan and the ECB, raised interest rates to push back against lingering inflation pressures.

UK Gilts were volatile in June with the political uncertainty surrounding the Labour leadership driving the 10-year gilt yield close to 5%, before retracing as Burnham committed to existing fiscal rules and falling oil prices reduced near-term inflation expectations. The Monetary Policy Committee voted 7-2 to hold interest rates at 3.75%, with two members favouring a rise to 4.0%. The Bank cautioned that inflation is likely to climb again, projecting a return towards 3.25% in Q4 as earlier energy price increases pass through household bills.

The US Federal Reserve held its policy rate steady in June, but the meeting carried added significance under new chair Kevin Warsh, who struck an early hawkish tone, signalling a willingness to raise rates further should inflation risks resurface. Somewhat counterintuitively, this firm stance appeared to reassure markets on the Fed's inflation credibility, helping underpin a broader Treasury rally over the month.

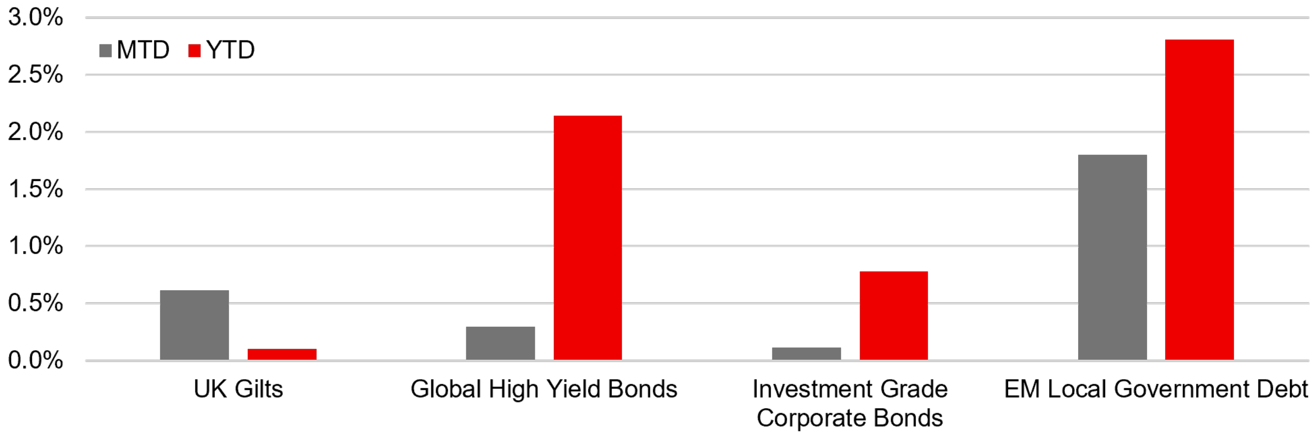



*Figure 2: Fixed income returns (Source: Bloomberg 2026)*

**Commodities**

Oil prices fell sharply over June, moving back in line with pre-Iran War levels. The partial reopening of the Strait of Hormuz sent prices tumbling and eased the inflation concerns that had weighed on markets since the spring. By month-end, Brent crude was hovering around $73 a barrel, down sharply from highs of $118 in late April, marking one of the steepest monthly declines of the year.

After a volatile few months of elevated prices, June's move lower was more directional and sustained, reflecting a market increasingly confident in a durable resolution even as it remained alert to the risk of relapse, with renewed clashes around the Strait resurfacing briefly in the final days of the month.

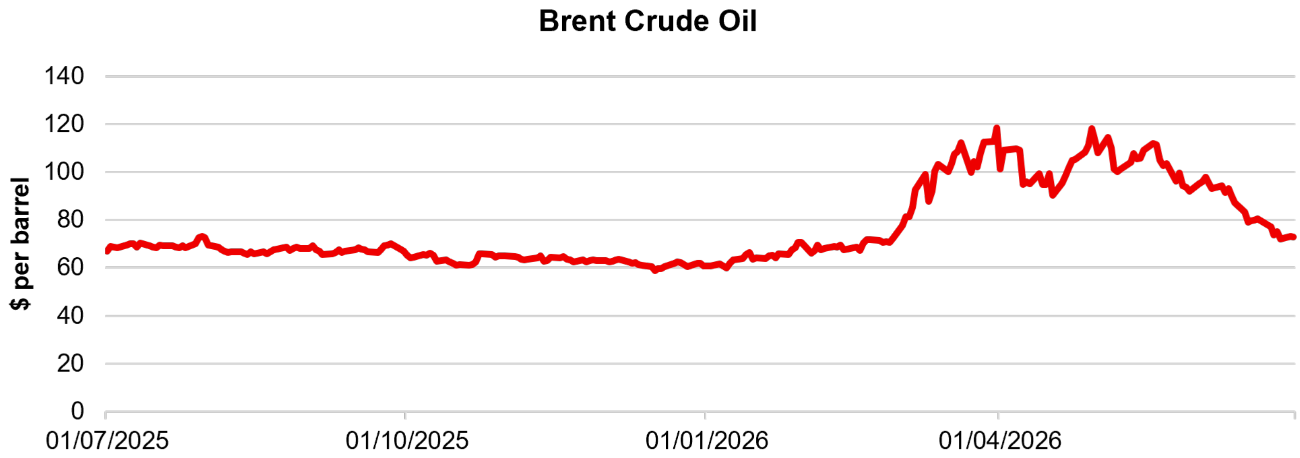



*Figure 3: Brent Crude Oil price one-year changes (Source: Bloomberg 2026)*

## SUMMARY

Overall, the easing of energy-related inflation fears supported a broad rally in sovereign bonds and helped stabilise risk assets, even as renewed tensions near month-end and the AI-momentum rotation kept equity performance uneven. Looking ahead, June's events have materially improved the inflation and policy outlook. However, the peace agreement remains provisional, the Federal Reserve has turned more hawkish, and UK political transition introduces fresh uncertainty. In this environment, diversified and actively managed portfolios are best placed to navigate what remains a complex and evolving market regime.

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## ABOUT MULBERRY BOW

Financial advisers who know what they are doing and are motivated by the client's best interests, rather than a sales target, are sadly rare in our industry, but they are worth seeking out. After all, managing your own personal finances can be a dry affair and an unwanted distraction from enjoying life, but getting it right is critical to your peace of mind.

### Mulberry Bow Advisory Team

**Andrew Toll, APFS**
**Executive Director**

Since graduation from the University of Leeds in 2008, where he gained a 2:1, Andrew has worked exclusively with private clients, at firms such as Barclays Private Bank and Weatherbys Private Bank. Chartered since 2017; Andrew recognises continuous learning is crucial to helping clients with complex financial situations.

**Andrew Towers**
**Managing Director**

Andrew is a Chartered Wealth Manager, Chartered Financial Planner as well as a Fellow of the Personal Finance Society. For the past 4 years, he has also been recognised in the Spear's 500 list of top recommended High Net Worth and Ultra High Net Worth advisers in the UK. Andrew brings over 20 years of experience in financial services.

**Tom Evans, APFS**
**Financial Planner**

After graduating from Nottingham Trent University (2:1 in Business Management), Tom did a ski season and worked for wealth planning firms in Norwich and Spain, before joining Mulberry Bow in 2019. The first ever graduate of our 'Best in Class' training programme, and has recently achieved Chartered Financial Planner status.

**Elliott Owens, APFS**
**Financial Planner**

Elliott gained a First in Economics & Finance at the University of Leeds and after an internship at an investment firm in Liverpool, joined Mulberry Bow in 2021. He takes a keen interest in 'deep dive' analysis into investment planning solutions, has passed all of the relevant exams to achieve Chartered status and is one of the rising stars of our team.

**George Baker-White, ACSI**
**Financial Planner**

Since graduating from the University of Exeter (2:1 International Relations with Spanish) in 2019, George has forged a career in wealth management, initially in support roles before becoming an adviser. George is diploma qualified with the CISI and is working towards achieving Chartered qualification in 2026.

**Simon Bullock, APFS**
**Executive Chairman**

Simon joined Chase de Vere's graduate training programme in 1997, having gained a 2:1 (Swansea University) & an MA (Bristol Business School). After stints at Schroders and Barclays Private Bank (where he led the wealth structuring team in London) and having attained Chartered status, he founded Mulberry Bow in 2015.

**Marc Baldrey**
**Financial Planner**

Marc joined Mulberry Bow in 2025, strengthening our Midlands presence. With 15 years in professional rugby and as founder of Bold Sports Management, he combines financial expertise with elite sports insight. Holding the DipFS, he's now pursuing Chartered status to deliver strategic, empathetic, and long-term financial planning advice.

**James England**
**Non-Exec Director**

James England, Head of Investments at Debrett's, has over 20 years' experience in M&A, private equity, and corporate leadership. Founder of Debrett's Advisory and Investments, he has led 100+ mid-market deals across technology, services, industrials, and healthcare, shaping group strategy and fostering long-term, trusted client partnerships.

## In collaboration with Pacific Asset Management

Mulberry Bow has produced this newsletter with the kind support of the research team at PAM, a modern institutional asset manager that manages in excess of £18.1bn* of client assets.

**As at 31 May 2026*

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