



Investing in  
uncertain times

Quilter  
Investors

*UK: Suitable for retail and professional clients*





# Contents



<i>Helping you invest in uncertain times</i>	<b>5</b>
<i>The advantages of investing early</i>	<b>6</b>
<i>The dangers of inflation</i>	<b>7</b>
<i>The benefits of diversification</i>	<b>8</b>
<i>The importance of investing for the long term</i>	<b>9</b>
<i>The reward of staying invested</i>	<b>10</b>
<i>Next steps</i>	<b>11</b>









# 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 is your three-step plan.*

## 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're doing the right thing. They can also help to take the emotion out of investing and provide an objective view. It may just be the best investment you ever make.

## 2. Have a long-term financial plan

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

## 3. Make sure your investments are diversified

It's best to invest in a range of different places where your money has a chance to grow. You should always hold some funds in cash in case of an emergency, but other investments offer better growth potential and by spreading money across different investment types, it is possible to avoid exposing your portfolio to undue risk.

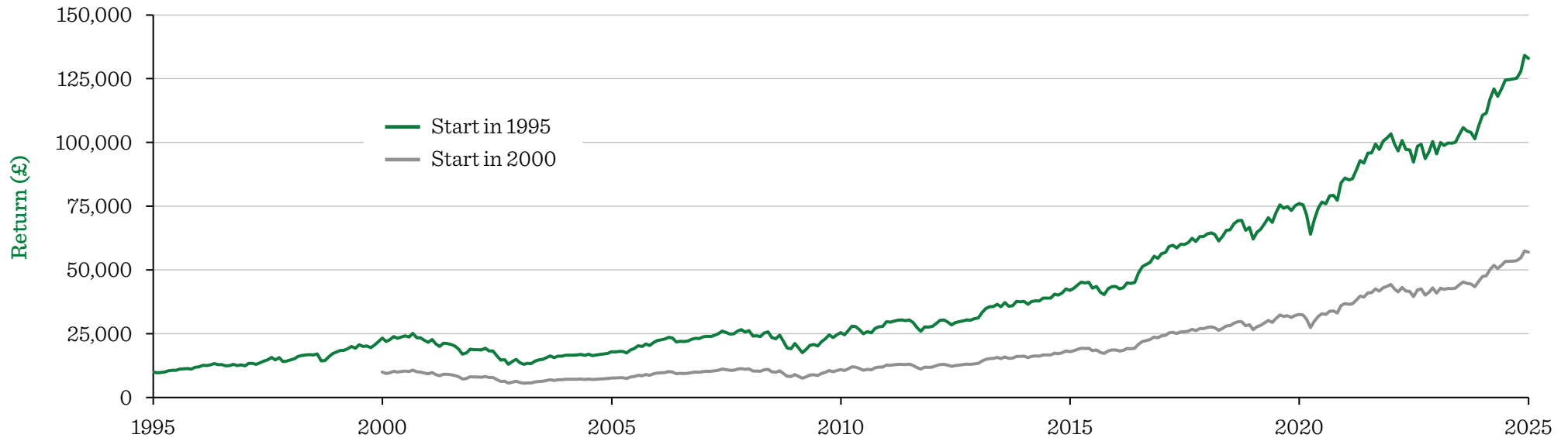
**Over the following pages we've put together some helpful charts and diagrams that demonstrate the benefits and advantages of a long-term, diversified approach to investing.**

# The advantages of investing early



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

The chart below shows the benefits of investing as early as possible. Over the past 30 years, an investor could have accumulated £64,791 more than someone who started investing five years later, even though they both invested £10,000. If the other investor wanted to accumulate the same amount they would have needed to make an initial investment of £20,756.



## 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.

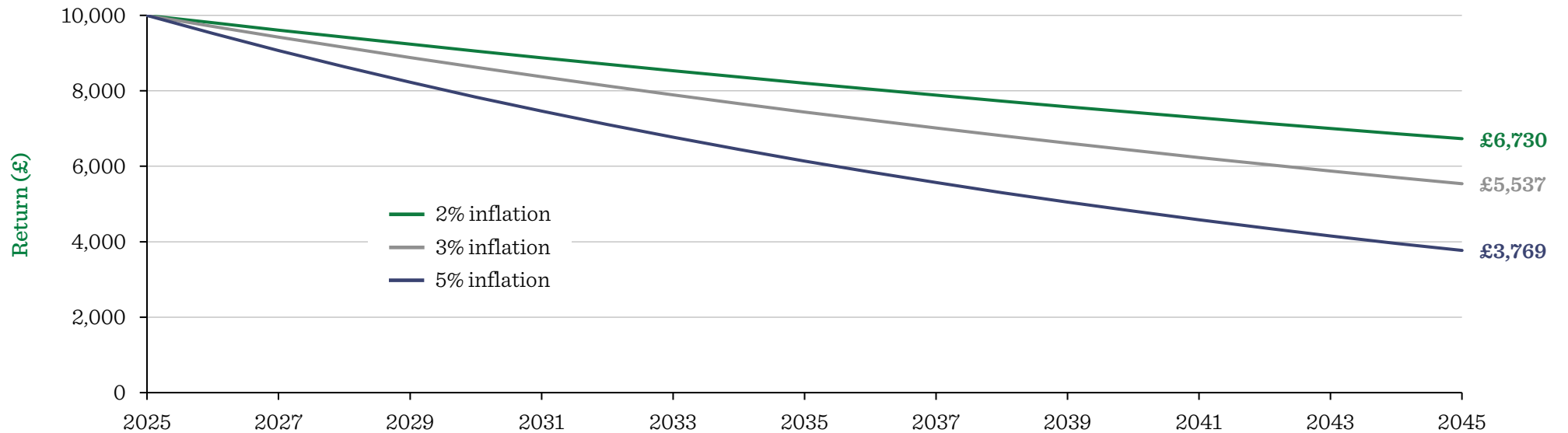
Source: Quilter Investors and Morningstar as at 31 December 2024. Total return, percentage growth over period 31 December 1994 to 31 December 2024. Based on an initial investment of £10,000 into the MSCI All Country World Index. This information provided is for illustrative purposes only and doesn't represent the past performance of any particular investment. It is not possible to invest directly into an index.

# The dangers of inflation



*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 can 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.

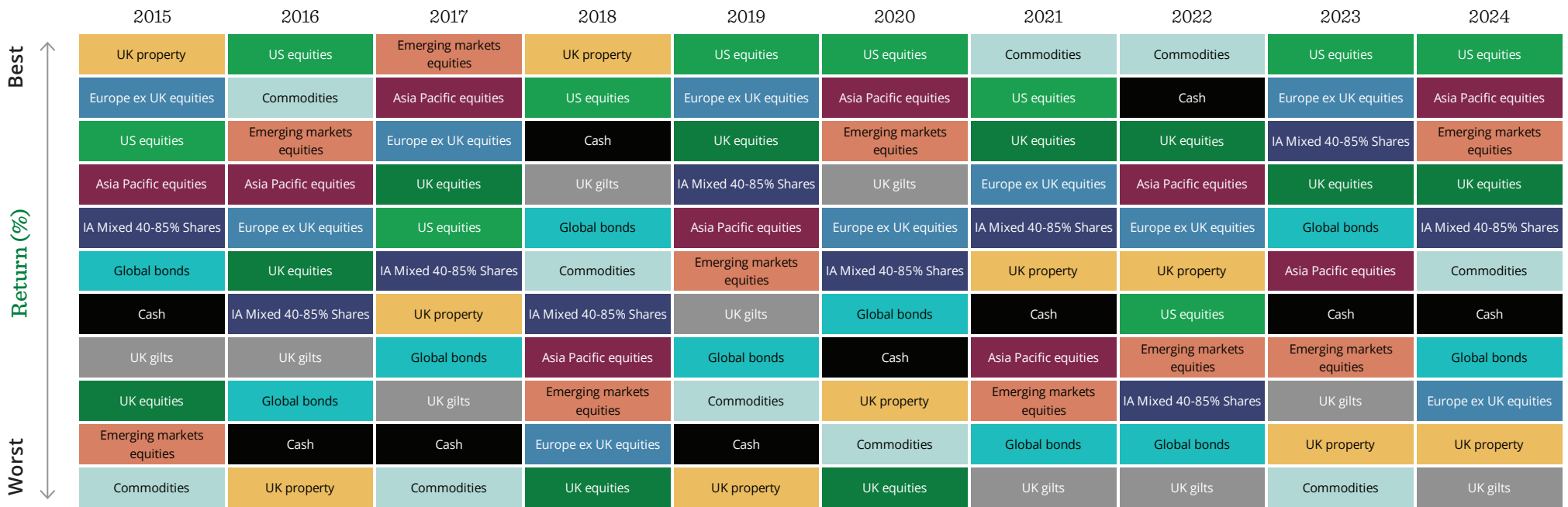
Source: Quilter Investors and Morningstar as at 31 December 2024. This information provided is for illustrative purposes only and doesn't represent the past performance of any particular investment.

# The benefits of diversification



*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 property has been over the past 10 years. There is no guarantee that the investment that is top in one year will perform well in the next.



## Key takeaways

- ▶ Spread your money across a range of different investments to reduce risk.
- ▶ Don't 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.

**Source:** Quilter Investors and Morningstar as at 31 December 2024. Discrete annual return, percentage growth over period 1 January 2015 to 31 December 2024. Asia Pacific equities is represented by the MSCI AC Asia Pacific Index; Cash by the Bank of England Base Rate; Commodities by the Bloomberg Commodity Index; Emerging markets equities by the MSCI EM (Emerging Markets) Index; Europe ex UK equities by the MSCI Europe Ex UK Index Global bonds by the Bloomberg Global Aggregate Index; IA Mixed 40-85% Shares by the IA Mixed 40-85% Shares sector average; UK equities by the MSCI United Kingdom All Cap; UK gilts by the ICE BofA UK Gilt Index; UK property by the IA UK Direct Property sector average; and US equities by the MSCI North America Index. The information provided is for illustrative purposes only and doesn't represent the past performance of any particular investment. It is not possible to invest directly into an index.

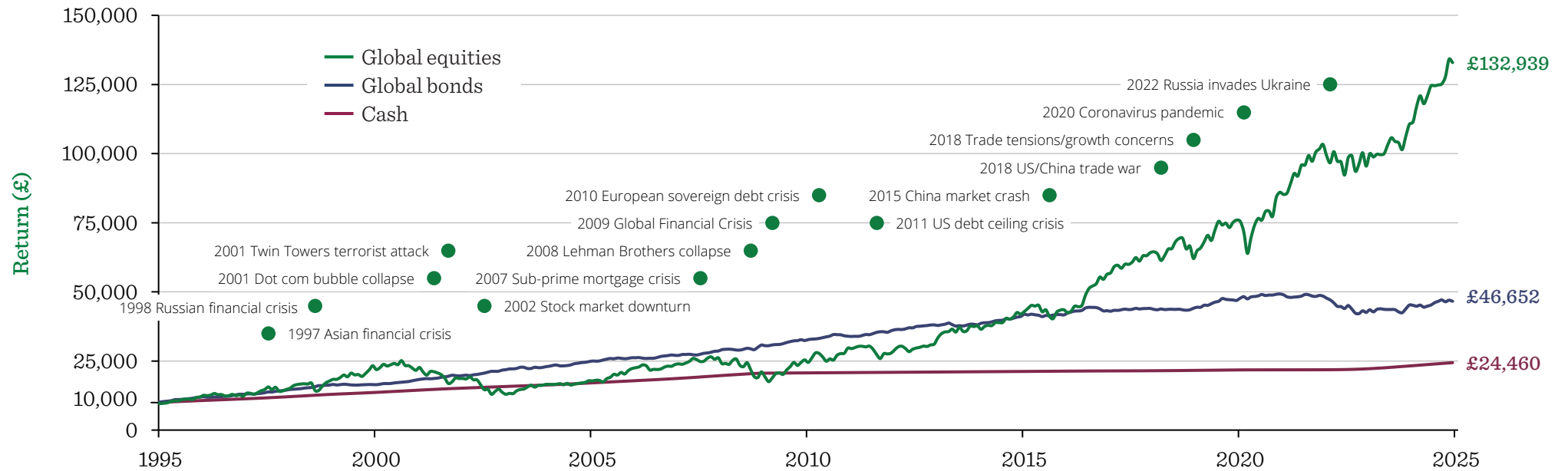


# The importance of investing for the long term



*Investing with a long-term outlook is the best way for you to reduce the impact of stock market fluctuations and to grow your investments over time.*

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



## Key takeaways

- ▶ Don't 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 longer term (five years or more) is more likely to be successful.

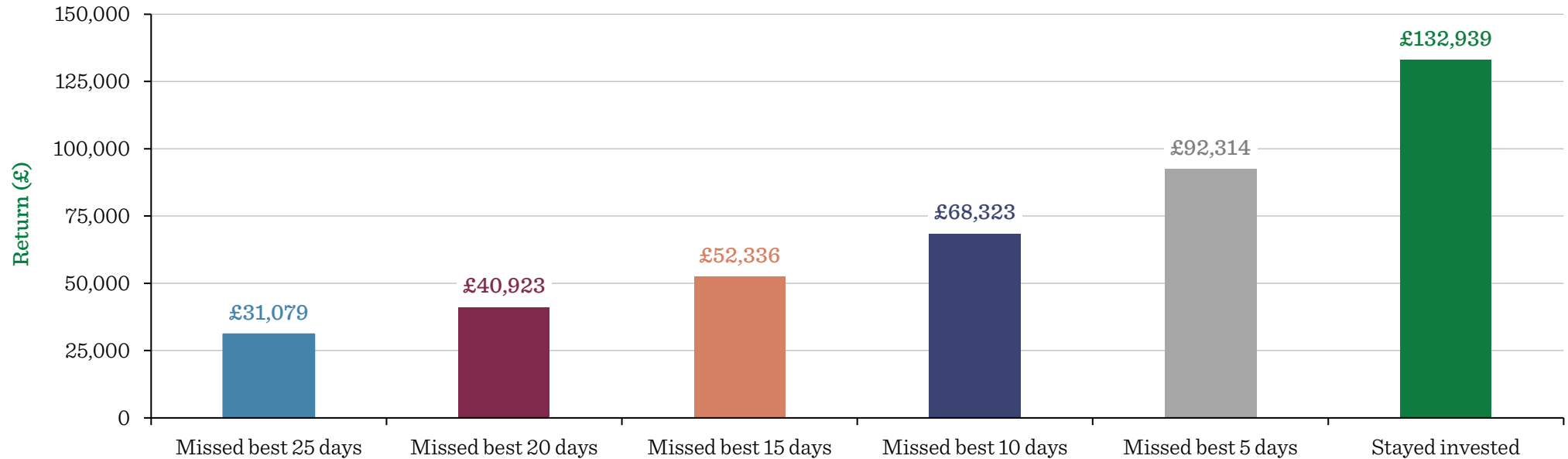
Source: Quilter Investors and Morningstar as at 31 December 2024. Total return, percentage growth over period 31 December 1994 to 31 December 2024. Based on an initial investment of £10,000. Global equities is represented by the MSCI All Country World Index; Global bonds is represented by the Bloomberg Global Aggregate Index; and Cash is represented by the Bank of England Base Rate. The information provided is for illustrative purposes only and doesn't represent the past performance of any particular investment. It is not possible to invest directly into an index.

# The reward of staying invested



*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 someone who stayed invested in global equities over the past 30 years, could have received a potential return more than four times greater than someone who 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.

**Source:** Investors and Morningstar as at 31 December 2024. Total return in pounds sterling over period 31 December 1994 to 31 December 2024. Based on an initial investment of £10,000 into the MSCI All Country World Index. The information provided is for illustrative purposes only and doesn't represent the past performance of any particular investment. It is not possible to invest directly into an index.

# Your next step

We are dedicated to making sure your investment journey with us is as smooth as possible. For the latest investments news, views, and portfolio information, please visit our website at [www.quilter.com](http://www.quilter.com)

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 the portfolio that is right for you.



If you are a financial adviser and want to find out more about our solutions, please speak to one of our investment directors on +44 (0)207 167 3700, email us at [enquiries@quilter.com](mailto:enquiries@quilter.com), or visit our website at [www.quilter.com](http://www.quilter.com)



## Need additional help reading documents?

More and more of our investors are using screen reading software as a quick and easy way to read their documentation if they are blind, partially sighted, or dyslexic. Alternatively, we can write to you in several alternative formats, such as large print, braille, audio, and OpenDyslexic font.

Find out more about screen readers, accessing your documents online, and our alternative format options at [www.quilter.com/document-help](http://www.quilter.com/document-help).

### *Important information*

**Past performance is not a guide to future performance and may not be repeated. Investment involves risk. The value of investments may go down as well as up and investors may not get back the amount originally invested.**

*This communication is issued by Quilter Investors, a trading name of Quilter Investors Limited. Quilter Investors is registered in England and Wales under number 04227837 and is authorised and regulated by the Financial Conduct Authority (FCA) under number 208543. Registered office: Senator House, 85 Queen Victoria Street, London, United Kingdom, EC4V 4AB.*

*This communication is for information purposes only. Quilter Investors uses all reasonable skill and care in compiling the information in this communication and in ensuring its accuracy, but no assurances or warranties are given. Investors should not rely on the information in this communication when making investment decisions. Nothing in this communication constitutes advice or a personal recommendation. This communication is for information purposes only and is not an offer or solicitation to buy or sell any Quilter Investors portfolio or fund.*

*Any opinions expressed in this document are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or companies within the same group as Quilter Investors as a result of using different assumptions and criteria.*

*Data from third parties is included in this communication and those third parties do not accept any liability for errors and omissions. Investors should read the important information provided by the third parties, which can be found at [www.quilter.com/third-party-data](http://www.quilter.com/third-party-data). Where this communication contains data from third parties, Quilter Investors cannot guarantee the accuracy, reliability or completeness of the third-party data and accepts no responsibility or liability whatsoever in respect of such data.*

**Published:**  
February 2025

**Review date:**  
February 2026