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# Working with volatility, not against it

Mark Preskett, Senior  
Portfolio Manager

14<sup>th</sup> May 2026

# What we will cover today



## Keeping clients invested

Equip advisors with the tools to manage emotions and sustain long-term discipline.



## Build resilient portfolios

Construct portfolios designed to withstand varied and unexpected market conditions.



## Turn volatility into opportunity

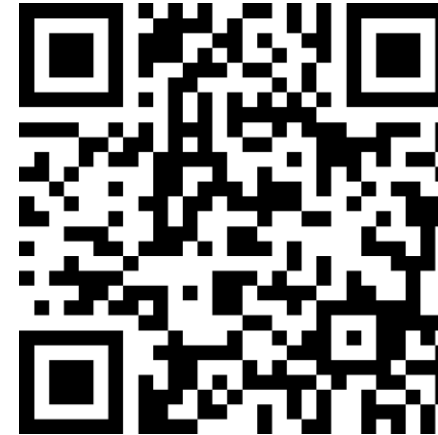
Identify and act on genuine opportunities that market disruption reveals.



Keeping clients invested

# Behavioural coaching is the key source of adviser value add, especially when markets are volatile

Investment selection	1.00%
Rebalancing	0.12%
Behavioural coaching	?
Tax efficient retirement strategy	1.12%
Asset Allocation	0.45%





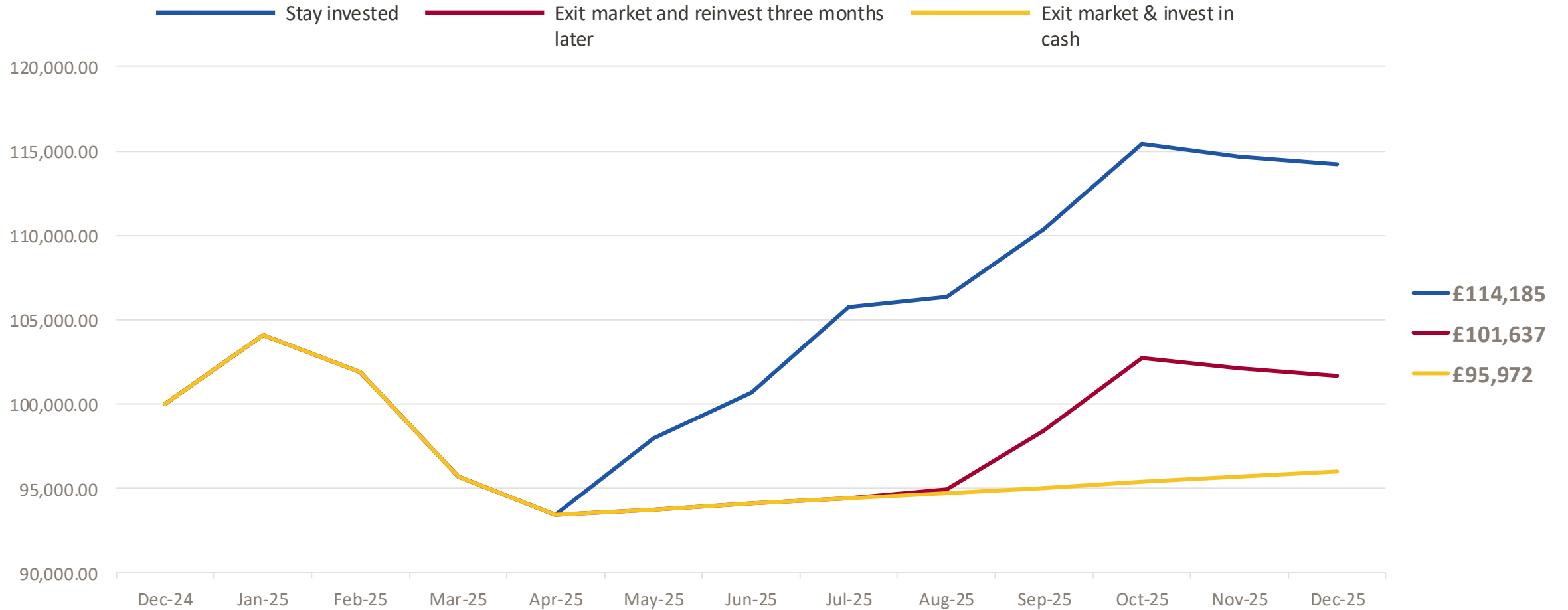
**What do clients consider your added value for behavioural coaching as an adviser?**

# Behavioural coaching is the key source of adviser value add, especially when markets are volatile

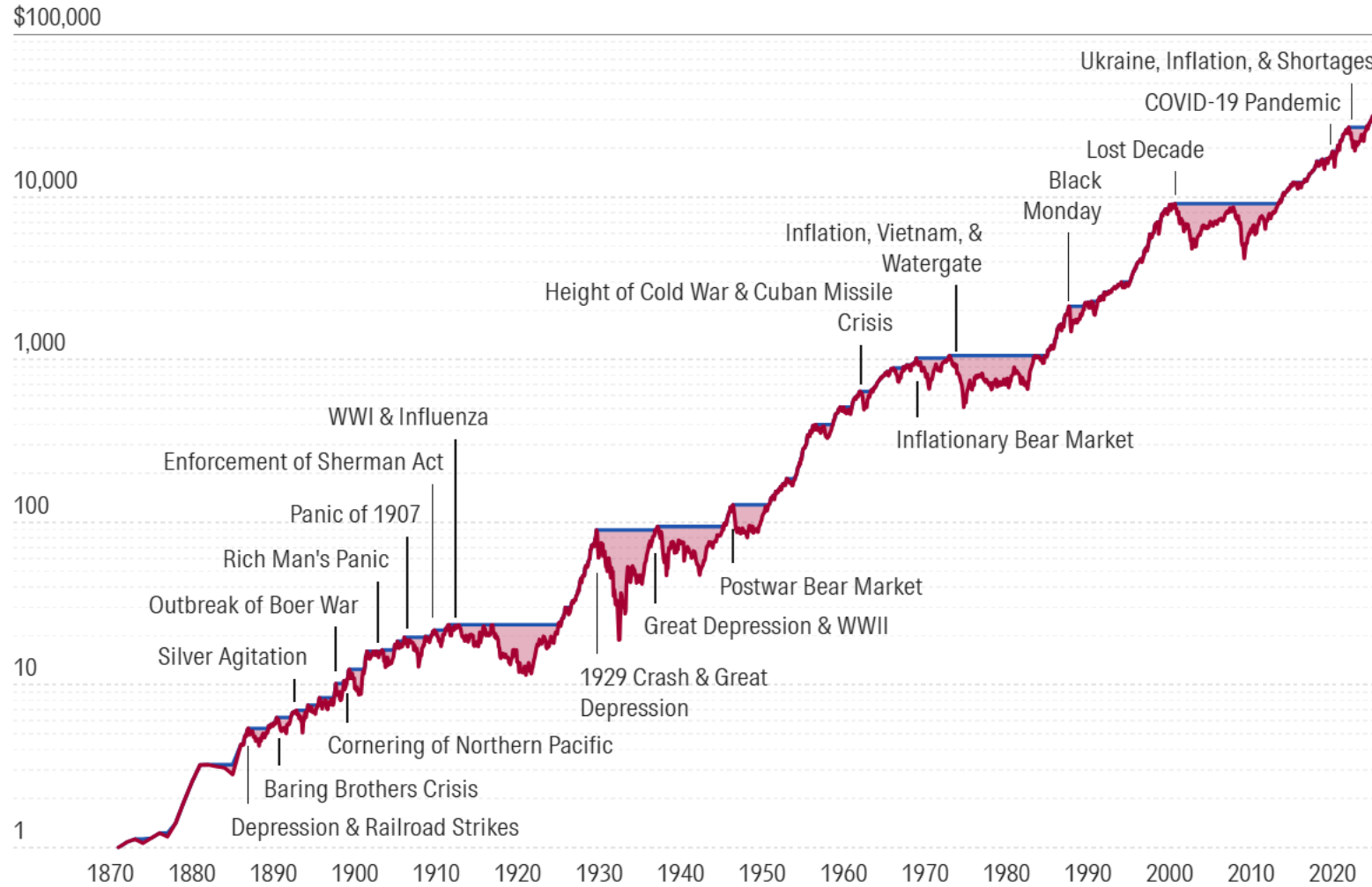
Investment selection	1.00%
Rebalancing	0.12%
<b>Behavioural coaching</b>	<b>2.00%</b>
Tax efficient retirement strategy	1.12%
Asset Allocation	0.45%

# The value of remaining invested

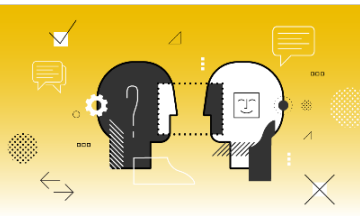
Ending wealth values after a market decline



# The value of remaining invested



# Behavioural coaching when it matters most




**It feels different this time – But it probably isn't**  
Ryan O. Murphy & Danielle Labotka




**Dear Client: Paragraphs on looking beyond the headlines**  
Morningstar Wealth

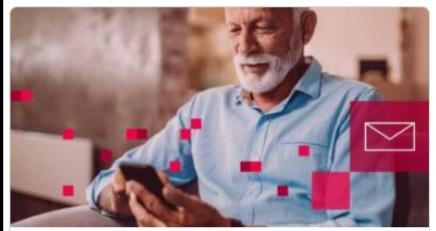
Thought Leadership  
**Letter from the CIO April 2026**



Morningstar Wealth  
**Letter from the Chief Investment Officer: Oil Shock**  
Mike Coop



**Chart packs for your review meetings – April 2026**  
Morningstar Wealth



**Dear Client: Paragraphs on resilience during global events**  
Morningstar Wealth

**WEBINAR**

**Staying the course event when it feels uncomfortable**

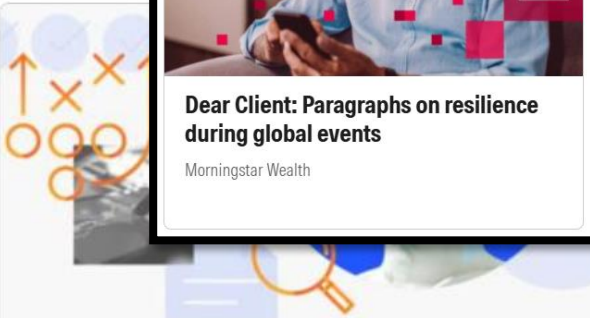


**Client Update: March 2nd**  
Morningstar Wealth

Thought Leadership  
**Letter from the CIO March 2026**



Morningstar Wealth  
**Letter from the Chief Investment Officer: Disruption**  
Morningstar Wealth




**A key to surviving the current market turbulence: Be lazy**

**Dear client: Paragraphs on navigating 2026**  
Morningstar Wealth



**Quick Response Article – Conflict in the Middle East**



**Turning volatility into positivity: Understanding client anxiety during market swings**  
Samantha Lamas & Danielle Labotka

**MORNINGSTAR Wealth**

**A Message From Our Chief Investment Officer Oil Shock**

Morningstar Wealth  
March 2026

Mike Coop  
Chief Investment Officer, DMEA

**Key points**

- Spike in oil and gas prices
- World less driven by energy prices than in the past
- Focus on risk management

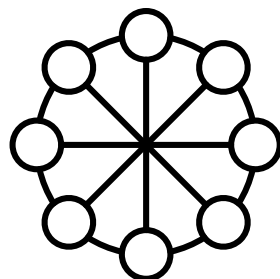
The outbreak of a wider war in the Middle East has re-awakened fears of inflation, as energy prices rocketed. This is a classic example of unpredictable and impactful events that continue to occur. In the short time since the start of the Iran war, equity and bonds have sold off while the US dollar and share prices rose for oil and gas companies. The market moves have not been large (at the time of writing) and have not reversed the gains chalked up in the first two months of the year.

For Financial Professionals and their clients



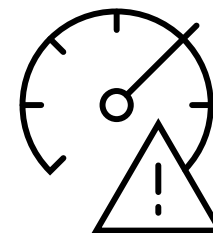
Build resilient portfolios

# How to build resilient portfolios



## Prepare for different scenarios

The best defensive against market volatility is preparation - effectively constructing portfolios to perform well in a range of possible outcomes.

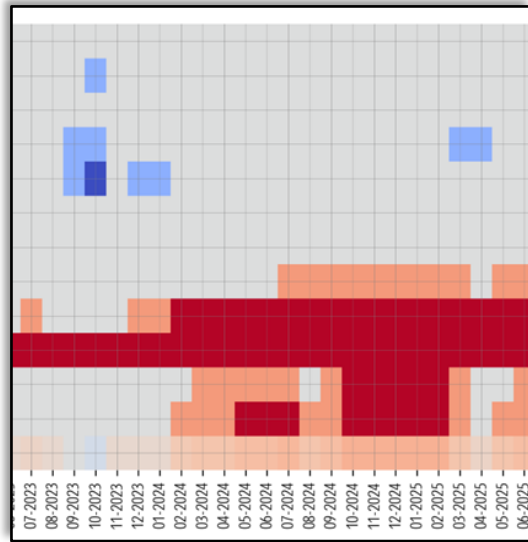


## Avoid reacting to headlines

We focus on rigorous analysis and long-term conviction. This helps us uncover investment opportunities that are undervalued relative to their fundamentals.

# Asset allocation research and scenario analysis

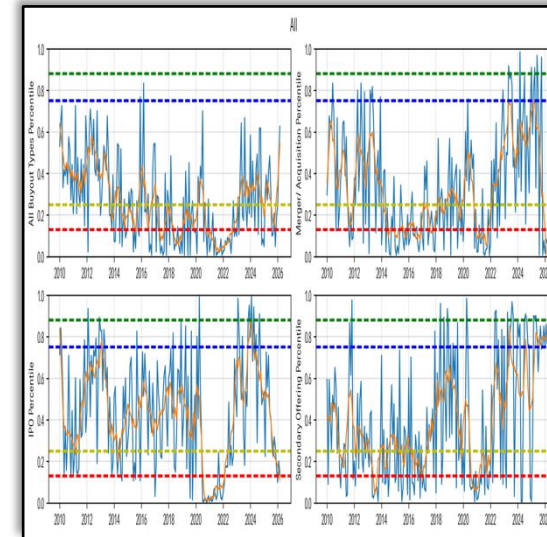
## Market valuations



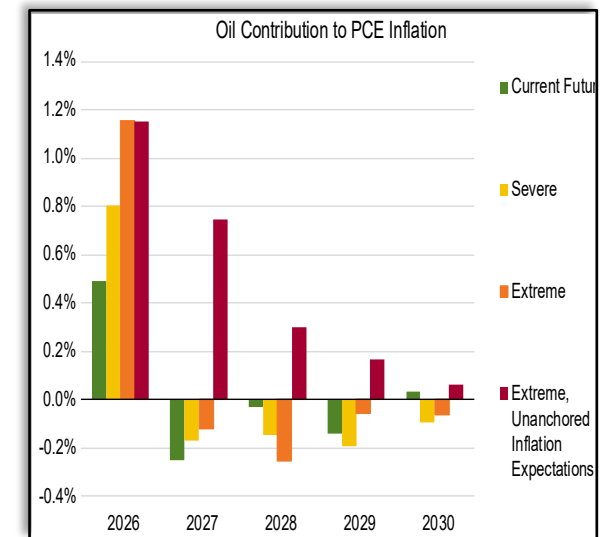
## Investor sentiment



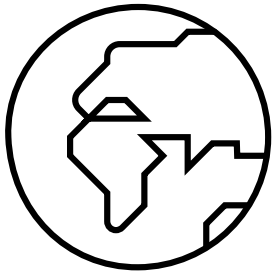
## Capital supply



## Energy scenarios



# How to spot opportunities in a crisis



## **Broad coverage**

Uncover more potential opportunities



## **Deep, fundamental research**

Get the complete picture on risk and return



## **Local specialists**

On the ground expertise



Quiz time



## What is the country in Case Study 1?

## Case Study 1: Equity Region

This country is classified as either an emerging or developed market, depending on the index providers.

The two largest companies by market capitalization are key players in the AI build-out and represent more than a 50% of its equity market.

The country's stock market is dominated by family-owned conglomerates, called Chaebols.

In 2024, the former President declared 'Martial Law' for the first time in 40 years, which was quickly quashed and led to his imprisonment.

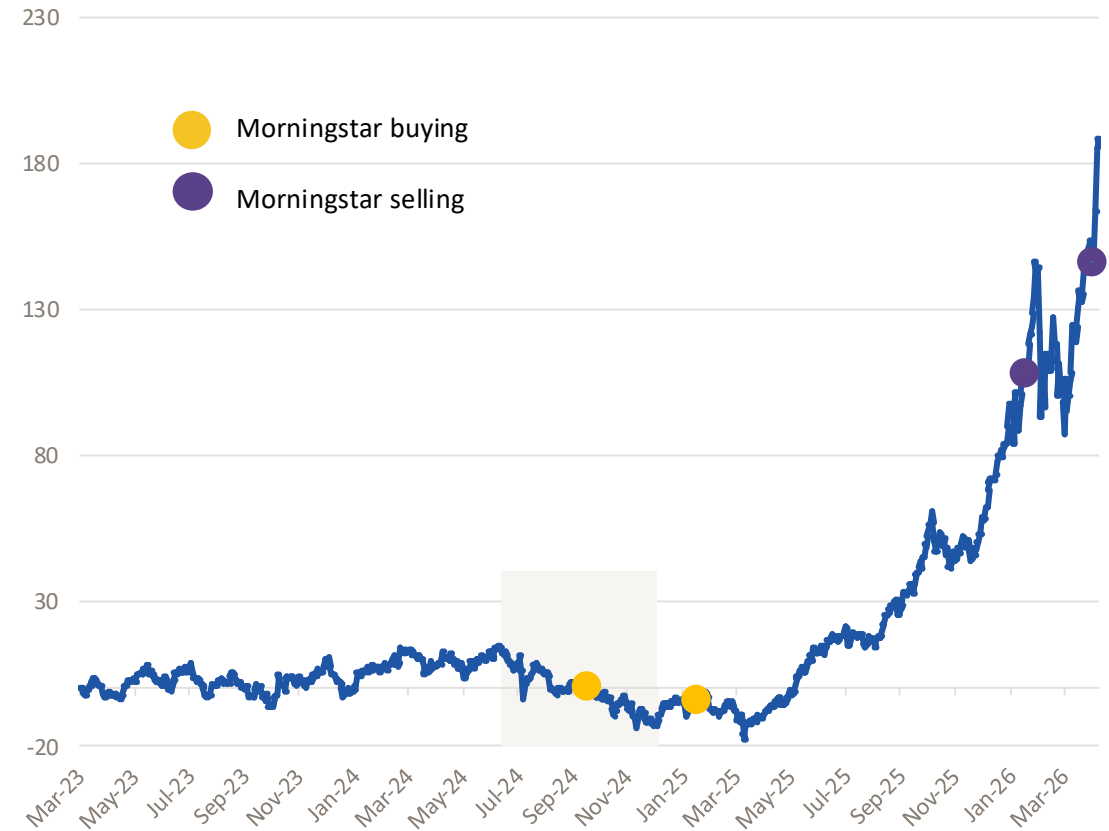
# Korean equity – exposure to companies involved in driving AI innovation

Political instability

The “Korea Discount”

Upside from improved corporate governance

Unique access point to the AI data server build-out





## What sector is Case Study 2?

## Case Study 2: Equity Sector

This world sector delivered a negative return in 2017, the first full year of Donald Trump's first term and the only GICS sector to end in the red.

Although 60% of the index is made up of US firms, two UK-listed companies feature in the top 10 index constituents.

An intergovernmental cartel has significant control of the key output of this sector.

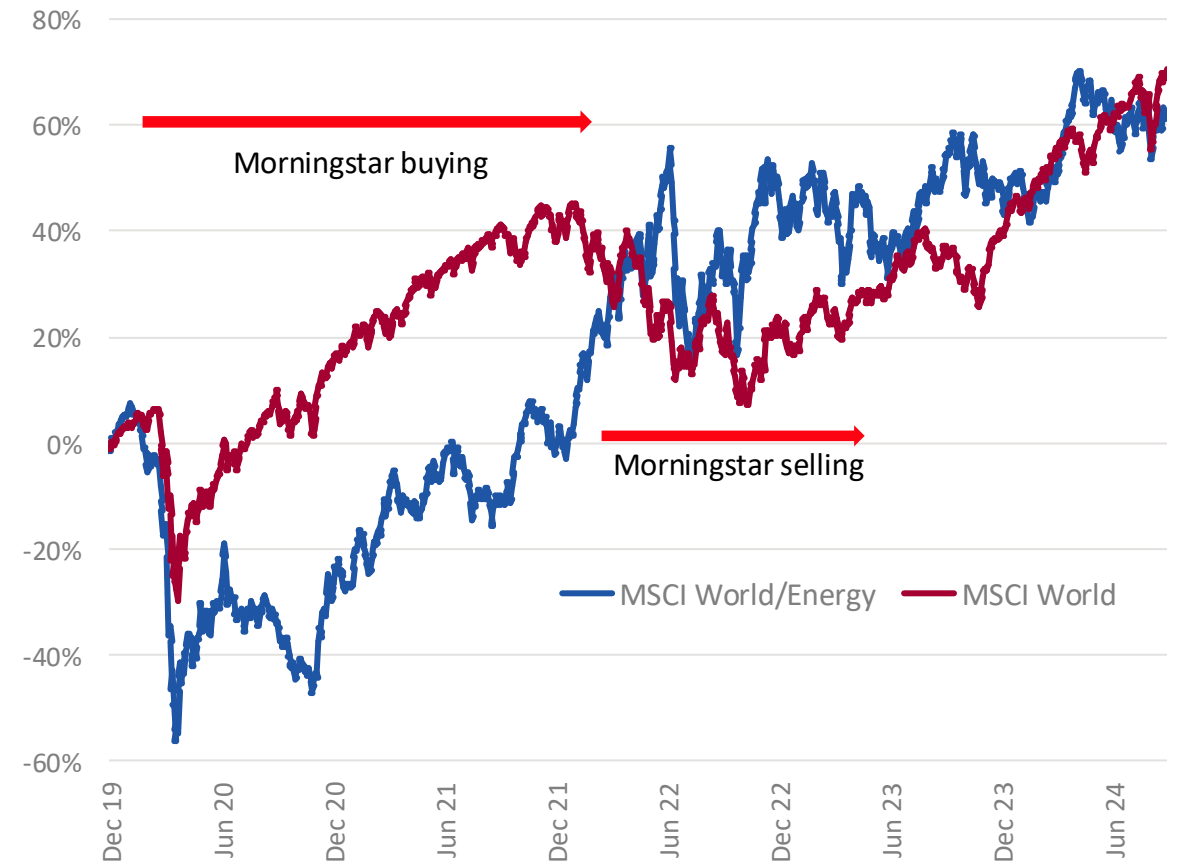
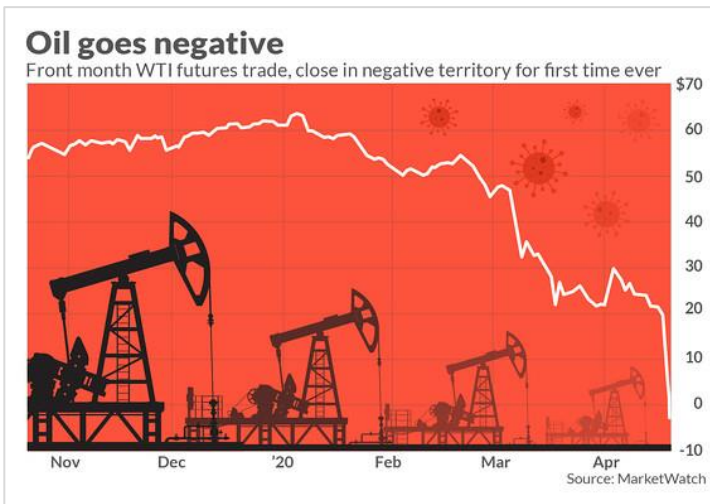
The index represents a collection of companies that powers, fuels and electrifies the world.

# World Energy – multi-decade lows created a compelling opportunity

Valuations suddenly became very attractive

Markets were fearful

People were going to need oil again, it was a case of when, not if





## What is the country in Case Study 3

## Case Study 3: Equity Region

This country is one of the top four food-producing countries by agricultural value in the world.

This country bore the brunt of the initial Trump Liberation Day tariffs with a 50% levy.

A general election that takes place in October is being contested by a left-leaning President and the son of a former President, who is in prison.

The country is Latin America's largest economy and home to firms like Petrobras and Vale.

# Brazilian Equity – political noise and a rate-cutting cycle present opportunity

Heightened political noise creates uncertainty

Rate cutting cycle underway

Valuations remain attractive

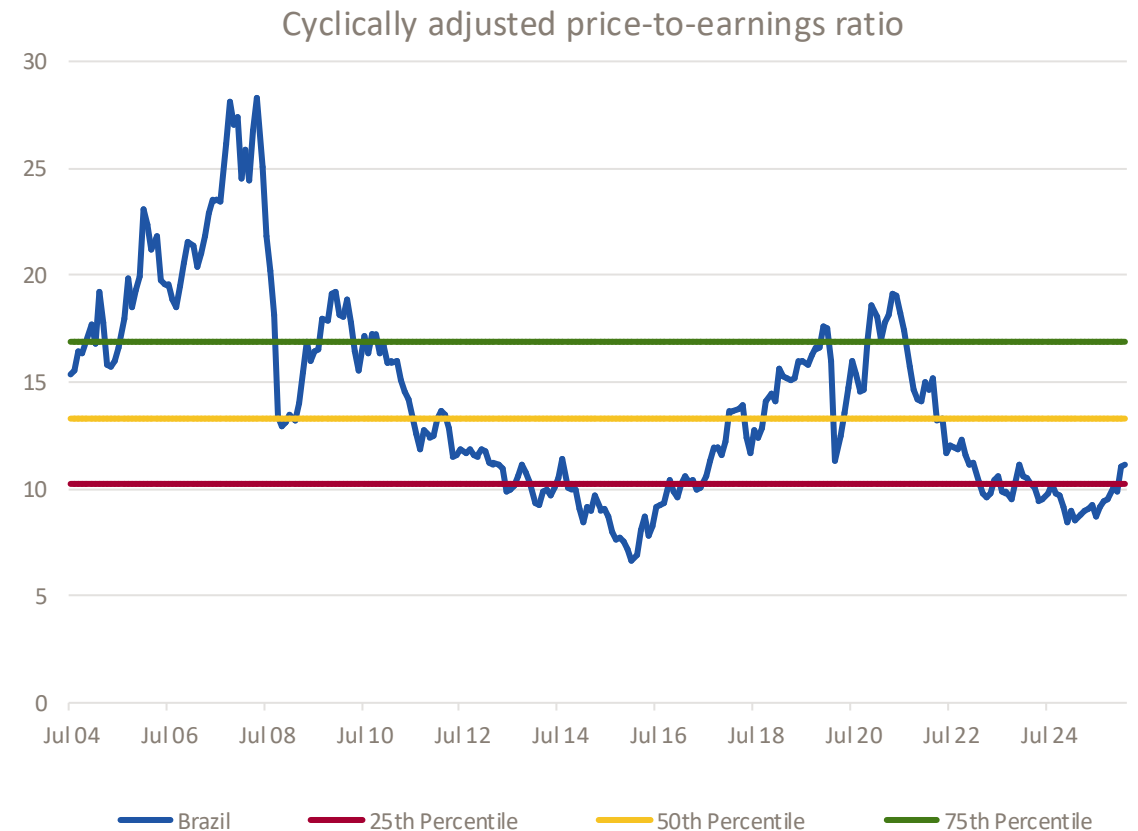


**Brazil Holds Interest Rate at 15%**

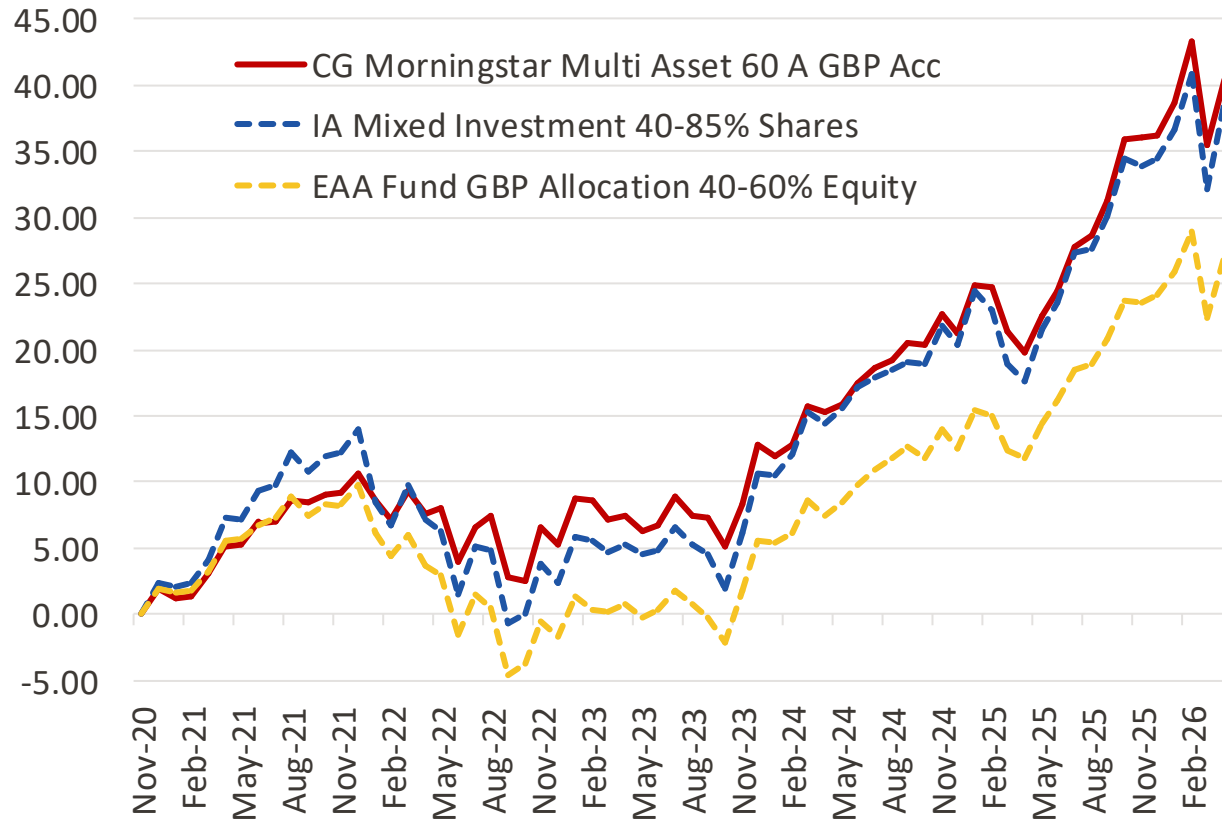
**ADDRESSING THREATS TO  
THE UNITED STATES BY  
THE GOVERNMENT OF BRAZIL**

Executive Orders | July 30, 2025

**WHY BRAZIL COULD  
BE ONE OF 2026'S  
MISPRICED  
GROWTH STORIES**



# The benefits of exploiting volatility; a smoother journey with higher compound returns



Award winning proposition



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# Adviser solutions united to support financial advisers empower investor success



## Platform

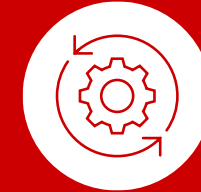
We take care of the heavy lifting of administering investments.

Award winning service means you can focus on providing great service to your clients.



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**Our adviser support and services set us apart with insights, practical tools & expert teams**

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Wealthcraft | Finametrika



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