

## ABOUT THE FIRM

Nottingham Investment Advisers, Ltd., is a registered investment adviser founded in May 1996. A long history of achievement.

Nottingham is a team of seasoned professionals serving taxable and tax-exempt investors, as well as other investment advisers. Asset management and otherwise serving asset management clients are the Firm's only business. The twin results: commitment and focus.

Nottingham is a manager of large capitalization equity and widely diversified balanced portfolios. The Firm can serve in a specialized role, or as a client's sole adviser.

Nottingham's equity and balanced investment strategies constitute the Firm's Yield Plus Approach to investing. The Yield Plus Approach is a straightforward, all-encompassing investment philosophy and a set of well-defined investment processes. Precision and discipline.

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Nottingham is your ideal partner as you go down the financial path ahead.

**Southampton Square**  
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**Cincinnati, Ohio 45230**  
**Tel: 513.624.3000**

# Quarterly Update

## SCORECARD

	2025 Q1	One Year	Three Years	Five Years	10 Years
S&P 500 Index	-4.27%	8.25%	9.07%	18.60%	12.50%
10-Year Treasury Note	4.09	4.99	-0.97	-2.61	0.90
Gold	19.13	39.12	17.15	14.15	10.11

All multi-year returns are annualized, and all returns are associated with time periods ending March 31, 2025

## 2025 Q1 — A Bit of a Breather

After a healthy and, politics aside, uneventful 2024, the overall economy and the U.S. stock market took a bit of a breather in the first quarter. A pause that refreshes, or the start of something more meaningful? That depends on whom you ask and that person's view of tariffs and their ultimate impact on the worldwide economy. No question, there are nation-to-nation inequities that a well-designed tariff program can address. At the same time, however, the more broadly enacted, the more such a program becomes a tax on consumption and impedes overall economic growth. In other words – and we have mentioned this several times – targeted tariffs seem well worth the effort, while across-the-board tariffs are riskier business.

As stated, the U.S. stock market took a bit of a breather in the first quarter. Most large company indexes were flat to slightly down; the Value equities that we prefer generally outperformed Growth stocks; large company stocks generally outperformed their small company brethren. Bonds, as is their custom in such times, picked up some of the slack. Our proxy for the bond market is a Treasury maturing in 10 years; that bond provided a first quarter investment return of 4.09%. But, among the various asset classes, gold with a first quarter investment return of 19.13% led all others. "All that glitters is not gold," as Shakespeare famously said, but gold is something that glitters, always in an aesthetic sense and periodically in a portfolio sense. The last nine calendar quarters (+71%) have been one of those periods.

## THE CURRENT SITUATION — Will Tariffs Upset the Balance?

- **Worldwide Economy**

The central bankers of the industrialized world probably deserve a round of applause. Inflation was not eliminated but inflation was brought under control, without damaging the worldwide economy unduly. Tariffs, i.e., when, where, and how they are enacted, are the big question mark and threat to what the central bankers accomplished.

- **Equities**

In the U.S., they are far from undiscovered, and valuations, therefore, are simply "OK." Overseas markets, particularly emerging markets, are more attractively valued, however, equities of all stripes would be impacted by the widespread enactment of tariffs.

- **Interest Rates**

The Fed probably has one or two interest rate cuts in mind for 2025 but the Fed clearly is reluctant to act until the tariff situation is clarified.

The question here and throughout this report: The central bankers brought us to this current healthy growth/controlled inflation point, but will tariffs upset the balance? A great deal depends on the answer to this question. Until the question is answered (and always), we recommend that every investor maintain a broadly diversified overall portfolio.

Hiring an investment adviser? Things to consider...

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## Perspective

### Ten Questions to Ask an Investment Adviser

*"I believe in a disciplined approach to personal investing... one that minimizes emotions, respects the past, which is knowable, and never tries to predict the future, which is not."*

-James B. Stewart

Here we are in the mid-2020s. The Internet Era has been full swing for quite a while, and lots of information is coming at us constantly. Overwhelming sometimes, so we human beings with only a limited time for each subject make every attempt to have our facts distilled. We gravitate towards lists, preferably with rankings alongside. *Rolling Stone* magazine's 500 Greatest Albums of All Time, the 12 Actors Everybody Hates to Work With, etc., etc. Shortcuts that show us how to focus in a very information-filled world.

Not to be outdone, on two other occasions, we penned "10 Questions to Ask an Investment Adviser" for this space and were pleased with both the pieces themselves and the responses. So, let's give those earlier pieces a refresh and once again put ourselves to the test. The 10:

#### 1) What experience do you have?

A lot. Doug McPeek's first day in the investment business was about the time of the Wategate break in. Three bear markets later (experience is measured best by bear markets survived), Jeff McPeek left Boston College for Fidelity just in time for the 2000-2002 bear market. And then, Doug and Jeff both were at their Nottingham posts for the 2007-2009 mess and the COVID chaos of 2020. Lindsay Mason as Director of Operations and Beth McPeek as Client Services Coordinator have been serving Nottingham clients since 2008 and 2017, respectively. A strong, experienced team.

#### 2) What are your qualifications?

Qualification #1 is "Number of Bear Markets Survived (see above). Exams, etc.? Doug and Jeff both have taken and passed the Uniform Investment Adviser Law Examination (Series 65), and Doug in a prior life held a Series 7 license. Continuing education? Please believe us, a new lesson is learned just about every day.

#### 3) What investment services do you offer?

No question, the lines in the investment business have blurred over time. For example, all too often someone will be selling a "product," and then it's "ok, by the way, we'll also manage your assets." We do it differently. First and foremost, we're asset managers, but we then make sure that the Path Ahead and other financial planning-type work we do are an integral part of the complete client relationship. Not separate-and-distinct, an integral part. Our objective is to be the client's trusted adviser/resource in all matters financial.

#### 4) What is your approach to working with clients?

Let's say a prospective client walks through the door. In most cases, we begin by discussing our Path Ahead process and the information we will need in order to move ahead effectively. That information: the investment portfolio's starting value; the cash to be contributed or withdrawn on a regular basis; and, given an appropriate asset allocation structure and investment strategy, the range of expected investment returns in the years ahead. The Path Ahead answers are portfolio market values at various points in the future. So, in fact, the Path Ahead work constitutes a game plan tailored to a client's situation, with targets on how we intend to get there. Several years down the road, our clients and we then review the original discussions and determine if changes are needed. All part of the service. In fact, our approach to working with clients is summed up best by the most basic of Nottingham beliefs: Ours is the ultimate personal service business.

**5) What is your approach to investing?**

No mysteries here. Our investment work rests upon three Fundamental (investment) Beliefs. First, diversification and discipline are the key elements of long-term investment success. Second, equities in general and value-oriented equities in particular should be the conversation of any portfolio. And third, indexed approaches often compete effectively with the active management of both equities and fixed income securities and should be represented in the overall portfolio. All security selection and portfolio management processes are consistent with these Beliefs.

**6) Do you serve many types of clients, or do you specialize?**

Families with multiple accounts, both taxable and tax-exempt, constitute the bulk of our business, with employee benefit clients constituting the remainder. In most cases, we are the client's sole adviser. So, the short answer to the question is "many types," and for good reason. We emphasize the disciplined, value-oriented management of highly marketable securities and are ready, willing, and able to satisfy many client needs.

**7) Will you be the only one working with me?**

The "who" question is an important one for anyone considering Big Investment Company, Inc. Not so much for us. In the investment business, small is beautiful. Becoming a Nottinghill client means getting the combined efforts of four individuals who are committed totally to providing the best in investment/planning services. So, the answer is "no," and that is a good thing.

**8) What do you charge for your services?**

Evidently, things here can be a little murky. We know this because investors constantly complain that the investment/financial services fine print is way too fine. In our case, there are no up-front organizational charges and no standalone commissions. The fees we charge are for ongoing asset management services. The schedule on which those fees are based is laid out clearly and concisely at the beginning of every client relationship.

**9) Are there any conflicts of interest I should know about?**

The only "products" we sell are the investment strategies and Path Ahead services we provide. Sure, our Total Portfolio Management portfolios contain bond funds and/or indexed ETFs; but someone has to put the pieces together in an intelligent, cost-conscious manger, and we're that someone. All-equity or balanced portfolios, the one constant: If the client has a clear view of the path ahead and succeeds, we succeed. That's called identity of interest.

**10) What about compliance...any problems?**

Every year, the regulators require us to update Part 2 of our Form ADV, one aspect of which focuses on any legal or disciplinary events in the last 10 years. In fact, there have been no such events since Nottinghill was founded many years before that. We always are proud to make that statement.

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So, you plan to hire an investment adviser and have asked all the right questions. You have gotten the right answers from us in return. The Nottinghill team is experienced and qualified and specializes in disciplined investment management and Path Ahead services suitable for a variety of investors. The team comes with no conflict-of-interest or compliance baggage, but does come with clear, concise descriptions of the services to be provided and the fees to be charged. If you currently are a Nottinghill client, congratulations, we believe you have chosen well. If not, we encourage you to give us a try. You'll be very happy you did.