

**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.

A long history of achievement. Commitment and focus. Specialization, or single-manager responsibility. Precision and discipline.

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

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Quarterly Update

SCORECARD

	2025 QI-QIII	One Year	Three Years	Five Years	10 Years
S&P 500 Index	14.83%	17.59%	24.93%	16.47%	15.30%
10-Year Treasury Note	7.30	2.81	3.78	-2.30	1.19
Gold	46.14	44.53	31.81	15.04	13.08

All multi-year returns are annualized, and all returns are associated with time periods ending September 30, 2025

2025 QI-QIII — “Don’t Fight the Fed”

The above is a rule by which the great Martin Zweig among others always lived, and the point is well-taken. Inexpensive liquidity benefits most of us, and the Fed now has officially come over to the investor side. The long-awaited first reduction in short-term interest rates was announced by Chairman Powell on September 17. That is the good news. The bad is that the labor market is weakening and tariffs ultimately will put upward pressure on prices. The net-net from the standpoint of Fed policy, however, is that cheaper liquidity clearly will help the former and that the tariff inflation risk will be contained.

The actual Fed announcement was made in mid-September. However, the prospect of lower interest rates had been a given for a while, and investors were in no mood to fight the Fed in the third quarter. On the equity side, Growth was king once again in the large company arena, but Value and small company stocks also performed well. On the fixed income side, our proxy for the bond market is a Treasury maturing in 10 years. That proxy provided a total investment return of 2.00%, which makes the nine-month return 7.30%. Since bonds serve primarily as an income-producing shock absorber, we will take this any day, as we will the performance of gold. The barbarous relic (QIII 16.43%, YTD 46.14%) is having its best year since 1979.

THE CURRENT SITUATION — This Godot Finally Arrived

Worldwide Economy

In general, liquidity is ample, growth is decent, and inflation is only a minor irritant. Things can change rapidly in the modern era, but the overall backdrop is reasonably healthy.

Equities

No one is saying that U.S. equities are undiscovered and cheap. Hardly. But corporate earnings growth is solid, and lower interest rates are among the equity investor's best friends. That also goes for the international markets where even valuations are respectable.

Interest Rates

This Godot finally arrived, i.e., the Fed's long-awaited reduction of short-term interest rates occurred on September 17. Additional reductions seem likely; therefore, the path of least resistance clearly is down, and that is a distinct investment plus.

Our long-standing advice: Stay diversified with a circumstance-appropriate investment strategy and portfolio structure, and stay the course.