

# VT Momentum Diversified Income Fund

30 June 2025

For professional advisors only

## INVESTMENT OBJECTIVE & STRATEGY

To generate a high level of income with the prospect of maintaining the real value of capital over the long term, by investing in a multi-asset portfolio managed with a focus on value. The Fund may include directly invested UK equities with a bias towards mid-cap stocks, and overseas equity, fixed income, specialist assets and managed liquidity held through third party funds.

## INVESTMENT TEAM



Richard Parfect  
Lead Oversight  
Portfolio Manager



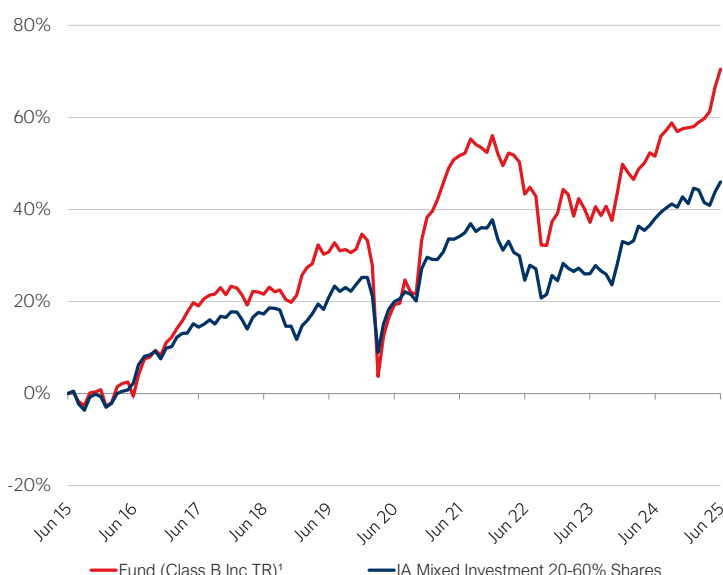
Tom Delic  
Second Oversight  
Portfolio Manager



Gary Moglione  
Portfolio Manager

Our investment approach is team based with all portfolio managers having specific areas of research focus and access to and input from the wider Momentum Global Investments team.

## TEN YEAR HISTORICAL CUMULATIVE PERFORMANCE



CUMULATIVE PERFORMANCE (%)	1 month	3 months	6 months	1 year	3 years	5 years	10 years	Since inception annualised
Fund return Class B Inc TR <sup>1</sup>	2.3	6.7	8.1	12.5	19.0	42.9	70.5	5.3
UK CPI	0.1	1.5	2.2	3.3	13.7	27.5	38.2	2.7
IA Mixed Investment 20-60% Shares	1.5	3.1	3.3	5.8	17.2	21.7	46.0	4.3

DISCRETE ANNUAL PERFORMANCE (%)	Jun 24 - Jun 25	Jun 23 - Jun 24	Jun 22 - Jun 23	Jun 21 - Jun 22	Jun 20 - Jun 21	Historic net yield (%) <sup>†</sup>
Fund return Class B Inc TR <sup>1</sup>	12.5	10.5	(4.3)	(5.5)	27.2	5.5

Sources: Morningstar, Momentum Global Investment Management (MGIM). Fund performance is calculated on a total return basis (including distributions), net of all fees and in GBP terms. The value of the underlying funds and the income generated from them can go down as well as up, and is not guaranteed. Investors may not get back the original amount invested. The value of investments involving exposure to foreign currencies can be affected by currency exchange rate fluctuations. Past performance is not a guide to future performance.

## MONTHLY COMMENTARY

- Global equity markets extended their gains in June, supported by falling inflation expectations and growing anticipation of interest rate cuts later in the year. Despite persistent geopolitical risks, investor sentiment improved across both developed and emerging markets.
- The largest contributions to returns over the month came from our specialist assets allocation, where private equity holdings were particularly strong. Syncona rose following the announcement that the company plans to revise its investment objective and policy to focus on the orderly realisation of its life sciences portfolio, which was well received by the market. Schroders Capital Global Innovation also rallied sharply after launching a tender offer to return £37m of capital to shareholders, more than the £30m initially indicated. The offer, which represents a return of around 21% of the company's share capital, is expected to complete in late July.
- Within infrastructure, Foresight Environmental Infrastructure was another key contributor. The company reported improved financials, including a reduced loss before tax, stronger cash flows and a higher interim dividend. Digital 9 Infrastructure also contributed positively following the sale of its SeaEdge data centre asset. Proceeds will be used to repay debt and cancel its revolving credit facility.
- Recently introduced to the portfolio in May, Downing Renewables and Infrastructure Trust (DORE) was a top contributor in June after receiving a recommended takeover offer from Polar Nimrod Topco. The bid valued the company at £174.55m, representing a premium of over 23% to the prior day's share price. The offer was seen as a validation of the value within the portfolio, despite the bid being at a discount to net asset value (NAV).
- Within developed market equities, the Fund benefitted from its selective exposure to UK and European equities. Elsewhere, emerging markets saw broad-based gains and were another positive contributor.
- We initiated a new position in the SDCL Energy Efficiency Income Trust which invests in infrastructure projects that aim to deliver decentralised, energy-efficient solutions directly to users - helping to reduce energy waste and cut costs. While the trust has come under pressure due to elevated debt levels and widening discount to NAV, we believe the market has been overly pessimistic. Management has outlined a clear plan to reduce gearing through asset sales and improve capital discipline, and we see scope for a rerating as the strategy is executed.

Source: Bloomberg Finance LP, MGIM

## PLATFORM AVAILABILITY



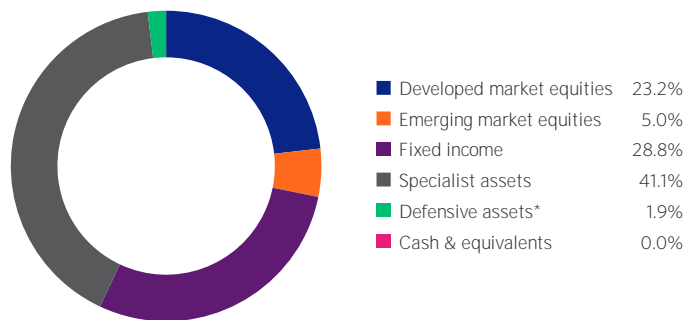
## FUND RATINGS



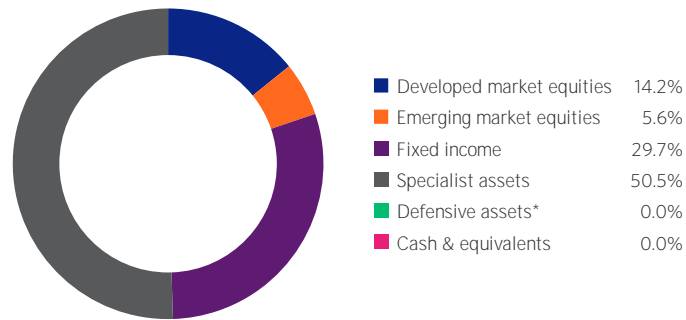
Sources: Bloomberg Finance LP, Morningstar, MGIM, unless otherwise stated.

<sup>1</sup>The Fund performance refers to the 'B' Inc share class with the exception of performance prior to 26.03.2012 which is calculated using the 'A' Inc share class, unadjusted for the lower fees of the 'B' Inc share class. <sup>†</sup>The Historic Net Yield reflects distributions declared over the past twelve months as a percentage of the unit price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. A portion of the Fund's expenses are charged to Capital. This has the effect of increasing the distribution(s) for the year end constraining the Fund's capital performance to an equivalent extent.

## ASSET ALLOCATION



## SOURCES OF INCOME GENERATION



As at 30.06.2025, allocations subject to change. Source: MGIM

\*Defensive assets have reduced/negative correlation to equity markets to provide a more defensive element during times of stress. Defensive assets consists of a variety of investments such as gold\*\*, short ETFs, alternative/uncorrelated strategies and managed futures strategies. \*\*Exposure to physical gold is achieved through investments in exchange traded certificates (ETC) which aim to provide the performance of gold, as measured by the LBMA Gold Price (PM), which is a recognised benchmark for gold. A Gold ETC is a certificate which is secured by gold bullion, held within the vaults of a nominated custodian.

## TOP FIVE HOLDINGS BY ASSET CLASS

EQUITIES	
1. VT Downing European Unconstrained Income	6.8%
2. Temple Bar Investment Trust	4.4%
3. Murray Income Trust	2.5%
4. Aberforth Geared Value & Income Trust	2.1%
5. Amundi Prime Japan ETF	2.0%

FIXED INCOME	
1. Royal London Sterling Extra Yield Bond	6.6%
2. Royal London Short Duration Global High Yield	4.6%
3. Impax EM Corporate Bond	3.4%
4. Vanguard ESG Global Corporate Bond	2.7%
5. Candriam Global High Yield	2.4%

SPECIALIST ASSETS	
1. Doric Nimrod Air Three	3.0%
2. Fair Oaks Income	2.4%
3. Schroder Capital Global Innovation Trust	2.2%
4. AEW UK REIT	2.2%
5. Gore Street Energy Storage	2.1%

DEFENSIVE ASSETS	
1. Invesco Physical Gold ETC	1.0%
2. Cboe VIX Futures	0.9%
-	-
-	-
-	-

As at 30.06.2025. Source: MGIM

## FUND &amp; SHARE CLASS DETAILS

FUND DETAILS	
Investment manager	Momentum Global Investment Management Limited (MGIM)
Fund inception	8 April 2002
Currency	GBP
IA sector	Mixed Investment 20-60% Shares
Structure	UCITS
Dealing	Daily
Income distribution	Monthly

SHARE CLASS DETAILS	B (Inc)	B (Acc)	I (Inc)
Minimum investment	GBP 100,000	GBP 100,000	GBP 50,000,000
ISIN	GB00B7JTF560	GB00BKV4HY34	GB00BD3H5034
SEDOL	B7JTF56	BKV4HY3	BD3H503
Citicode	OWRF	QOPS	NRJU
Month-end price (NAV)	108.73p	130.48p	97.71p

ANNUAL CHARGES	B (Inc)	B (Acc)	I (Inc)
AMC	0.75%	0.75%	0.50%
OCF <sup>2</sup>	1.07%	1.07%	0.82%

FUND WRAPPERS	
ISAs	
SIPPs	
Personal pensions	
Onshore bonds	
Offshore bonds	

<sup>2</sup> As at 31.03.2025. The OCF (Ongoing Charges Figure) is the total expenses paid by the Fund, annualised, against its average net asset value. The OCF will fluctuate as the average net assets and costs change.

## CONTACT US

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## IMPORTANT INFORMATION

Momentum Diversified Funds are sub-funds of the VT Momentum Investment Funds II ICVC umbrella, an open-ended investment company which is authorised by the Financial Conduct Authority (FCA). Valu-Trac Investment Management Limited (authorised and regulated by the FCA) acts as the Authorised Corporate Director (ACD) of the VT Momentum Investment Funds II ICVC. Investment in the Funds may not be suitable for all investors. This document is for information only and does not provide you with all of the facts that you need to make an informed investment decision. Investors should read the Key Investor Information Document (KIID) and seek professional investment advice prior to investment. The prospectus and KIID documents are available (in English) on the ACD's website via [www.valu-trac.com](http://www.valu-trac.com). This financial promotion is issued by Momentum Global Investment Management Limited (MGIM), company registration no. 3733094, with its registered office at The Rex Building, 62 Queen Street, London EC4R 1EB. MGIM is authorised and regulated by the Financial Conduct Authority in the UK (firm reference no. 232357).

Fund ratings: Defaqto is a financial information business. Profile published 27.02.2025 by Distribution Technology based on data and information as at 31.12.2024. The views expressed are those of the fund manager at the time of writing and are subject to change without notice. Past performance is no guarantee of future results.