

# VT Momentum Diversified Income Fund

29 November 2024

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



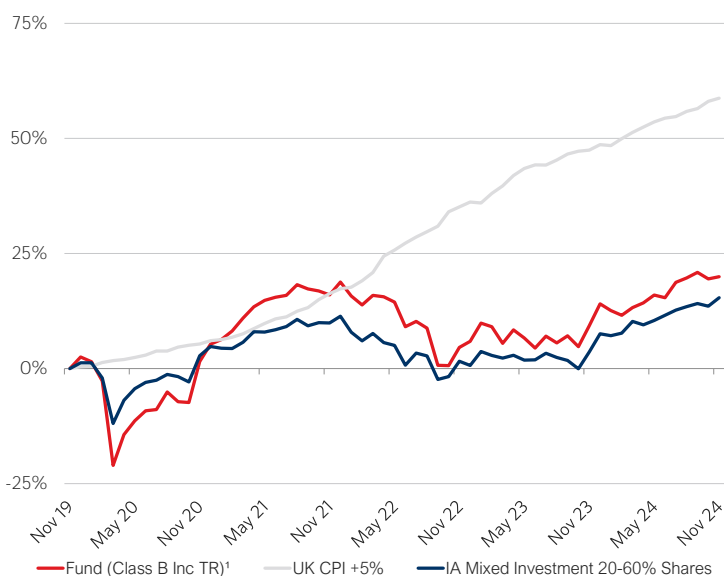
Tom Delic  
Second Oversight  
Portfolio Manager



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.

## FIVE YEAR HISTORICAL CUMULATIVE PERFORMANCE



CUMULATIVE PERFORMANCE (%)	1 month	3 months	6 months	1 year	3 years	5 years	Since inception annualised
Fund return Class B Inc TR <sup>1</sup>	0.4	0.2	3.4	9.7	3.4	19.9	5.1
UK CPI +5%	0.4	1.8	3.3	7.7	36.5	58.7	-
IA Mixed Investment 20-60% Shares	1.6	1.7	4.5	11.4	5.0	15.4	4.3

DISCRETE ANNUAL PERFORMANCE (%)	30 Nov 2024	30 Nov 2023	30 Nov 2022	30 Nov 2021	30 Nov 2020	Historic net yield (%) <sup>1</sup>
Fund return Class B Inc TR <sup>1</sup>	9.7	4.5	(9.9)	14.3	1.5	5.3

Sources: Morningstar, 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. The CPI +5% target was introduced in 2020. Past performance is not a guide to future performance.

## MONTHLY COMMENTARY

- Within UK equities, top performers included Burberry Group, Mobico Group, OSB Group and Games Workshop.
- Games Workshop shares reacted positively after a trading update exceeded expectations, with forecasted H1 core revenue of over £260m (up from £235.6m last year), and licensing revenue more than doubling to at least £30m. Profit before tax is also expected to reach £120m.
- Mobico Group reported a 12% increase in Q3 revenue, with the group on track to achieve an adjusted operating profit of £185-205m for FY24. The company also raised its FY24 cost-saving target to £40m and is advancing its organic deleveraging plans, further enhancing its financial stability.
- OSB Group showed resilience amid mixed Q3 results. While loan originations declined year-on-year, net loans increased by 2% in the first nine months of 2024 to £26.3bn. The company maintained its net interest margin guidance of 230-240bps and saw upgrades from analysts.
- Burberry Group reported H1 revenue slightly ahead of consensus estimates, and an adjusted operating loss less than forecasted. On a positive note, the group introduced its 'Burberry Forward' plan to boost brand appeal and long-term value creation. Despite Q2 challenges, the company received upgrades from analysts, driven by optimism around its cost-saving initiatives targeting £40m annually.
- Within Specialist Assets, Chrysalis Investments shares rose nearly 13% in November after Klarna, which accounted for 14% of Chrysalis' NAV at the end of September, filed registration documents with the US Securities and Exchange Commission ahead of its anticipated IPO. An eventual IPO could unlock significant value for Chrysalis, supporting its share price recovery.

Source: Bloomberg Finance LP, MGIM

## PLATFORM AVAILABILITY

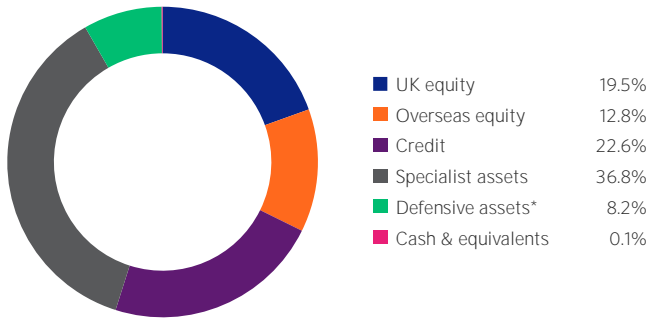


## FUND RATINGS

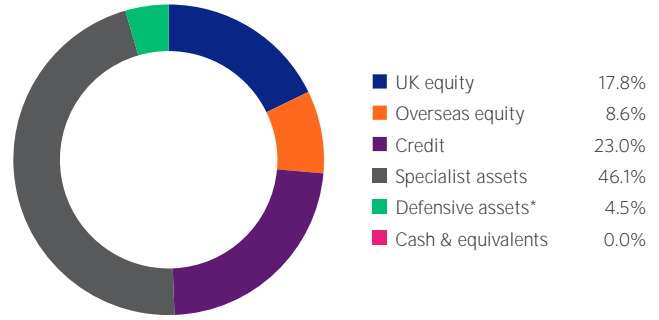


Sources: Bloomberg Finance LP, Morningstar, MGIM, unless otherwise stated.  
<sup>1</sup>The Fund performance refers to the 'B' Inc share class with the exception of performance prior to 26.03.2012 which is calculated using the 'A' Inc share class, unadjusted for the lower fees of the 'B' Inc share class. <sup>2</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



## INCOME GENERATION



As at 29.11.2024, 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\*\*, government bonds, 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

UK EQUITIES	
1. BT Group	1.2%
2. Phoenix Group Holdings	1.1%
3. Legal & General Group	1.0%
4. OSB Group	0.9%
5. M&G	0.9%

OVERSEAS EQUITIES	
1. Robeco QI Emerging Conservative Equities	2.1%
2. VT Downing European Unconstrained Income	2.1%
3. Morant Wright Fuji Yield	1.8%
4. Samarang Asian Prosperity	1.4%
5. iShares Asia Pacific Dividend ETF	1.2%

CREDIT	
1. Royal London Sterling Extra Yield Bond	8.3%
2. Royal London Short Duration Global High Yield	8.0%
3. MI TwentyFour AM Dynamic Bond	3.2%
4. Impax EM Corporate Bond	3.1%
-	-

SPECIALIST ASSETS	
1. Doric Nimrod Air Three	4.0%
2. Fair Oaks Income	2.8%
3. AEW UK REIT	1.8%
4. Sequoia Economic Infrastructure Income	1.7%
5. Chrysalis Investments	1.7%

DEFENSIVE ASSETS	
1. UK Gilt 4.75% 07/12/38	1.6%
2. UK Gilt 4.25% 06/07/32	1.4%
3. Ninety One Global Gold	1.4%
4. Invesco Physical Gold ETC	1.2%
5. UK Gilt 4.25% 12/07/2049	0.8%

As at 29.11.2024. Source: MGIM

## FUND & SHARE CLASS DETAILS

FUND DETAILS	
Investment manager	Momentum Global Investment Management Limited (MGIM)
Fund inception	8 April 2002
Currency	GBP
Target return	UK CPI +5% (net)
IA sector	Mixed Investment 20-60% Shares
Structure	UCITS
Dealing	Daily
Income distribution	Monthly

SHARE CLASS DETAILS	A	B (Inc)	B (Acc)	N
Minimum investment	GBP 3,000	GBP 100,000	GBP 100,000	GBP 1,000
Minimum regular saver	GBP 50	n/a	n/a	GBP 50
ISIN	GB0031467961	GB00B7JTF560	GB00BKV4HY34	GB00B61Y0911
SEDOL	3146796	B7JTF56	BKV4HY3	B61Y091
Citicode	OM45	OWRF	QOPS	OWRE
Month-end price (NAV)	82.89p	103.83p	120.60p	100.71p

ANNUAL CHARGES <sup>2</sup>	A	B (Inc)	B (Acc)	N
AMC	1.40%	0.75%	0.75%	1.00%
OCF <sup>2</sup>	1.69%	1.04%	1.04%	1.29%

FUND WRAPPERS	
ISAs	Onshore bonds
SIPPs	Offshore bonds
Personal pensions	

<sup>2</sup>As at 30.09.2024. 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, the trading name of Momentum Global Investment Management Limited (authorised and regulated by the FCA), with its registered office at The Rex Building, 62 Queen Street, London EC4R 1EB.

Fund ratings: Defaqto is a financial information business. Profile published 18.11.2024 by Distribution Technology based on data and information as at 30.09.2024. 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.