momentum
global investment management

Momentum Managed Portfolio 3

31 October 2024

For professional advisors only

INVESTMENT OBJECTIVE & STRATEGY

To achieve inflation beating returns over time from a mix of different asset classes, within a tight risk controlled framework. The Portfolio can invest in a range of asset classes such as equities, bonds, real assets, absolute return funds and cash. Managed Portfolio 3 is designed to target a real return (above inflation) of 3% over the longer term and is aimed at investors who have a low tolerance for risk.

INVESTMENT TEAM

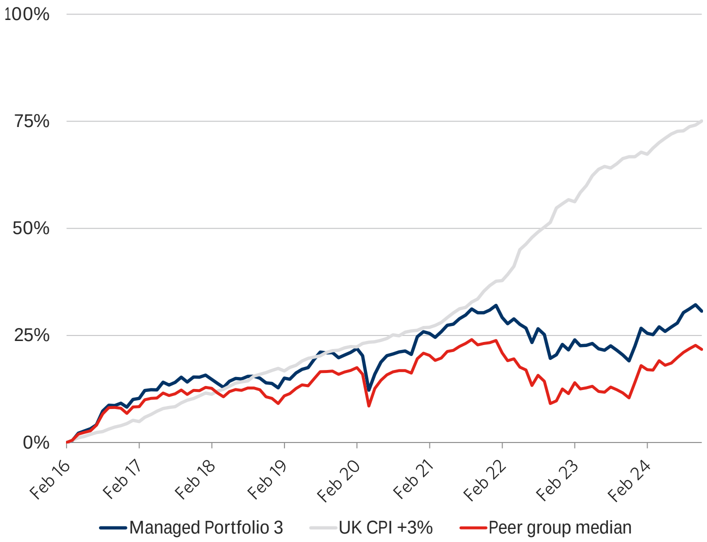
Alex Harvey
Lead Oversight
Senior Portfolio Manager
& Investment Strategist

Gregoire Sharma
Senior Portfolio
& Research Analyst

Gabby Byron
Investment Services
Executive

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.

HISTORICAL CUMULATIVE PERFORMANCE SINCE FEBRUARY 2016[1]



CUMULATIVE PERFORMANCE (%)	1 month	3 months	6 months	1 year	3 years	5 years	Since inception annualised
Portfolio return	(1.1)	0.2	3.8	9.8	0.3	9.1	3.2
UK CPI +3%	0.5	1.3	2.4	5.0	29.4	44.1	6.0
Peer group median	(0.8)	0.6	3.1	10.2	(1.1)	5.0	3.1

DISCRETE ANNUAL PERFORMANCE (%)	31 Oct 2024	31 Oct 2023	31 Oct 2022	31 Oct 2021	31 Oct 2020
Portfolio return	9.8	(1.2)	(7.5)	8.1	0.6

Sources: Bloomberg Finance LP, Morningstar, MGIM.
Peer group: Dynamic Planner Risk Profile 3. Performance is calculated on a total return basis 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

- In October, the most significant market shift was a substantial rise in bond yields, reversing much of the decline seen in Q3. Following the Fed's 50bps rate cut on September 18th, the 10-year Treasury yield, which had fallen to 3.7%, rose by almost 60bps by the end of October, reaching around 4.3%. This increase continued post-election, nearing 4.5%. Expectations for future rate cuts also changed significantly, with the Fed Funds rate now projected to be 3.78% by the end of 2025, up from 2.78% in mid-September.
- Bonds had a poor month, with global bonds returning -3.4% and UK gilts and UK investment grade corporate bonds returning -2.8% and -1.4% respectively. US Treasuries and US investment grade corporate bonds returned 1.9% and 1.8%, with the dollar rising 3.7% against the pound. Global developed markets returned 2.1% with emerging markets returning -0.4%. Within developed equities, the US was the strongest performer over October, returning 3.2% in GBP terms. Elsewhere, gold rose by 8.5%.
- The US economy continued to show strength, with Q3 GDP growing at an annualised rate of 2.8%. Labour market data was mixed but generally indicated resilience. This economic strength led the Fed to push back against market expectations for aggressive rate cuts.
- Outside the US, the ECB made its second 25bps rate cut of the cycle, responding to a fall in Euro Area CPI to 1.7% in September and ongoing weakness in the manufacturing sector. In Japan, political uncertainty arose after the ruling coalition lost its majority in a snap election. And in the UK, the Labour government's first budget introduced significant tax increases and public spending, raising inflation risks and bond yields.
- Overall, while the US showed economic resilience, high tax and regulatory regimes in Europe and the UK continued to stifle growth. Our investment strategy remains cautiously constructive, with plans to add to risk assets during periods of market weakness.

Source: Bloomberg Finance LP, MGIM

PLATFORM AVAILABILITY

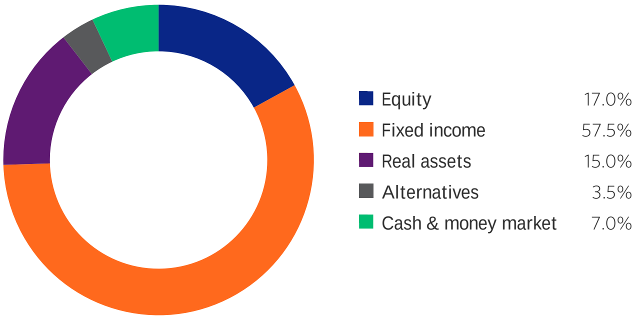
abrdn
AVIVA
M&G wealth
MORNINGSTAR Wealth
nucleus
Quilter
SS&C Hubwise
transact take control
true potential
wealthtime

PORTFOLIO RATINGS

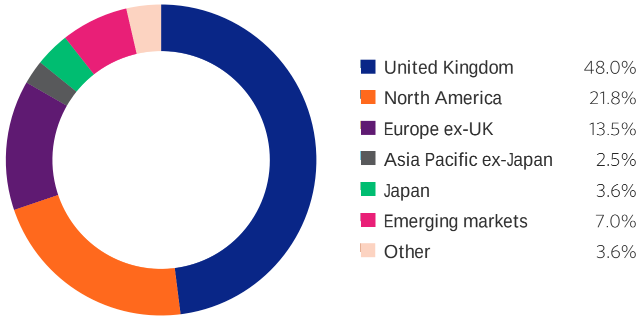
DYNAMIC PLANNER PROFILED 3
FinaMetrica Score Range 37-48
defaqto ★★★★★ DFM MPS on Platform 2024 EXPERT RATED
3 defaqto Cautious RISK RATED

Actual performance may vary subject to the timely execution of orders.
Sources: Bloomberg Finance LP, MGIM, unless otherwise stated. [1]The Managed Portfolios' returns are net of the AMC and underlying fund charges but do not take into account the platform provider's charges. Performance may also differ depending upon which platform is used to access the Momentum Managed Portfolios due to different rebates and fees agreed with the Fund Manager by the Platforms. MGIM commenced management as at February 2016.

ASSET ALLOCATION



GEOGRAPHIC ALLOCATION



Allocations subject to change. Source: MGIM

TOP TEN HOLDINGS

HOLDING	
1. Vanguard US Government Bond Index	16.0%
2. iShares UK Gilts All Stocks Index	13.0%
3. VT RM Alternative Income	10.5%
4. Vanguard UK Short-Term Investment Grade Bond Index	7.5%
5. Vanguard Euro Government Bond Index	5.5%
6. BlackRock ICS Sterling Liquidity	5.0%
7. L&G Global Inflation Linked Bond Index	5.0%
8. AXA US Short Duration High Yield	3.5%
9. Neuberger Berman Uncorrelated Strategies	3.5%
10. Fidelity Index World	3.0%

Source: MGIM

PORTFOLIO DETAILS

PORTFOLIO DETAILS	
Investment manager	Momentum Global Investment Management Limited (MGIM)
Inception	1 January 2010
MGIM management from	1 February 2016
Currency	GBP
Minimum investment	£1,000
Tactical version	.v48
Target volatility	4-7%
Target return	UK CPI +3% (net)
AMC	0.25%
OCF[2]	0.60%

[2] As at 30.06.2024, 0.60% of the Net Asset Value of the portfolio was incurred as charges, levies and fees related to the management of the portfolio. The ratio does not include platform provider's charges.

CONTACT US

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IMPORTANT INFORMATION

Fact sheet asset allocation percentages are in some cases based on the normalised (or benchmark) asset allocations of investee funds, as opposed to the actual exposures of those funds at the date of the fact sheet. This reflects the expected average allocation over time which will result from decisions to hold particular funds.