

# VT Momentum Diversified Balanced Fund (A)

28 June 2024

For professional advisors only

## INVESTMENT OBJECTIVE & STRATEGY

The VT Momentum Diversified Balanced Fund aims to deliver a real return for investors over the medium to long term of CPI +4% net of fees, with anticipated volatility in the range of 6-9%. The Fund aims to operate within the 'lowest medium' risk profile as defined by Distribution Technology, the independent fund rating agency. The Fund will invest across a range of asset classes using third party investment funds, and is classified in the IA Mixed Investment 20-60% Shares sector. The minimum investment horizon for the Fund should be thought of as five years.

## INVESTMENT TEAM (SINCE 01.12.2022)



Tom Delic  
Lead Oversight  
Portfolio Manager



Mark Wright  
Second Oversight  
Portfolio Manager



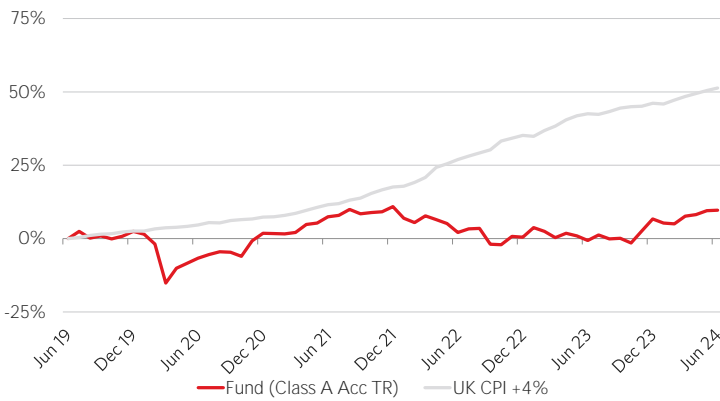
Gary Moglione  
Portfolio Manager



Richard Perfect  
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



Sources: Morningstar, Valu-Trac Investment Management, MGIM.  
Fund performance is calculated on a total return basis, 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.

CUMULATIVE PERFORMANCE (%)	1 month	3 months	6 months	1 year	3 years	5 years	Since inception annualised
Fund return Class A Acc TR	0.1	1.9	2.8	10.4	2.1	9.7	3.8
UK CPI +4%	0.6	1.9	3.5	6.2	35.6	51.3	6.9
Difference	(0.5)	0.0	(0.7)	4.2	(33.5)	(41.6)	(3.1)

DISCRETE ANNUAL PERFORMANCE (%)	30 Jun 2024	30 Jun 2023	30 Jun 2022	30 Jun 2021	30 Jun 2020
Fund return Class A Acc TR	10.4	(2.6)	(5.0)	15.1	(6.7)

VOLATILITY (%) (since inception, annualised)	Anticipated range	Realised
Fund volatility Class A Acc TR	6-9	7.4

## MONTHLY COMMENTARY

- Moonpig returned over 19% during the month, following their strong FY24 results which exceeded estimates. The reduction in net debt from 1.7x to 1.3x EBITDA and sector-leading margins highlight the company's robust financial health and potential for future outperformance.
- XPS Pensions was another strong performer over the month, returning over 18%, driven by their stellar FY24 results which saw group revenue grow by 21% to £197 million, materially ahead of our initial assumptions when first initiating a position in June 2023. All divisions posted double-digit revenue growth, and EBITDA margins expanded by 240bps to 27.9%, resulting in a 32% increase in EBITDA to £55 million. The strong financial performance, coupled with strategic initiatives like the AI Driven Actuary tool and new administration platform Aurora, underscores the company's strong growth prospects.
- Molten Ventures returned over 10% during the month, boosted by an increase in gross portfolio value to £1,379 million and a 4.8% rise in net assets. The company's strategic acquisition of Forward Partners and a 19% LP stake in Seedcamp's 2014 Fund III contributed to this growth. The strong realisation pipeline and updated capital allocation policy, including share buybacks, signal potential for continued outperformance, especially with the shares still trading at an unjustifiably wide discount to net asset value.
- Burberry, introduced to the portfolio last month, was increased further due to recent share price weakness, funded by a reduction in LBG Media given their recent strong performance (+42%) in the three months to end June.
- Other UK equity names which were trimmed into strength during the month included BT Group and XPS Pensions. Capital was recycled into weaker performing Specialist Assets names including JLEN Environmental Assets and Life Science REIT, both of which trade at attractive discounts to net asset value.

Source: Bloomberg Finance LP, MGIM

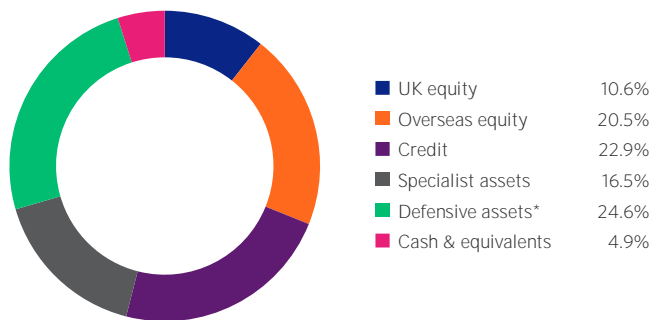
## PLATFORM AVAILABILITY



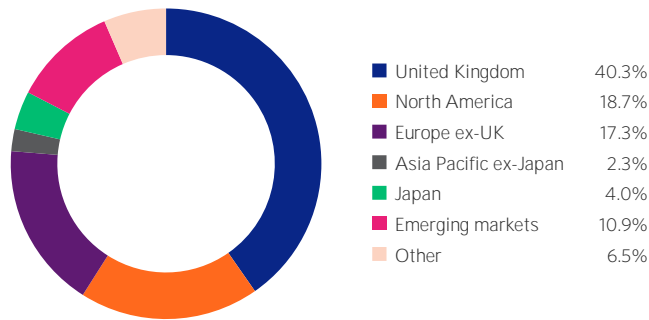
## FUND RATINGS



## ASSET ALLOCATION



## GEOGRAPHIC ALLOCATION



As at 28.06.2024, 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. Synthomer		0.5%
2. Diversified Energy		0.5%
3. Kier Group		0.4%
4. Jupiter Fund Management		0.4%
5. Phoenix Group Holdings		0.4%

OVERSEAS EQUITIES		
1. Robeco QI Global Sustainable Equity		7.7%
2. Morant Wright Fuji Yield		2.0%
3. Amundi MSCI Emerging Markets ETF		1.9%
4. VT Downing European Unconstrained Income		1.9%
5. Amundi MSCI Japan ETF		1.4%

CREDIT		
1. Royal London Sterling Extra Yield Bond		10.7%
2. iShares Core GBP Corporate Bond ETF		3.5%
3. Royal London Short Duration Global High Yield Bond		2.7%
4. Absalon Emerging Markets Corporate Debt		2.6%
5. Jupiter Global Emerging Markets Short Duration Bond		2.5%

SPECIALIST ASSETS		
1. Fair Oaks Income		1.2%
2. Gore Street Energy Storage		1.0%
3. Oakley Capital Investments		1.0%
4. Syncona		0.9%
5. Schroder Capital Global Innovation Trust		0.8%

DEFENSIVE ASSETS		
1. Neuberger Berman Uncorrelated Strategies		2.9%
2. US TIPS 0.625% 02/15/43		2.8%
3. UK Gilt 3.75% 22/10/53		2.7%
4. iShares Physical Gold ETC		2.4%
5. UK Gilt 3.25% 22/01/44		2.0%

Equity holdings may include indirect holdings in the Momentum GF Global Sustainable Equity Fund  
As at 28.06.2024. Source: MGIM

## FUND DETAILS & FUND FACTS

FUND DETAILS	
Investment manager	Momentum Global Investment Management Limited (MGIM)
Inception	5 November 2012
Currency	GBP
Target return	UK CPI +4% (net)
Structure	UCITS
Dealing	Daily

FUND FACTS	
Minimum investment	GBP 1,000
ISIN	GB00B7W1TW44
SEDOL	B7W1TW4
Citicode	GGML
Month-end price (NAV)	154.48p

ANNUAL CHARGES <sup>2</sup> : SHARE CLASS A	
AMC	0.75%
OCF ex IC	1.33%
IC	0.24%
OCF inc IC	1.57%

FUND WRAPPERS	
ISAs	
SIPPs	
Personal pensions	
Onshore bonds	
Offshore bonds	

<sup>2</sup>As at 29.12.2023.

OCF = Ongoing Charge Figure IC = Underlying charges of closed ended funds.  
The OCF 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.

Important note: The OCF calculation includes synthetic costs from underlying closed ended investments (IC) such as Investment Trusts, which optically increases the costs. For the avoidance of doubt the actual amount charged has not changed, and advisers and investors should refer to the KIID document available [here](#) for the actual fees payable.  
All fund performance quoted in this factsheet is NET of all fees.

## CONTACT US

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## IMPORTANT INFORMATION

Factsheet 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 factsheet. This reflects the expected average allocation over time which will result from decisions to hold particular funds.  
Momentum Diversified Funds are sub-funds of the VT Momentum Investment Funds 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 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.  
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