momentum
global investment management

Momentum Sustainable Managed Portfolio 6

31 October 2024

For professional advisors only

INVESTMENT OBJECTIVE & STRATEGY

To achieve sustainable real returns from a mix of different asset classes, within a tight risk controlled framework. The Portfolio will invest predominantly in funds that are considered to have a better or improving sustainability footprint versus their broader peer group, or that when blended together will help the model portfolio achieve superior sustainability credentials. The Portfolio can invest in a range of asset classes such as equities, bonds, real assets, absolute return funds and cash. Sustainable Managed Portfolio 6 is designed to target a real return (above inflation) of 6% over the longer term and is aimed at investors who have a medium tolerance for risk.

INVESTMENT TEAM

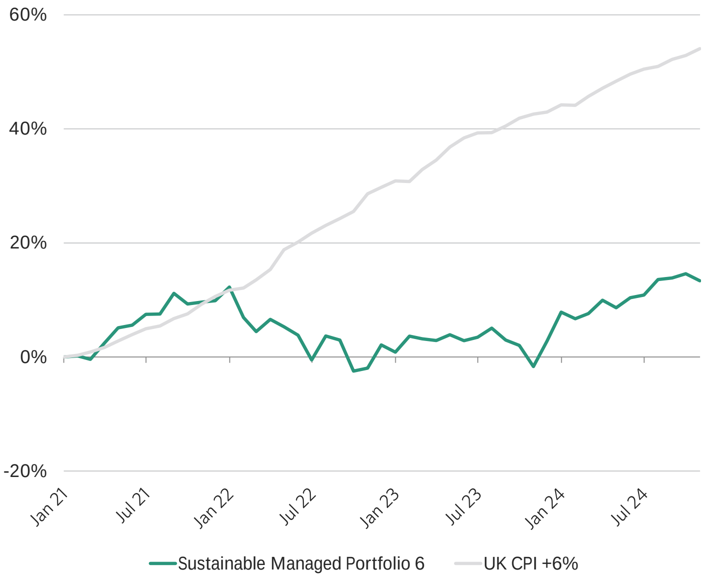
Alex Harvey
Lead Oversight
Senior Portfolio Manager
& Investment Strategist

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 1 JANUARY 2021†



CUMULATIVE PERFORMANCE (%)	1 month	3 months	6 months	1 year	3 years	5 years	Since 01.01.21 annualised
Portfolio return†	(1.1)	(0.2)	4.4	15.3	3.4	-	3.3
UK CPI +6%	0.8	2.1	3.8	8.0	41.0	-	11.9
Difference	(1.9)	(2.3)	0.6	7.3	(37.6)	-	(8.6)

DISCRETE ANNUAL PERFORMANCE (%)	31 Oct 2024	31 Oct 2023	31 Oct 2022	31 Oct 2021	31 Oct 2020
Portfolio return†	15.3	0.3	(10.6)	-	-

Sources: Bloomberg Finance LP, MGIM.
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.
†Performance figures prior to the inception date of the Portfolio have been simulated. See Important Information section for more details.
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 Quilter

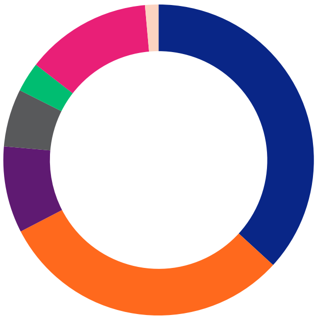
PORTFOLIO RATINGS

defaqto ★★★★★ DFM MPS on Platform 2024 EXPERT RATED

ASSET ALLOCATION

Equity	73.0%
Fixed income	13.5%
Real assets	9.0%
Alternatives	1.5%
Cash & money market	3.0%

GEOGRAPHIC ALLOCATION



United Kingdom	36.8%
North America	30.6%
Europe ex-UK	9.0%
Asia Pacific ex-Japan	6.0%
Japan	3.1%
Emerging markets	13.1%
Other	1.4%

Allocations subject to change. Source: MGIM

TOP TEN HOLDINGS

HOLDING		
1.	Schroder Global Sustainable Value Equity	12.5%
2.	IFSL Evenlode Income	11.0%
3.	Morgan Stanley Global Sustain	10.0%
4.	Stewart Worldwide Sustainability	10.0%
5.	Vanguard ESG Emerging Markets All Cap Equity Index	8.5%
6.	EdenTree Responsible and Sustainable UK Equity Opportunities	8.0%
7.	Ninety One UK Sustainable Equity	8.0%
8.	First Sentier Responsible Listed Infrastructure	5.0%
9.	Stewart Investors Asia Pacific Leaders Sustainability	5.0%
10.	FP Foresight Sustainable Real Estate Securities	4.0%

Source: MGIM

PORTFOLIO DETAILS

PORTFOLIO DETAILS	
Investment manager	Momentum Global Investment Management Limited (MGIM)
Inception	1 January 2022
Currency	GBP
Minimum investment	£1,000
Tactical version	.v5
Target volatility	10-14%
Target return	UK CPI +6% (net)
AMC	0.25%
OCF[2]	0.80%

[2]As at 30.06.2024, 0.80% 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.

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IMPORTANT INFORMATION

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