

Momentum Managed Portfolios

Tactical Change Rationale v52

December 2025

The Managed Portfolios (Active, Sustainable and Passive Plus) have now been rebalanced with adjustments across all major asset classes.

Equities

Across all of the Active Portfolios, we have increased our allocation to global equities through the Curate Global Equity suite of funds, which includes the Sustainable, Quality, Growth and Value strategies.

Within UK equities, we decreased exposure by reducing Evenlode Income and Redwheel UK Equity Income, consistent with the broader shift towards a more globally diversified equity allocation. We have also exited positions in the Liontrust UK Smaller Companies Fund and the Jupiter UK Smaller Companies Fund, although some higher risk portfolios retain a modest allocation to the Liontrust strategy. These changes funded the introduction of the Aberforth UK Small Companies Fund.

The Aberforth UK Small Companies Fund is an actively managed strategy that focuses on value oriented UK smaller companies. The team conducts its own fundamental research and maintains a disciplined value investing approach, targeting segments of the market that are trading at significant discounts to intrinsic value.

Alongside the Curate Global Sustainable Equity Fund recently introduced, we have added the Curate Global Growth Equity, Curate Global Quality Equity and Curate Global Value Equity funds, managed respectively by Jennison, Evenlode and Lyrical. Each brings a distinct style exposure to broaden and balance the overall equity mix.

Jennison focuses on innovative, market-leading companies with strong competitive advantages in high-growth industries. Evenlode invests in high-quality businesses operating in established industries with durable competitive advantages and strong reinvestment capacity. The team combines thorough fundamental analysis with a focus on long-term quality, seeking companies that can sustain profit growth over time. Lyrical applies a deep-value, benchmark agnostic approach, targeting the cheapest quintile of shares globally while focusing on companies with predictable profits, strong returns on capital and understandable business models.

In several portfolios, we have also increased allocations to the Curate Global Sustainable Equity Fund.

Within emerging markets, we have exited the JP Morgan Emerging Markets Income Fund and the Stewart Asia Pacific Leaders Fund. These have been replaced with a single allocation to the Curate Global Emerging Markets Equity Fund. Although the underlying managers have changed, the overall level of emerging markets exposure remains broadly the same. Higher risk profiles (managed portfolios 7 and 8) also maintain an allocation to the Fidelity Index Emerging Markets Fund to help manage concentration risk given their larger emerging markets exposure.

The Curate Global Emerging Markets Equity Fund, managed by Robeco, uses systematic, data-driven models to build a diversified portfolio of companies across major emerging markets. The strategy aims to outperform the MSCI Emerging Markets Index over rolling multi-year periods while maintaining controlled risk and a style balanced exposure.

Within the Passive Plus portfolios, headline changes to the equity allocation have been mirrored by reducing UK equities and rotating into global equities, achieved by reducing the Vanguard FTSE All Share Index Fund and increasing the Fidelity Index World Fund.

Fixed Income

In fixed income, we have reduced exposure to US rates in favour of the UK, where valuations currently look more favourable in sterling terms. In most portfolios this has involved reducing the Vanguard US Government Bond Index Fund and increasing the iShares UK Gilts All Stocks Index Fund.

In the Passive Plus Portfolios, we have exited the BlackRock ICS Sterling Liquidity Fund and reallocated to the Vanguard UK Short-Term Investment Grade Bond Index Fund. The cash fund was technically classified as 'actively managed', which limited the Passive Plus Portfolios' flexibility to deploy their up to 10% active budget. By reallocating to short-term corporate debt, we free up this budget to pursue tactical active opportunities, such as the existing holdings in the Ninety One Global Gold Fund and the Momentum Real Assets Growth & Income Fund.

Real Assets

In the Active Portfolios, we have introduced the Momentum Real Assets Growth and Income Fund (RAGI), funded by the sale of the VT RM Alternative Income Fund. RAGI provides diversified access to property, infrastructure, private equity and specialist financials through a high-conviction portfolio of London-listed investment trusts. The fund is managed by Richard Parfekt and Gary Moglione who have overseen the real assets allocations within the Momentum multi-asset funds for more than two decades. Since its launch in April 2024, the fund has delivered a return of 19.4% to the end of November 2025, comfortably ahead of its 7% per annum target, which would equate to 11.7% over the same period.

In the Passive Plus Portfolios, we have shifted part of the listed property and infrastructure exposure from passive holdings into the active RAGI strategy, improving diversification and return potential across real assets.

MPS Income

In MPS Income, we have restructured the portfolio to build a more robust and diversified core of income-generating assets. The VT Momentum Diversified Income Fund (MDIF), Harmony Cautious Income (HCI) and the Momentum Real Assets Growth & Income Fund (RAGI) now sit at the centre of the portfolio, providing a broad mix of equity, fixed income, and alternatives exposure. As at end-November, MDIF's distribution yield was 5.3%, and has a track record of more than 20 years, with first-quartile performance over 1, 3, 5 and 10 years. Harmony Cautious Income strengthens the fixed-income component with two thirds of the portfolio providing diversified exposure across sovereign debt, corporate credit, emerging market debt, convertibles and asset backed securities. Finally, RAGI, with a distribution yield of 4.8% gives exposure to property, infrastructure, private equity and specialist financials through London-listed investment trusts.

With this stronger core in place, we have adjusted the surrounding satellite holdings to ensure MPS Income remains comfortably within its Dynamic Planner risk rating of 4 and maintains balanced end-state asset class exposures. As part of this, we have modestly increased the allocation to the Fidelity Index World Fund to maintain a diversified global equity exposure. We have also retained the Schroder Income Maximiser as a key high-yielding holding and introduced the Fidelity Index Emerging Markets Fund. Fixed Income allocations have also been adjusted to maintain the portfolio's broader look-through asset allocation.

Ongoing Charges

Although we have increased allocations to active managers in some parts of the portfolios, the overall cost of the strategies is expected to decline. This reflects the replacement of certain UK and global holdings with more cost-effective global equity solutions, particularly through the Curate suite of funds and ensures that the portfolios remain competitively priced while allowing greater flexibility in our global equity allocation.

New allocation

Increased allocation

Decreased allocation

Exited holding

No change

low risk

high risk

	MPS 3	MPS 4	MPS 5	MPS 6	MPS 7	MPS 8	Income
EQUITIES							
UK EQUITY							
Evenlode Income	1.0	1.0	2.0	3.0	2.0	3.0	0.0
Liontrust UK Smaller Companies	-	-	0.0	0.0	1.5	1.0	-
Jupiter UK Smaller Companies	0.0	0.0	0.0	0.0	0.0	0.0	-
Aberforth UK Smaller Companies	1.0	2.0	3.0	2.0	2.0	1.5	-
Schroder Income Maximiser	-	-	-	-	-	-	3.5
Redwheel UK Equity Income	0.5	3.5	4.0	5.0	5.5	5.0	0.0
GLOBAL EQUITY							
Curate Global Sustainable Equity Fund	2.0	8.0	8.0	8.0	8.0	6.0	-
Curate Global Growth Equity Fund	2.5	6.5	6.0	8.0	10.0	8.0	-
Curate Global Quality Equity Fund	1.5	5.0	6.0	7.0	9.5	7.5	-
Curate Global Value Equity Fund	2.0	4.5	6.0	8.5	12.0	10.0	-
Evenlode Global Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trojan Global Equity	-	-	-	0.0	-	-	-
Fidelity Index Japan	2.5	2.5	3.5	5.0	4.0	5.0	0.0
L&G S&P 500 Equal Weight Index Fund	3.0	5.0	6.0	6.0	6.0	5.0	5.0
Fidelity Index World	0.0	0.0	6.5	8.0	2.0	0.0	10.0
EMERGING MARKET EQUITY							
JPM Emerging Markets Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fidelity Index Emerging Markets	-	-	-	0.0	5.0	12.0	3.5
First Sentier Stewart Asia Pacific Leaders	-	0.0	0.0	0.0	0.0	0.0	-
Curate Global Emerging Markets Equity	2.0	3.5	7.5	13.5	18.5	26.0	-
MULTI-ASSET							
Harmony Cautious Income	-	-	-	-	-	-	10.0
Momentum Diversified Income Fund	-	-	-	-	-	-	30.0
FIXED INCOME							
INFLATION LINKED GILTS							
L&G Global Inflation Linked Bond Index	5.0	4.0	2.5	1.0	-	-	1.0
GOVERNMENT BONDS							
Vanguard US Government Bond Index	12.5	8.0	4.0	2.0	-	-	3.5
iShares UK Gilts All Stocks Index	15.0	8.5	5.0	2.0	-	-	3.5
Vanguard Euro Government Bond Index	7.5	6.0	4.5	1.5	-	-	0.0
INVESTMENT GRADE							
Vanguard UK Short Term Investment Grade Bond Index	9.5	5.0	4.5	-	-	-	0.0
Vanguard UK Investment Grade Bond Index	2.0	1.0	-	-	-	-	1.5
HIGH YIELD							
Artemis Short Duration Global High Yield	3.5	1.5	1.0	-	-	-	3.5
EMERGING MARKET DEBT							
L&G Emerging Markets Government Bond (USD) Index	3.0	4.0	3.5	2.5	4.0	-	5.0
LIQUID ALTERNATIVES							
Ninety One Global Gold Fund	2.0	2.0	2.0	1.5	-	-	-
REAL ASSETS							
First Sentier Global Listed Infrastructure	0.0	0.0	0.0	0.0	0.0	0.0	0.0
L&G Global Real Estate Dividend Index	2.0	2.0	2.0	2.0	1.5	3.0	5.0
VT RM Alternative Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Momentum Real Assets Growth & Income Fund	10.5	8.0	6.5	4.0	3.0	3.0	8.0
Legal & General Global Infrastructure Index Fund	2.5	2.0	1.0	4.5	3.5	2.0	-
CASH							
Blackrock ICS Sterling Liquidity Fund Premier Acc	5.0	4.5	3.0	3.0	-	-	5.0
GBP Cash	2.0	2.0	2.0	2.0	2.0	2.0	2.0

New allocation

Increased allocation

Decreased allocation

Exited holding

No change

	low risk ← high risk →		
	sMPS 4	sMPS 5	sMPS 6
EQUITIES			
UK EQUITY			
Evenlode Income	3.0	5.5	6.0
Edentree Responsible & Sustainable UK Equity Opportunities	3.5	3.5	4.0
GLOBAL EQUITY			
Stewart Worldwide Sustainability	0.0	0.0	0.0
Morgan Stanley Global Sustain	0.0	0.0	0.0
Ninety One Global Sustainable Equity	0.0	0.0	0.0
Schroder Global Sustainable Value Equity	0.0	0.0	0.0
Curate Global Sustainable Equity Fund	26.5	36.0	44.5
L&G S&P 500 Equal Weight Index Fund	5.0	6.0	6.0
EMERGING MARKET EQUITY			
Stewart Asia Pacific Leaders Sustainability	0.0	0.0	0.0
Vanguard ESG EM All Cap Equity Index	0.0	0.0	0.0
Curate Global Emerging Markets Equity	3.5	7.5	13.5
FIXED INCOME			
INFLATION LINKED GILTS			
L&G Global Inflation Linked Bond Index	3.0	2.0	1.0
GOVERNMENT BONDS			
Vanguard US Government Bond Index	8.0	3.0	2.0
iShares UK Gilts All Stocks Index	7.5	4.5	2.0
Vanguard Euro Government Bond Index	6.0	4.5	2.0
INVESTMENT GRADE			
BNY Mellon Sustainable Global Dynamic Bond	6.0	5.0	2.0
Pimco Global Investment Grade Credit	4.5	3.0	-
EMERGING MARKET DEBT			
Pimco Emerging Market Bond ESG	3.0	3.0	2.0
LIQUID ALTERNATIVES			
Ninety One Global Gold Fund	2.0	2.0	1.5
REAL ASSETS			
Foresight Sustainable Real Estate Securities	6.0	5.5	4.0
L&G Global Real Estate Dividend Index	6.0	4.0	6.5
CASH			
Blackrock ICS Sterling Liquidity Fund Premier Acc	4.5	3.0	1.0
GBP Cash	2.0	2.0	2.0

New allocation

Increased allocation

Decreased allocation

Exited holding

No change

low risk

high risk

Cautious

Moderate

Dynamic

EQUITIES**UK EQUITY**

Vanguard FTSE All Share Index

2.5

9.0

11.0

GLOBAL EQUITY

Fidelity Index World

8.0

32.5

42.0

Fidelity Index Japan

2.5

3.5

4.0

L&G S&P 500 Equal Weight Index Fund

3.0

6.0

5.5

EMERGING MARKET EQUITY

Vanguard Emerging Markets Stock Index

2.0

7.5

23.5

FIXED INCOME**INFLATION LINKED GILTS**

L&G Global Inflation Linked Bond Index

5.0

2.5

-

GOVERNMENT BONDS

Vanguard US Government Bond Index

12.5

4.0

-

iShares UK Gilts All Stocks Index

15.0

5.0

-

Vanguard Euro Government Bond Index

7.5

4.5

-

INVESTMENT GRADE

Vanguard UK Short Term Investment Grade Bond Index

14.5

7.5

-

Vanguard UK Investment Grade Bond Index

2.0

-

-

HIGH YIELD

Artemis Short Duration Global High Yield

3.5

1.0

-

EMERGING MARKET DEBT

L&G Emerging Markets Government Bond (USD) Index

3.0

3.5

4.0

LIQUID ALTERNATIVES

Ninety One Global Gold Fund

2.0

2.0

-

REAL ASSETS

L&G Global Infrastructure Fund

6.5

2.5

0.0

Blackrock Global Property Tracker

6.0

2.0

0.0

Momentum Real Assets Growth & Income Fund

2.5

5.0

8.0

CASH

Blackrock ICS Sterling Liquidity Fund Premier Acc

0.0

0.0

-

GBP Cash

2.0

2.0

2.0

Contact Details

Distribution Services

T: 020 7618 1829

E: distributionservices@momentum.co.uk

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