

# Momentum Sustainable Managed Portfolio 5

30 September 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 5 is designed to target a real return (above inflation) of 5% over the longer term and is aimed at investors who have a low-medium tolerance for risk.

## INVESTMENT TEAM



Alex Harvey  
Lead Oversight  
Senior Portfolio Manager  
& Investment Strategist



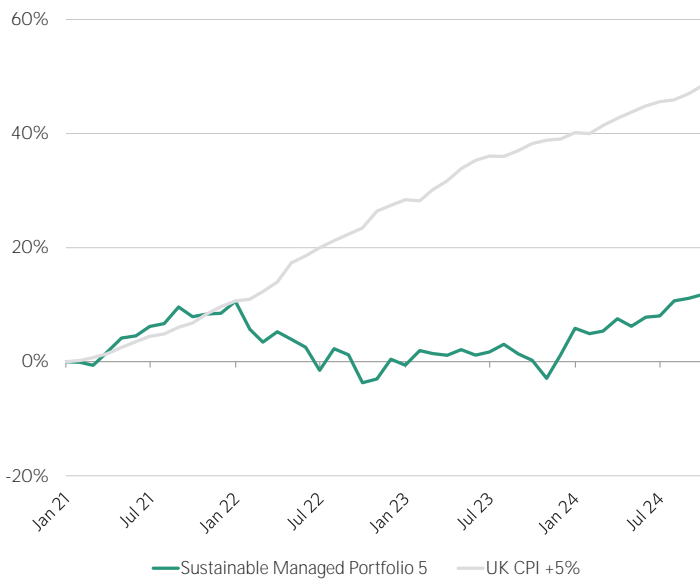
Gregoire Sharma  
Senior Portfolio  
& Research Analyst



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<sup>†</sup>



CUMULATIVE PERFORMANCE (%)	1 month	3 months	6 months	1 year	3 years	5 years	Since 01.01.21 annualised
Portfolio return <sup>†</sup>	0.6	3.5	4.0	11.5	3.6	-	3.0
UK CPI +5%	1.0	1.9	4.0	7.4	39.0	-	11.1
Difference	(0.4)	1.6	0.0	4.1	(35.4)	-	(8.1)

DISCRETE ANNUAL PERFORMANCE (%)	30 Sep 2024	30 Sep 2023	30 Sep 2022	30 Sep 2021	30 Sep 2020
Portfolio return <sup>†</sup>	11.5	4.1	(10.7)	-	-

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.  
<sup>†</sup> 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

- The global monetary policy cycle reached a key milestone in September when the US Federal Reserve (Fed) delivered its first rate cut of this cycle, reducing rates by 50bps.
- This policy shift, and anticipation ahead of it, supported positive local returns in September, outweighing concerns earlier in the summer over slowing US growth and the sudden unwinding of the yen carry trade as the Bank of Japan tightened policy.
- Global bond yields fell, reflecting both slowing growth and anticipated rate cuts over the next 12 months. The sharper falls in bond yields at shorter maturities as rate cuts came into view have resulted in the yield curve in the US, which had been inverted for over 2 years, steepening substantially such that it is back in positive territory, with the duration risks of longer maturities reflected in higher yields than shorter dated bonds.
- Global developed markets returned -0.3% with emerging markets returning 4.4%, driven by a late-month rally in Chinese equities after surprise stimulus measures were announced, taking the return of the MSCI China index to +21.3% in September.
- UK gilts and UK investment grade corporate bonds returned 0.1% and 0.4% in July, whilst US treasuries and US investment grade corporate bonds returned -0.8% and -0.3% respectively, with the dollar falling -1.9% against the pound.
- Risks remain, such as policy missteps, further economic weakening, and volatility triggered by geopolitics and the US Presidential election, but we are now into a policy easing cycle which is likely to continue into next year. As such, we remain cautiously constructive about markets and intend to use periods of weakness to add to risk assets in our portfolios.

Source: Bloomberg Finance LP, MGIM

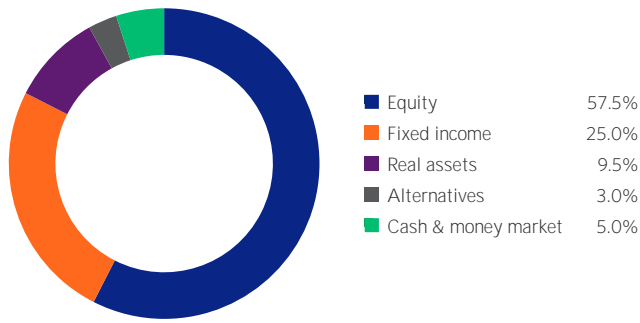
## PLATFORM AVAILABILITY



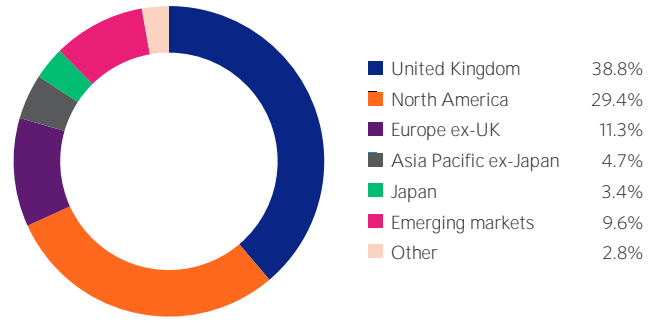
## PORTFOLIO RATINGS



## ASSET ALLOCATION



## GEOGRAPHIC ALLOCATION



Allocations subject to change. Source: MGIM

## TOP TEN HOLDINGS

HOLDING	Percentage
1. Schroder Global Sustainable Value Equity	9.5%
2. IFLS Evenlode Income	8.5%
3. Morgan Stanley Global Sustain	8.5%
4. Stewart Worldwide Sustainability	8.5%
5. EdenTree Responsible and Sustainable UK Equity Opportunities	7.5%
6. Ninety One UK Sustainable Equity	7.5%
7. FP Foresight Sustainable Real Estate Securities	5.5%
8. Vanguard US Government Bond Index	5.0%
9. BNY Mellon Sustainable Global Dynamic Bond	4.0%
10. First Sentier Responsible Listed Infrastructure	4.0%

## 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	8-11%
Target return	UK CPI +5% (net)
AMC	0.25%
OCF <sup>2</sup>	0.80%

Source: MGIM

<sup>2</sup>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.

## 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.

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Simulated past performance: Figures prior to the inception date of the Portfolio have been simulated using actual past performance of underlying holdings which are the same as, or substantially the same as, or underlie, the Sustainable Managed Portfolio 5 at inception. The performance shown represents performance of the Sustainable Managed Portfolios that are periodically restructured and rebalanced based on the impact of material, economic and market factors that influence MGIM's decision-making on asset allocation. The Sustainable Managed Portfolios are applied to client accounts by the platform provider but it may take some time for the client accounts to mirror the performance of the Sustainable Managed Portfolios. It is for this reason that client accounts may not have achieved exactly the same returns as the Sustainable Managed Portfolios. The performance of the Sustainable Managed Portfolios is based on the actual performance of the underlying funds included in the portfolios. These performance figures have not been audited by an external body. The value of investments may go down as well as up and the value will depend on fluctuations in financial markets outside MGIM's control, as a result an investor may not get back the amount invested. Past performance is not indicative of future performance and reference to a security is not a recommendation to buy or sell that security. Portfolio ratings: Defaqto is a financial information business.

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