

# VT Momentum Diversified Income Fund

31 October 2025

For retail investors only

## Investment objective & strategy

To generate a high level of income with the prospect of maintaining the real value of capital over the long term, by investing in a multi-asset portfolio managed with a focus on value. The Fund may include directly invested UK equities with a bias towards mid-cap stocks, and overseas equity, fixed income, specialist assets and managed liquidity held through third party funds.

## Investment team



Richard Parfect  
Lead Oversight  
Portfolio Manager



Tom Delic  
Second Oversight  
Portfolio Manager



Gary Moglione  
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.

## Ten year historical cumulative performance



Cumulative performance (%)	1 month	3 months	6 months	1 year	3 years	5 years	10 years	Since inception annualised
Fund return Class B Inc TR <sup>1</sup>	2.5	3.7	10.8	13.9	35.2	46.9	78.4	5.4
UK CPI	0.6	0.8	1.4	3.8	11.0	28.4	39.6	2.7
IA Mixed Investment 20-60% Shares	2.5	4.3	10.3	10.6	27.8	29.3	56.5	4.5

Discrete annual performance (%)	Oct 24 - Oct 25	Oct 23 - Oct 24	Oct 22 - Oct 23	Oct 21 - Oct 22	Oct 20 - Oct 21	Historic net yield (%) <sup>†</sup>
Fund return Class B Inc TR <sup>1</sup>	13.9	14.0	4.1	(13.9)	26.2	5.3

Sources: Morningstar, Momentum Global Investment Management (MGIM). Fund performance is calculated on a total return basis (including distributions), 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.

## Monthly commentary

- Global equities extended their rally in October, led once again by US megacap technology names. The MSCI World rose 4.5%, with the S&P 500 up 4.9% and the Magnificent Seven gaining nearly 8%. Japan and the UK also delivered strong local currency returns of 4.3% and 4.2% respectively.
- The AI ecosystem remained the key market driver. Q3 earnings from the major US tech platforms revealed a near 70% year-on-year rise in aggregate capital expenditure to \$97bn, reflecting continued investment in cloud infrastructure and AI capacity. However, concerns about valuations and the pace of capex growth led to increased volatility late in the month.
- Bond markets delivered solid gains as yields declined following a 25bps Federal Reserve rate cut and softer-than-expected UK inflation. UK gilts returned 2.9% in aggregate, with long-dated conventional and index-linked issues performing best. Sterling investment grade credit rose 2.0%, while emerging market debt led fixed income markets with a 4.3% gain.
- The Fund's returns were supported by strong contributions from European, UK, Japan and emerging market equities, while gold performed well amid ongoing geopolitical uncertainty.
- Gore Street Energy Storage Fund (GSF) was among the strongest contributors, supported by a positive update that included the declaration of a special dividend and outlining plans to optimise its portfolio through selective asset sales, co-investments and upgrades to existing sites.
- Molten Ventures (GROW) was another strong contributor, following a positive H1 trading update showing growth in both gross portfolio value (+5.5%) and NAV per share (+7.2%).
- The Fund's underweight exposure to US megacap technology and the broader AI theme continued to be a relative headwind. While these positions have weighed on performance year-to-date, we believe current market leadership is overly concentrated in a small number of expensive growth stocks. We continue to maintain a balanced allocation across asset classes and regions, favouring areas where valuations appear more compelling.

Source: Bloomberg Finance LP, MGIM

## Platform availability



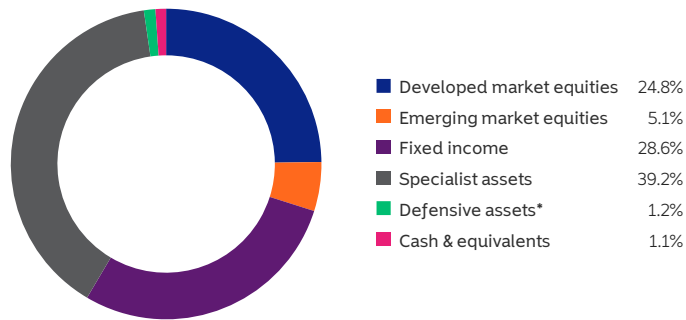
## Fund ratings



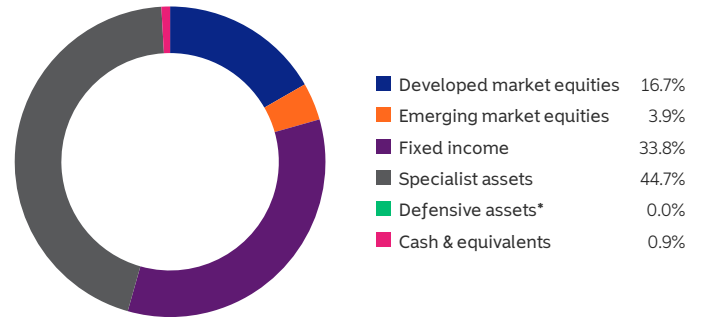
Sources: Bloomberg Finance LP, Morningstar, MGIM, unless otherwise stated.

<sup>1</sup>The Fund performance refers to the 'B' Inc share class with the exception of performance prior to 26.03.2012 which is calculated using the 'A' Inc share class, unadjusted for the lower fees of the 'B' Inc share class. <sup>†</sup>The Historic Net Yield reflects distributions declared over the past twelve months as a percentage of the unit price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. A portion of the Fund's expenses are charged to Capital. This has the effect of increasing the distribution(s) for the year and constraining the Fund's capital performance to an equivalent extent.

## Asset allocation



## Sources of income generation



As at 31.10.2025, 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\*\*, 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

Equities		
1.	VT Downing European Unconstrained Income	6.7%
2.	Temple Bar Investment Trust	4.7%
3.	Murray Income Trust	3.0%
4.	Morant Wright Fuji Yield	2.6%
5.	Amundi Prime Japan ETF	2.2%

Fixed income		
1.	Royal London Sterling Extra Yield Bond	6.4%
2.	Artemis Short-Dated Global High Yield Bond	4.0%
3.	Impax EM Corporate Bond	3.3%
4.	Vanguard ESG Global Corporate Bond	2.7%
5.	Candriam Global High Yield	2.4%

Specialist assets		
1.	Fair Oaks Income	2.3%
2.	International Public Partnerships	2.1%
3.	AEW UK REIT	2.0%
4.	Sequoia Economic Infrastructure Income	1.9%
5.	Gore Street Energy Storage	1.9%

Defensive assets		
1.	Invesco Physical Gold ETC	1.2%
-	-	-
-	-	-
-	-	-
-	-	-

As at 31.10.2025. Source: MGIM

## Fund & share class details

Fund details	
Investment manager	Momentum Global Investment Management Limited (MGIM)
Fund inception	8 April 2002
Currency	GBP
IA sector	Mixed Investment 20-60% Shares
Structure	UCITS
Dealing	Daily
Income distribution	Monthly

Share class details	B (Inc)	B (Acc)	I (Inc)
Minimum investment	GBP 100,000	GBP 100,000	GBP 50,000,000
ISIN	GB00B7JTF560	GB00BKV4HY34	GB00BD3H5034
SEDOL	B7JTF56	BKV4HY3	BD3H503
Citicode	OWRF	QOPS	NRJU
Month-end price (NAV)	112.10p	136.77p	100.83p

Annual charges	B (Inc)	B (Acc)	I (Inc)
AMC	0.75%	0.75%	0.50%
OCF <sup>2</sup>	1.06%	1.06%	0.81%

Fund wrappers	
ISAs	
SIPPs	
Personal pensions	
Onshore bonds	
Offshore bonds	

<sup>2</sup>As at 08.08.2025. The OCF (Ongoing Charges Figure) 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.

## Contact us

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## Important information

Momentum Diversified Funds are sub-funds of the VT Momentum Investment Funds II 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 II 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 Global Investment Management Limited (MGIM), company registration no. 3733094, with its registered office at 3 More London Riverside, London SE1 2AQ. MGIM is authorised and regulated by the Financial Conduct Authority in the UK (firm reference no. 232357).

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