

VT Momentum Diversified Cautious Fund (A)

28 June 2024

For professional advisors only

INVESTMENT OBJECTIVE & STRATEGY

The VT Momentum Diversified Cautious Fund aims to deliver a real return for investors over the medium to long term of CPI +3% net of fees, with anticipated volatility in the range of 4-7%. The Fund aims to operate within the 'low' 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 0-35% Shares sector. The minimum investment horizon for the Fund should be thought of as four years.

INVESTMENT TEAM (SINCE 01.12.2022)



Mark Wright
Lead Oversight
Portfolio Manager



Tom Delic
Second Oversight
Portfolio Manager



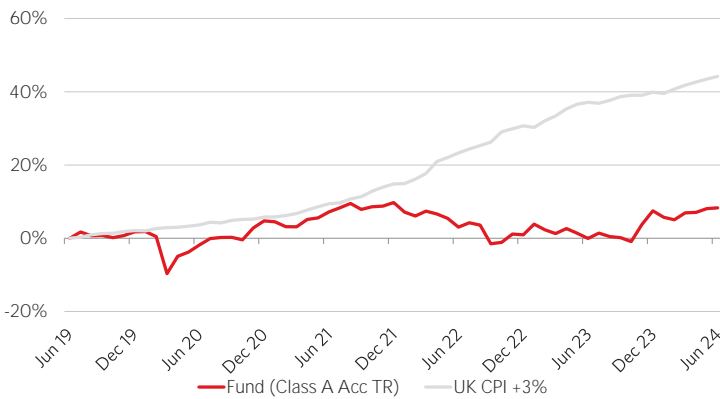
Gary Moglione
Portfolio Manager



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 ¹ annualised |
|----------------------------|---------|----------|----------|--------|---------|---------|---|
| Fund return Class A Acc TR | 0.2 | 1.3 | 0.8 | 8.4 | 1.0 | 8.3 | 2.6 |
| UK CPI +3% | 0.5 | 1.7 | 3.1 | 5.2 | 31.8 | 44.2 | 5.9 |
| Difference | (0.3) | (0.4) | (2.3) | 3.2 | (30.8) | (35.9) | (3.3) |

| DISCRETE ANNUAL PERFORMANCE (%) | 30 Jun 2024 | 30 Jun 2023 | 30 Jun 2022 | 30 Jun 2021 | 30 Jun 2020 |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|
| Fund return Class A Acc TR | 8.4 | (3.0) | (3.9) | 9.2 | (1.9) |

| VOLATILITY (%) (since inception, annualised) | Anticipated range | Realised ¹ |
|--|-------------------|-----------------------|
| Fund volatility Class A Acc TR | 4-7 | 5.7 |

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



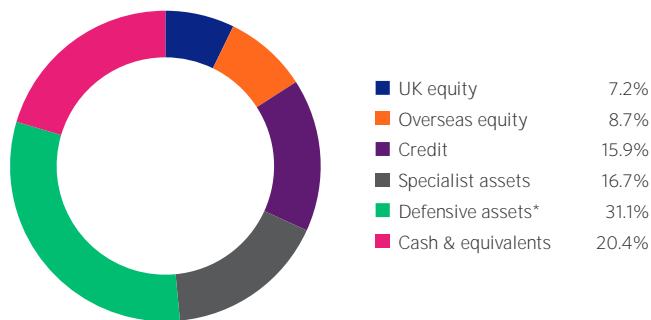
FUND RATINGS



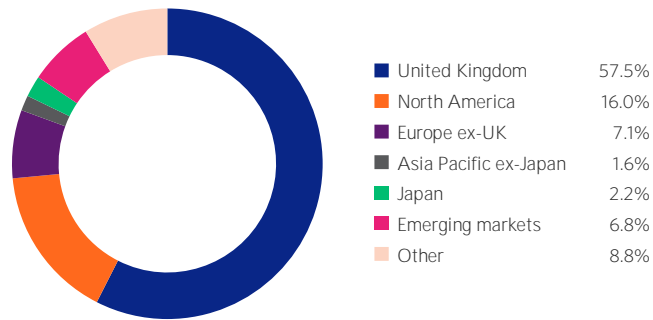
Sources: Bloomberg Finance LP, Valu-Trac Investment Management, MGIM, unless otherwise stated.

¹Performance statistics prior to 05.02.2015 are those of the former MI Momentum Factor 3 Fund [GB00B8KLLT47], which has now closed. On 05.02.2015 this Fund merged with the MI Momentum Diversified Growth Fund [GB00B40M9847] (which had a performance target of LIBOR 3 Months GBP +3%) and was renamed MI Momentum Factor 3 Fund. The merged Fund was renamed to MI Momentum Focus 3 Fund on 01.08.2017 and subsequently renamed to VT Momentum Diversified Cautious Fund on 28.05.2021.

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. OSB Group | | 0.4% |
| 3. Marstons | | 0.4% |
| 4. Strix Group | | 0.4% |
| 5. Next 15 Group | | 0.4% |

| OVERSEAS EQUITIES | | |
|---|--|------|
| 1. Robeco QI Global Sustainable Equity | | 3.3% |
| 2. Morant Wright Fuji Yield | | 1.0% |
| 3. VT Downing European Unconstrained Income | | 0.8% |
| 4. Amundi MSCI Emerging Markets ETF | | 0.8% |
| 5. Amundi MSCI Japan ETF | | 0.7% |

| CREDIT | | |
|--|--|------|
| 1. Royal London Short Duration Global High Yield Bond | | 3.6% |
| 2. iShares Core GBP Corporate Bond ETF | | 3.0% |
| 3. Royal London Sterling Extra Yield Bond | | 2.7% |
| 4. Jupiter Global Emerging Markets Short Duration Bond | | 2.2% |
| 5. Absalon Emerging Markets Corporate Debt | | 2.0% |

| SPECIALIST ASSETS | | |
|---|--|------|
| 1. Chrysalis Investments | | 1.6% |
| 2. AEW UK REIT | | 1.4% |
| 3. Doric Nimrod Air Three | | 1.1% |
| 4. Syncona | | 1.0% |
| 5. Schroder Capital Global Innovation Trust | | 0.9% |

| DEFENSIVE ASSETS | | |
|---|--|------|
| 1. iShares Physical Gold ETC | | 3.8% |
| 2. US TIPS 0.625% 02/15/43 | | 3.7% |
| 3. UK Gilt 0.625% 22/10/50 | | 3.1% |
| 4. Neuberger Berman Uncorrelated Strategies | | 3.1% |
| 5. UK Gilt 3.5% 22/10/25 | | 3.1% |

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 +3% (net) |
| Structure | UCITS |
| Dealing | Daily |

| FUND FACTS | |
|-----------------------|--------------|
| Minimum investment | GBP 1,000 |
| ISIN | GB00B40M9847 |
| SEDOL | B40M984 |
| Citicode | 04PZ |
| Month-end price (NAV) | 138.06p |

| ANNUAL CHARGES ² : SHARE CLASS A | |
|---|-------|
| AMC | 0.75% |
| OCF ex IC | 1.31% |
| IC | 0.28% |
| OCF inc IC | 1.59% |

| FUND WRAPPERS | |
|-------------------|--|
| ISAs | |
| SIPPs | |
| Personal pensions | |
| Onshore bonds | |
| Offshore bonds | |

²As 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.

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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. 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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