

# Real Assets Growth & Income (RAGI) Fund

A compelling proposition for wealth managers and investors seeking diversified, sustainable income.

The retail and adviser launch of the Fund coincides with a period of notable market opportunity. The Fund is strategically positioned to capitalise on significant discounts in UK investment trusts, particularly in infrastructure, property, and private equity sectors.

RAGI is managed by experienced Portfolio Managers Richard Parfect and Gary Moglione, who bring over three decades of combined specialist asset expertise. They are supported by MGIM's 15-strong investment team, ensuring rigorous due diligence and comprehensive portfolio management.



Richard Parfect  
Portfolio Manager

*The current discount landscape offers a significant opportunity for informed investors. We are seeing many infrastructure trusts trade at 30% discounts and some private equity over 40% discounts. This market mispricing is largely due to rising bond yields and regulatory complexities surrounding retained EU cost disclosure rules. Following a strong response from industry to the FCA's CCI Consultation there is the opportunity to bring regulatory clarity, potentially triggering a revaluation of these assets.*

## The current discount landscape presents a significant opportunity for RAGI investors:

- » Property (REITs): Sector trading at a -13.5% discount versus equal weighted average discount (RAGI model) of -17%.
- » Infrastructure: Sector trading at a -23.9% discount versus RAGI model of -26.5%.
- » Private Equity: Sector (excluding 3i) trading at a -24.7% discount versus RAGI model private equity portfolio at -41%.
- » Specialist Financials: Trading at an equal-weighted discount of -13%.

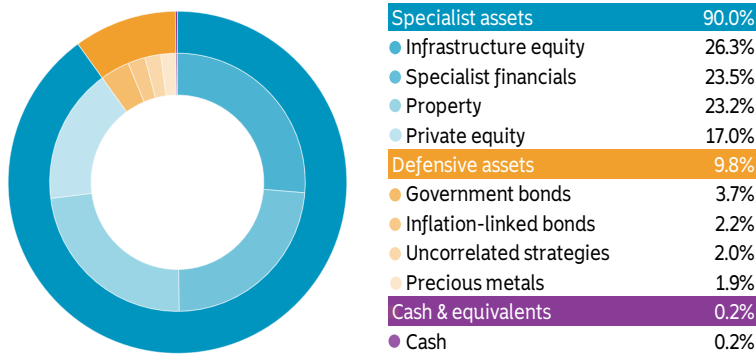
Data as at 13 May 2025.

The Fund's strategy extends beyond simple discount capture. We actively engage with the management teams and boards of the investment trusts within our portfolio, advocating for shareholder-friendly initiatives. Our support for the Achilles Investment Company, an activist trust, underscores our commitment to actively unlocking value.

**As Gary Moglione, Portfolio Manager, states, "we are active participants in enhancing portfolio returns, not passive investors"**

The Fund's asset allocation framework balances risk and return across multiple asset classes. This ensures resilience against market fluctuations and capitalises on growth opportunities. Predominantly invested in listed investment trusts, with a maximum 10% allocation to open-ended funds, RAGI offers greater diversification than many peers, particularly in private equity and the tactical use of a liquidity pool.

## Strategic Asset Allocation



RAGI's portfolio comprises over 500 individual assets (on a look through basis), with the largest asset accounting for around 80 basis points of the overall portfolio, thereby mitigating risk and delivering stable returns. Approximately 50% of the underlying assets are international, reducing correlation to the UK market.

RAGI also maintains a 'liquidity pool' of defensive assets, including government bonds, gold, and occasionally VIX futures. This allows for opportunistic purchases during market downturns. For instance, in October 2024, RAGI deployed capital into undervalued UK property and infrastructure assets, enhancing returns versus competitors.

Looking ahead, RAGI's holdings continue to offer compelling value, with many investments trading at attractive discounts to NAV while delivering sustainable, growing dividends. As regulatory challenges ease and investor sentiment improves, we anticipate a significant re-rating of these assets, providing strong return potential. Momentum Real Assets Growth & Income Fund is strategically positioned to deliver substantial returns for investors seeking to capitalise on the current market inefficiencies and long-term growth opportunities within the UK investment landscape.

## RAGI key features:



Launched as a Luxembourg SICAV in April 2024



Targeting 7-8% Annual Returns, with a current portfolio yield of 5-6%.



Experienced management, over 30 years' specialist asset expertise



Risk-Managed diversification, 500+ assets, capped holdings.



Opportunistic flexibility. Defensive "liquidity pool."

Available on platforms:

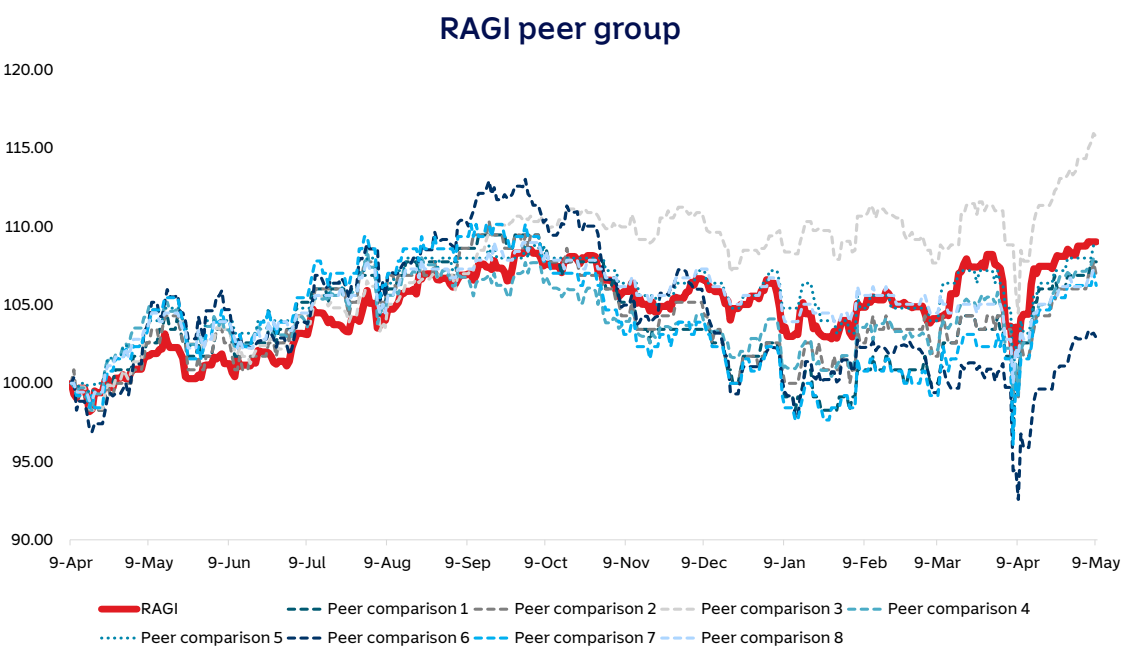
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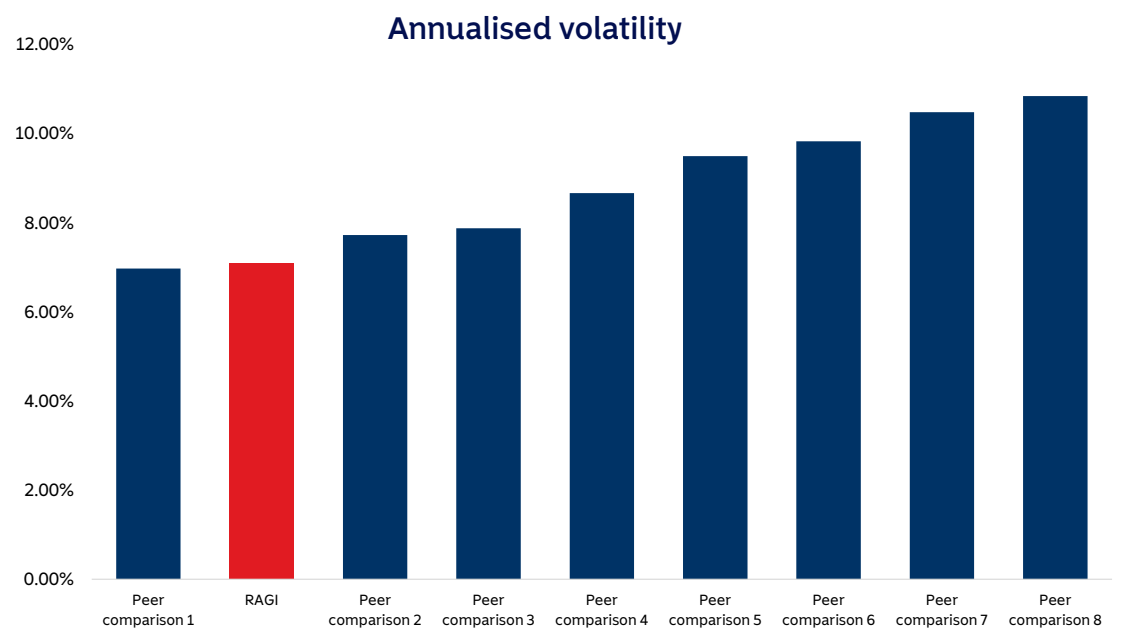
HARGREAVES  
LANDOWN



Performance versus peer group



Volatility versus peer group



Discrete annual performance (%) as at 30 April 2025.

Apr 24 - Apr 25	Apr 23 - Apr 24	Apr 22 - Apr 23	Apr 21 - Apr 22	Apr 20 - Apr 21
Apr 24 - Apr 25	Apr 23 - Apr 24	Apr 22 - Apr 23	Apr 21 - Apr 22	Apr 20 - Apr 21
7.3	-	-	-	-

Cumulative performance (%) as at 30 April 2025.

	1month	YTD	1year	3years	5 years	Sinceinception	Net yield
	1 mth	YTD	1 yr	3 yrs	5 yrs	Since inception	Current yield***
Fund**	0.5	1.9	7.3	-	-	7.6	5.7
Target	0.6	1.8	7.0	-	-	7.4	3.0

Important Information - All data sourced from Momentum Global Investment Management, J.P. Morgan SE - Luxembourg Branch. Past performance is not a guide to future performance. Allocations subject to change. \*There can be no assurance that the Fund will achieve its investment objective. Please refer to the Prospectus for full details of the Fund, its charges, the investment objective and investment policy. \*\*Performance figures prior to the inception date of the Class R GBP Acc share, 08.11.24, have been simulated by adjusting Class M GBP Acc share's past performance to reflect its prevailing fees and are shown in GBP terms. The simulated performance is based on the performance of the longest track record share class since the Fund launch. \*\*\*Current yield is the weighted average forward twelve-month yield of the underlying holdings. This does not include underlying fund charges.

Case study

A notable example is BBGI Global Infrastructure, a publicly listed infrastructure investment trust. Historically, BBGI shares traded at a premium to NAV due to a long period of low government bond yields. However, as interest rates rose, the share price fell significantly, mirroring broader trends in alternative investment trusts. By January 2025, BBGI was trading at a 16% discount to NAV. Recently, it accepted a takeover offer at a 3.4% premium to estimated NAV, validating asset valuations and triggering a sharp price recovery.

This case study underscores two key points:

- » The feared impact of increased bond yields on NAVs has been overstated.
- » Institutional private market investors are recognising the mispricing of these assets, with international players seizing undervaluation opportunities.

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Visit our website to download the latest factsheet and find out more about the Real Assets Growth & Income (RAGI) Fund

Momentum.co.uk/RAGI





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Under our multi-management arrangements, we selectively appoint sub-investment managers and funds to actively manage underlying asset holdings in order to achieve mandated performance objectives. Annual investment management fees are payable both to the multimanager and the manager of the underlying assets at rates contained in the offering documents of the relevant portfolios (and may involve performance fees where expressly indicated therein).

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