

Momentum Income Portfolio

31 December 2025

For professional advisors only

Investment objective & strategy

The Momentum Income Portfolio has been developed due to increased demand for an income generating portfolio as an alternative to capital growth. The Portfolio is carefully constructed to offer an attractive yield and spread risk by investing in various asset classes. This includes traditional funds offered by the major investment companies. The investment objective of the Income Portfolio is to achieve a reasonable yield from a mix of different asset classes. The Portfolio will actively pursue a diversified investment strategy targeting a medium yield. The Portfolio will have a medium level of risk to capital and deliver a commensurate rate of return.

Investment team



Alex Harvey, CFA
Lead Oversight
Senior Portfolio Manager
& Investment Strategist



Gregoire Sharma, CFA
Senior Portfolio
& Research Analyst



Gabby Byron
Client 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.

Historical cumulative performance since February 2016¹



Cumulative performance (%)	1 month	3 months	6 months	1 year	3 years	5 years	Since inception annualised
Portfolio return	0.2	2.4	4.0	7.9	19.1	21.8	4.4
Peer group median	0.3	2.4	6.1	9.1	22.9	16.3	4.3

Discrete annual performance (%)	Dec 24 - Dec 25	Dec 23 - Dec 24	Dec 22 - Dec 23	Dec 21 - Dec 22	Dec 20 - Dec 21	Current yield (%) [†]
Portfolio return	7.9	4.6	5.6	(6.4)	9.3	4.09

Sources: Bloomberg Finance LP, Morningstar, MGIM.
Peer group: Dynamic Planner Risk Profile 4. 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.
Past performance is not a guide to future performance.

Monthly commentary

- Global markets delivered strong but uneven returns in 2025, shaped by significant volatility early in the year and a powerful recovery thereafter. Global equities ended the year higher, with US equities up 9.7% despite suffering one of their sharpest two-day declines on record in April following the announcement of sweeping US tariffs. Markets proved resilient as trade tensions eased and growth held up, while global bond markets also posted positive returns as inflation declined and central banks began to ease policy.
- Equity leadership remained narrow, with AI driving returns and a small number of megacaps accounting for a large share of US market gains. Unlike recent years, returns stemmed more from earnings growth than valuation expansion, while non-US markets outperformed as a weaker dollar supported broader participation.
- Sector performance reflected these trends, with communication services (+21.9%) and IT leading (+15.1%), supported by financials as rates fell and curves steepened. Defensive consumer sectors lagged on softer spending, while gold (+53.1%) surged on dollar weakness and heightened macro uncertainty.
- Bond markets were generally supportive. US Treasuries delivered positive returns, while credit markets benefited from strong income and tight spreads. Emerging market hard-currency debt was the strongest-performing fixed income asset class, supported by US rate cuts and a softer dollar. In contrast, Japanese and European government bonds underperformed as long-term yields rose amid policy normalisation and fiscal concerns.
- In the UK, markets were shaped by persistent fiscal challenges and stubborn inflation. The Bank of England began cutting rates but adopted a cautious tone as inflation risks remained elevated, while long-dated gilt yields rose sharply to multi-decade highs. UK equities delivered modest but positive returns, supported by attractive valuations and improving earnings expectations, though domestic growth remained subdued.
- Looking ahead, easing financial conditions, selective fiscal support and rising investment, particularly in AI and infrastructure, provide a constructive backdrop for 2026. Nevertheless, elevated valuations, market concentration and fiscal risks suggest volatility is likely. A diversified and selective approach remains essential as opportunities are expected to emerge amid periodic market setbacks.

Source: Bloomberg Finance LP, MGIM

Platform availability



Portfolio ratings



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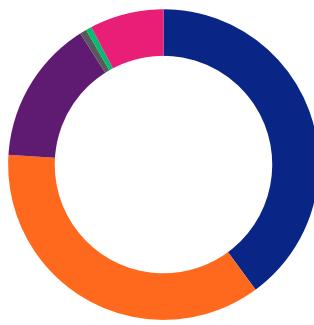
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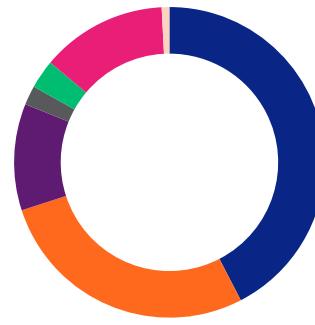
Actual performance may vary subject to the timely execution of orders, platform fees and availability of funds and share classes.

Sources: Bloomberg Finance LP, MGIM, unless otherwise stated. ¹The Cautious Income, Income and Higher Income Portfolios were merged in December 2017. Historical performance figures prior to the merger in December 2017 have been simulated to represent one-third of the Cautious Income Portfolio, one-third of the Income Portfolio one-third of the Higher Income Portfolio. The Momentum Income Portfolios' returns are net of the AMC and underlying fund charges but do not take into account the platform provider's charges. Performance may also differ depending upon which platform is used to access the Income Portfolios due to different rebates and fees agreed with the Fund Manager by the Platforms. MGIM commenced management as at February 2016. [†]The Current Yield is the weighted average yield of the underlying holdings over the past twelve months. This does not include underlying fund charges.

Asset allocation



Geographic allocation



Asset allocation includes a look-through analysis of multi-asset holdings. Allocations subject to change. Source: MGIM

Top ten holdings

Holding	Weight	Yield
1. Fidelity Index World	10.0%	1.3%
2. Momentum Real Assets Growth & Income	8.3%	4.6%
3. L&G Global Real Estate Dividend Index	5.0%	3.0%
4. L&G EM Government Bond \$ Index	5.0%	6.3%
5. L&G S&P 500 US Equal Weight Index	5.0%	1.4%
6. BlackRock ICS Sterling Liquidity	5.0%	4.2%
7. Artemis Short-Dated Global High Yield Bond	4.7%	6.3%
8. Vanguard US Government Bond Index	3.5%	3.5%
9. iShares UK Gilts All Stocks Index	3.5%	3.6%
10. Fidelity Index Emerging Markets	3.5%	1.9%

Portfolio details

Portfolio details	
Investment manager	Momentum Global Investment Management Limited (MGIM)
Inception	1 February 2012
MGIM management from	1 February 2016
Currency	GBP
Minimum investment	£1,000
Tactical version	.v25
Target volatility	4-7%
AMC	0.25%
OCF ²	0.77%

Yield: This is the current yield and does not include underlying fund charges.
Holdings may include indirect holdings in the MGF Harmony Portfolios Cautious Income Fund and
VT Momentum Diversified Income Fund.

Source: MGIM

²As at 31.12.2025, 0.77% 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

Fact sheet 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 fact sheet. This reflects the expected average allocation over time which will result from decisions to hold particular funds.

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