

Momentum Income Portfolio

31 October 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	2.3	2.5	6.7	8.2	21.6	30.2	4.5
Peer group median	2.5	4.3	9.6	9.7	25.8	24.8	4.3

Discrete annual performance (%)	Oct 24 - Oct 25	Oct 23 - Oct 24	Oct 22 - Oct 23	Oct 21 - Oct 22	Oct 20 - Oct 21	Current yield (%) [†]
Portfolio return	8.2	11.3	0.9	(6.3)	14.2	3.81

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 equities extended their rally in October, led once again by US megacap tech stocks. The MSCI World rose 4.5%, with the S&P 500 up 4.9% and the Magnificent Seven gaining 7.9%. Their combined market cap now accounts for 36% of the S&P 500 and nearly a quarter of the MSCI World. Japan and the UK also posted strong returns of 4.3% and 4.2% respectively.
- The AI ecosystem remained the dominant market driver. Q3 earnings from Microsoft, Alphabet, Amazon and Meta showed aggregate capex up nearly 70% YoY to \$97bn, with strong cloud and device demand. Nvidia briefly became the world's first \$5tn company, however, concerns about valuations and capex returns emerged, with Meta's results triggering a 7.3% share price drop.
- Bond markets were mixed. Global bond indices generated small negative returns, driven by currency moves, whilst US Treasuries returned 3.1% as yields fell following a 25bps Fed rate cut (bringing the Fed Funds rate to 3.75-4.0%). The Fed also announced an end to quantitative tightening from December, easing financial conditions.
- A one-year extension of the US-China trade truce helped sentiment, with rollbacks on rare earth and semiconductor restrictions, marking a meaningful de-escalation. China's economy, however, continues to struggle. CPI and PPI remain in deflationary territory, and the MSCI China index fell 1.4%, led by tech losses.
- Japan generated strong returns, buoyed by expectations of fiscal stimulus under new PM Takaichi. The Topix has outperformed major equity markets in the last three months, having now risen over 12.5%, and despite sharp weakening of the yen, now at multi-decade lows against the euro and USD. The UK market rose over 4% in October, driven by expectations of interest rate cuts following lower-than-expected inflation, rising unemployment, and stagnant growth. Falling gilt yields supported gains, mainly in financials and large international stocks, while mid-caps rose less than 2.1%.
- While risks around tariffs, debt sustainability and private credit persist, AI-led investment and easing financial conditions continue to support a constructive medium-term outlook. Valuations leave little room for disappointment, and a period of consolidation may be due. We remain cautiously optimistic and continue to seek selective opportunities to add risk.

Source: Bloomberg Finance LP, MGIM

Platform availability



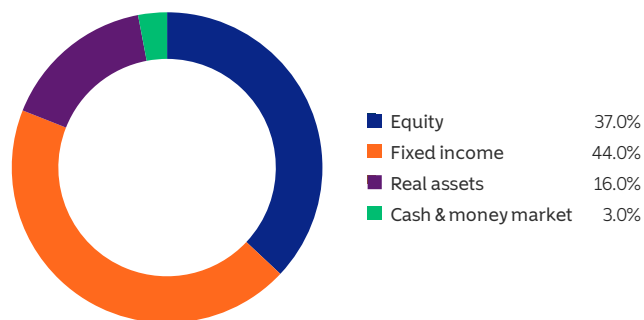
Portfolio ratings



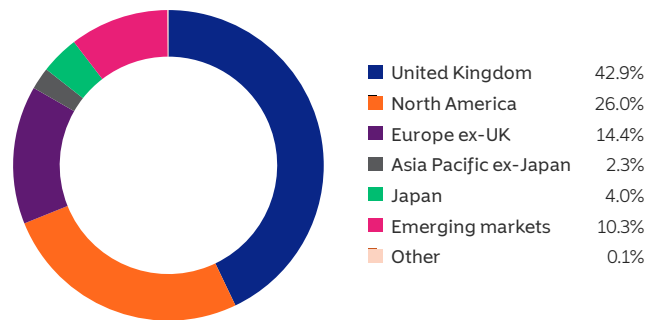
Actual performance may vary subject to the timely execution of orders, platform fees and availability.

Sources: Bloomberg Finance LP, MGIM, unless otherwise stated. [†]The 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 and 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



Allocations subject to change. Source: MGIM

Top ten holdings

Holding	Weight	Yield
1. Vanguard US Government Bond Index	12.0%	3.5%
2. IFSL Evenlode Global Income	10.0%	2.6%
3. VT RM Alternative Income	10.0%	7.3%
4. Schroder Income Maximiser	8.0%	6.4%
5. Artemis Short-Dated Global High Yield Bond	6.5%	6.4%
6. Vanguard Euro Government Bond Index	6.0%	0.0%
7. iShares UK Gilts All Stocks Index	5.5%	3.6%
8. IFSL Evenlode Income	5.0%	2.9%
9. L&G S&P 500 US Equal Weight Index	5.0%	1.4%
10. L&G EM Government Bond \$ Index	4.0%	5.8%

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	.v24
Target volatility	4-7%
AMC	0.25%
OCF ²	0.68%

²As at 31.03.2025, 0.68% 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.

Yield: This is the current yield and does not include underlying fund charges. Source: MGIM

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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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