

Momentum Income Portfolio

28 June 2024

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
Lead Oversight
Senior Portfolio Manager
& Investment Strategist



Gregoire Sharma
Senior Portfolio
& Research Analyst



Gabby Byron
Investment Services
Executive

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	0.5	0.9	1.8	6.4	4.5	12.6	4.1
Peer group median	1.1	0.9	3.0	8.7	1.5	11.5	3.9

DISCRETE ANNUAL PERFORMANCE (%)	30 Jun 2024	30 Jun 2023	30 Jun 2022	30 Jun 2021	30 Jun 2020	Current yield (%) [†]
Portfolio return	6.4	1.4	(3.1)	10.1	(2.2)	3.67

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

- Broad equity indices masked an extraordinary dominance of megacap tech stocks, where the AI boom continues to leave behind those who fail to embrace it driving the US index to multiple new highs over the quarter.
- Equity markets outside the US were mixed, with Japan consolidating after a surge in Q1, Europe flat, held back by weak growth prospects and political worries in France, while the UK continued its recovery.
- Emerging markets were buoyed by a bounce back for China despite considerable headwinds.
- Bonds were generally flat over the quarter with credit spreads remaining at historically low levels.
- Returns were obscured by a significantly wide trading range, a reflection of the considerable uncertainty about the timing and extent of rate cuts.
- The pace of decline of inflation continues to be a key driver of markets and while data in recent weeks showed tentative signs of softening, the Fed remains cautious about cutting rates too soon.
- Global developed markets returned 2.7% with emerging markets returning 4.7%. Within developed equities, the US was the strongest performer over the month returning 4.3%. UK small-caps and continental Europe were the laggards, returning -3.1% and -1.6% respectively.
- UK gilts and UK investment grade corporate bonds returned 1.3% and 0.8% in June, whilst US treasuries and US investment grade corporate bonds returned 1.7% and 0.8% respectively, supported by the dollar which rose 0.8% against the pound.

Source: Bloomberg Finance LP, MGIM

PLATFORM AVAILABILITY



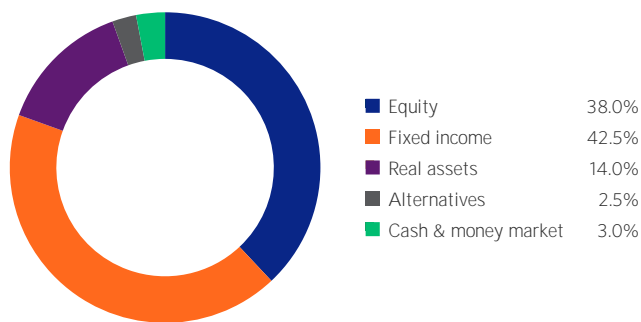
FUND RATINGS



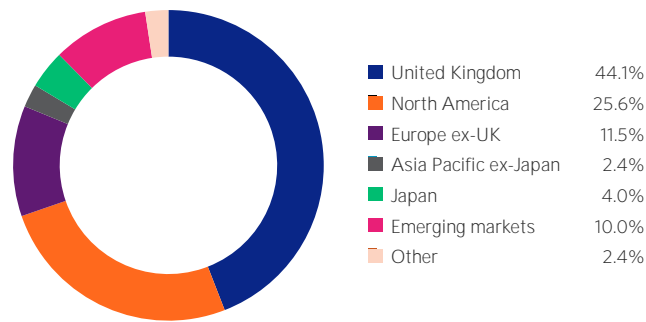
Actual performance may vary subject to the timely execution of orders.

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



Allocations subject to change. Source: MGIM

TOP TEN HOLDINGS

HOLDING	WEIGHT	YIELD
1. IFSL Evenlode Global Income	10.0%	2.3%
2. Vanguard US Government Bond Index (GBP hedged)	10.0%	3.1%
3. VT RM Alternative Income	10.0%	7.4%
4. Schroder Income Maximiser	8.0%	7.2%
5. IFSL Evenlode Income	7.0%	3.0%
6. AXA US Short Duration High Yield	6.5%	4.8%
7. iShares UK Gilts All Stocks Index	5.5%	2.4%
8. TM Redwheel UK Equity Income	5.0%	3.8%
9. Vanguard Euro Government Bond Index (GBP hedged)	4.5%	0.0%
10. L&G EM Government Bond \$ Index	4.0%	6.1%

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

PORTFOLIO DETAILS

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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	.v23
Target volatility	4-7%
AMC	0.25%
OCF ²	0.76%

²As at 30.06.2024, 0.76% 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

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.

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