

VT Momentum Diversified Income Fund

31 March 2025

For professional advisors only

INVESTMENT OBJECTIVE & STRATEGY

To generate a high level of income with the prospect of maintaining the real value of capital over the long term, by investing in a multi-asset portfolio managed with a focus on value. The Fund may include directly invested UK equities with a bias towards mid-cap stocks, and overseas equity, fixed income, specialist assets and managed liquidity held through third party funds.

INVESTMENT TEAM



Richard Parfekt
Lead Oversight
Portfolio Manager



Tom Delic
Second Oversight
Portfolio Manager



Gary Moglione
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.

TEN YEAR HISTORICAL CUMULATIVE PERFORMANCE



CUMULATIVE PERFORMANCE (%)	1 month	3 months	6 months	1 year	3 years	5 years	10 years	Since inception annualised
Fund return								
Class B Inc TR ¹	0.5	1.2	0.6	7.4	4.9	54.0	60.6	5.0
UK CPI	0.8	1.1	2.1	3.0	17.0	26.1	37.4	2.7
IA Mixed Investment 20-60% Shares	(1.9)	0.2	0.2	3.8	6.3	29.9	38.5	4.2

DISCRETE ANNUAL PERFORMANCE (%)	Mar 24 - Mar 25	Mar 23 - Mar 24	Mar 22 - Mar 23	Mar 21 - Mar 22	Mar 20 - Mar 21	Historic net yield (%) [†]
Fund return						
Class B Inc TR ¹	7.4	7.4	(9.0)	4.5	40.5	5.5

Sources: Morningstar, MGIM.

Fund performance is calculated on a total return basis (including distributions), 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.

MONTHLY COMMENTARY

- The first quarter of 2025 marked the start of a new geopolitical and economic chapter, as the Trump administration's return to power reshaped global dynamics. Trump 2.0's sweeping policy changes – tariffs, deregulation, and protectionism – have heightened uncertainty, damaging business and consumer confidence and raising recession fears. March's market performance reflected this growing unease.
- Equity markets experienced a sharp rise in volatility. Fears around escalating tariffs and concerns over US competitiveness in AI weighed heavily on sentiment, extending the sell-off in megacap technology. The MSCI World index fell -6.8% in March, with the S&P 500 down -8.0%. European and UK equities proved more resilient, declining -2.9% and -1.8%, respectively.
- Bond markets offered mixed signals. The ICE BofA Global Broad Market index returned 0.6% over the month. In contrast, UK gilts and UK investment grade corporate bonds declined -1.2% and -0.9%, respectively. US Treasuries attracted safe-haven flows amid rising growth concerns, with 10-year yields falling to 4.2%.
- Within UK equities, we initiated a position in Murray Income Trust, which targets high-quality businesses capable of delivering sustainable and growing income. The managers' emphasis on globally diversified revenue streams and consistent dividend growth has supported a yield above the peer group average, alongside an impressive 51-year track record of rising dividends. The trust is currently trading at a historically wide discount, which could narrow if sentiment towards UK equities and quality companies improves, offering an additional boost to returns.
- Gold continued its strength, rising 6.6% during the month as investors sought protection against geopolitical risk and inflation uncertainty.
- Within Specialist Assets, Life Science REIT was a standout performer, returning 34% after announcing a strategic review. This includes exploring a sale, a change in strategy, or a managed wind-down—demonstrating a proactive approach to unlock further value.
- Looking ahead, we expect volatility to remain elevated. We continue to focus on diversification across and within asset classes, balancing risk while remaining alert to tactical opportunities.

Source: Bloomberg Finance LP, MGIM

PLATFORM AVAILABILITY



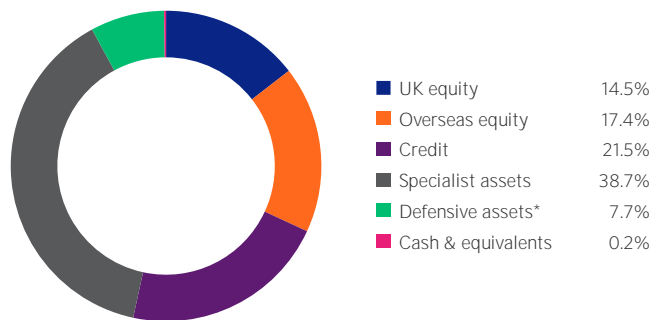
FUND RATINGS



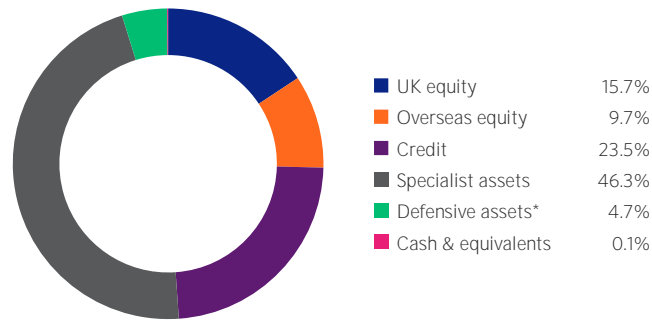
Sources: Bloomberg Finance LP, Morningstar, MGIM, unless otherwise stated.

¹The Fund performance refers to the 'B' Inc share class with the exception of performance prior to 26.03.2012 which is calculated using the 'A' Inc share class, unadjusted for the lower fees of the 'B' Inc share class. [†]The Historic Net Yield reflects distributions declared over the past twelve months as a percentage of the unit price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. A portion of the Fund's expenses are charged to Capital. This has the effect of increasing the distribution(s) for the year and constraining the Fund's capital performance to an equivalent extent.

ASSET ALLOCATION



INCOME GENERATION



As at 31.03.2025, 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. Temple Bar Investment Trust	3.6%
2. Aberforth Geared Value & Income Trust	1.6%
3. Phoenix Group Holdings	1.3%
4. Legal & General Group	1.2%
5. M&G	1.0%

OVERSEAS EQUITIES	
1. VT Downing European Unconstrained Income	6.0%
2. Robeco QI Emerging Conservative Equities	2.3%
3. Amundi Prime Japan ETF	1.9%
4. Morant Wright Fuji Yield	1.8%
5. Schroder Emerging Markets Value	1.3%

CREDIT	
1. Royal London Sterling Extra Yield Bond	8.4%
2. Royal London Short Duration Global High Yield	4.4%
3. MI TwentyFour AM Dynamic Bond	3.4%
4. Impax EM Corporate Bond	3.3%
5. TwentyFour Select Monthly Income	1.0%

SPECIALIST ASSETS	
1. Doric Nimrod Air Three	3.4%
2. Fair Oaks Income	2.7%
3. AEW UK REIT	2.0%
4. Sequoia Economic Infrastructure Income	1.8%
5. Life Science REIT	1.8%

DEFENSIVE ASSETS	
1. UK Gilt 4.75% 07/12/38	1.6%
2. UK Gilt 4.25% 06/07/32	1.5%
3. Invesco Physical Gold ETC	1.4%
4. UK Gilt 4.25% 12/07/49	0.8%
5. iShares Gold Producers ETF	0.6%

As at 31.03.2025. Source: MGIM

FUND & SHARE CLASS DETAILS

FUND DETAILS	
Investment manager	Momentum Global Investment Management Limited (MGIM)
Fund inception	8 April 2002
Currency	GBP
IA sector	Mixed Investment 20-60% Shares
Structure	UCITS
Dealing	Daily
Income distribution	Monthly

SHARE CLASS DETAILS	B (Inc)	B (Acc)	I (Inc)
Minimum investment	GBP 100,000	GBP 100,000	GBP 50,000,000
Minimum regular saver	n/a	n/a	n/a
ISIN	GB00B7JTF560	GB00BKV4HY34	GB00BD3H5034
SEDOL	B7JTF56	BKV4HY3	BD3H503
Citicode	OWRF	QOPS	NRJU
Month-end price (NAV)	103.17p	122.26p	92.66p

ANNUAL CHARGES	B (Inc)	B (Acc)	I (Inc)
AMC	0.75%	0.75%	0.50%
OCF ²	1.04%	1.04%	0.79%

FUND WRAPPERS	
ISAs	
SIPPs	
Personal pensions	
Onshore bonds	
Offshore bonds	

²As at 31.12.2024. The OCF (Ongoing Charges Figure) 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.

CONTACT US

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IMPORTANT INFORMATION

Momentum Diversified Funds are sub-funds of the VT Momentum Investment Funds II 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 II 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.

Fund ratings: Defaqto is a financial information business. Profile published 27.02.2025 by Distribution Technology based on data and information as at 31.12.2024. The views expressed are those of the fund manager at the time of writing and are subject to change without notice. Past performance is no guarantee of future results.