

# VT Momentum Diversified Income Fund

31 December 2025

For retail investors 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 <sup>1</sup>	1.2	2.8	5.2	13.6	28.9	29.6	77.8	5.4
UK CPI	0.3	0.5	0.8	3.2	10.0	28.1	39.4	2.7
IA Mixed Investment 20-60% Shares	0.4	2.7	6.7	10.2	25.1	20.1	56.7	4.4

Discrete annual performance (%)	Dec 24 - Dec 25	Dec 23 - Dec 24	Dec 22 - Dec 23	Dec 21 - Dec 22	Dec 20 - Dec 21	Historic net yield (%) <sup>†</sup>
Fund return Class B Inc TR <sup>1</sup>	13.6	5.3	7.7	(10.9)	12.8	5.1

Sources: Morningstar, Momentum Global Investment Management (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

- Global markets delivered mixed returns in December, with performance varying by region and asset class. Equity performance was stronger outside of the US, with UK equities rising 2.1% and Europe gaining 2.2%. Emerging markets and Asia Pacific ex-Japan also delivered positive returns. In contrast, US and Japanese equities fell by 1.6% and 0.8% respectively. Currency movements were a headwind for international assets, with the US dollar, euro and Japanese yen weakening against sterling during the month.
- Bond market performance was mixed. UK gilts delivered modest positive returns across the curve, with index-linked gilts outperforming, particularly at longer maturities, while US Treasuries declined as yields rose. Elsewhere, gold edged modestly higher over the month, taking its year-to-date gain to 53.2%.
- Despite mixed market conditions in December, the Fund's equity positioning held up well relative to the MSCI World Index, supported by the Fund's tilt towards UK and European equities.
- Private equity was the highest contributor to returns, with Chrysalis Investments and Schroders Capital Global Innovation Trust among the top performers over the month.
- Within infrastructure, SDCL Efficiency Income Trust was the weakest performer following interim results which reflected more cautious valuation assumptions and elevated leverage. Dividend guidance was maintained, but concerns around gearing above policy limits and the associated requirement for asset disposals weighed on the share price. In response to the resulting valuation, the position was modestly topped up, while remaining under close review as delivery on disposals will be key.
- Looking ahead, easing financial conditions provide some support, but elevated valuations, market concentration and fiscal risks point to continued volatility, reinforcing the importance of a diversified and selective approach.

Source: Bloomberg Finance LP, MGIM

## Platform availability



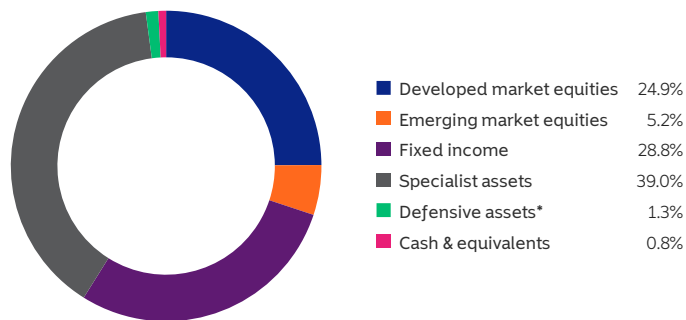
## Fund ratings



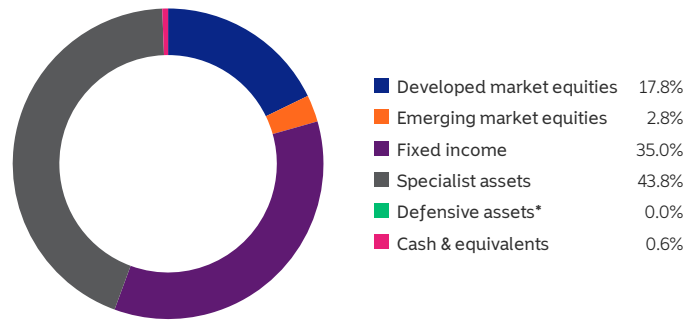
Sources: Bloomberg Finance LP, Morningstar, MGIM, unless otherwise stated.

<sup>1</sup>The 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. <sup>†</sup>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



## Sources of income generation



As at 31.12.2025, 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\*\*, 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

Equities		
1.	VT Downing European Unconstrained Income	6.5%
2.	Temple Bar Investment Trust	4.8%
3.	Murray Income Trust	2.9%
4.	Morant Wright Fuji Yield	2.7%
5.	Amundi Prime Japan ETF	2.2%

Fixed income		
1.	Royal London Sterling Extra Yield Bond	6.4%
2.	Artemis Short-Dated Global High Yield Bond	4.0%
3.	Impax EM Corporate Bond	3.3%
4.	Vanguard ESG Global Corporate Bond	2.7%
5.	Candriam Global High Yield	2.4%

Specialist assets		
1.	Fair Oaks Income	2.1%
2.	AEW UK REIT	2.1%
3.	International Public Partnerships	2.0%
4.	Sequoia Economic Infrastructure Income	1.9%
5.	Molten Ventures	1.8%

Defensive assets		
1.	Invesco Physical Gold ETC	1.3%
-	-	-
-	-	-
-	-	-
-	-	-

As at 31.12.2025. 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
ISIN	GB00B7JTF560	GB00BKV4HY34	GB00BD3H5034
SEDOL	B7JTF56	BKV4HY3	BD3H503
Citicode	OWRF	QOPS	NRJU
Month-end price (NAV)	111.61p	137.22p	100.42p

Annual charges	B (Inc)	B (Acc)	I (Inc)
AMC	0.75%	0.75%	0.50%
OCF <sup>2</sup>	1.06%	1.06%	0.81%

Fund wrappers	
ISAs	
SIPPs	
Personal pensions	
Onshore bonds	
Offshore bonds	

<sup>2</sup>As at 08.08.2025. 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](http://www.valu-trac.com). This financial promotion is issued by Momentum Global Investment Management Limited (MGIM), company registration no. 3733094, with its registered office at 3 More London Riverside, London SE1 2AQ. MGIM is authorised and regulated by the Financial Conduct Authority in the UK (firm reference no. 232357).

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