

# Momentum Passive Plus Cautious Portfolio

30 June 2025

For professional advisors only

## INVESTMENT OBJECTIVE & STRATEGY

The Momentum Passive Plus Cautious Portfolio aims to deliver growth in real terms aligned to the risk profile of the solution, with anticipated volatility in the range of 4-7%. The portfolio aims to operate within the 'low' risk profile. The portfolio will invest across a range of asset classes using passive instruments.

## INVESTMENT TEAM



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



Gregoire Sharma, CFA  
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 INCEPTION<sup>1</sup>



CUMULATIVE PERFORMANCE (%)	1 month	3 months	6 months	1 year	3 years	5 years	Since inception annualised
Portfolio return	0.7	1.5	2.1	5.3	11.2	15.0	3.2
IA Mixed Investment 0-35% Shares	1.3	2.3	2.8	5.1	12.3	10.2	3.0
Difference	-0.6	-0.8	-0.7	+0.2	-1.1	+4.8	+0.2

DISCRETE ANNUAL PERFORMANCE (%)	Jun 24 - Jun 25	Jun 23 - Jun 24	Jun 22 - Jun 23	Jun 21 - Jun 22	Jun 20 - Jun 21
Portfolio return	5.3	6.1	(0.5)	(4.0)	7.8

Source: Morningstar, MGIM

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

- Markets closed out a strong quarter, with further gains in June. Global equities rose 2.4% in GBP terms during the month and 4.9% over Q2. UK equities lagged global peers, down 0.5% over June, though UK small caps returned 2.7% in June and 14.6% in Q2. US equities delivered a solid 3.1% gain in June, supported by ongoing strength in megacap tech stocks. Nvidia led the charge, rebounding sharply from its April low to reclaim the top spot as the world's largest company by market cap.
- Japan's Topix was flat in June but returned 5.2% for the quarter, while European equities gained 0.6% in June and 5.7% over Q2. Emerging markets were strong, returning 4.1% in June and 5.4% over the quarter.
- The ICE BofA Global Broad Market index rose by 2.0% in June, with UK gilts and UK investment grade bonds both returning 1.6%. US Treasuries and US investment grade bonds underperformed their UK counterparts, returning -0.4% and 0.2% on the month, with the dollar falling 2.0% against the pound. Similarly, over the quarter, the ICE BofA Global Broad Market index rose 4.3%, with UK gilts and UK investment grade bonds finishing the period up 2.0% and 2.7%. US Treasuries and US investment grade credit underperformed, ending Q2 down 5.1% and 4.1% respectively, with the dollar falling 5.9% against the pound.
- As signs emerged of weakening in the key US consumer sector, expectations of accelerated rate cuts by the Fed began to be priced into markets, despite the Fed itself remaining cautious on the pace of cuts. The housing market also struggled under the weight of high mortgage rates, with the NAHB index falling to a near three-year low. Investors increasingly expect a more dovish path for interest rates, even as the Fed's 'dot plot' suggests a slower approach. While the Fed held rates steady at its June meeting, markets are now expecting multiple cuts before year-end.
- Geopolitical risks stayed elevated, but the risk of escalation in the Middle East eased following a truce between Israel and Iran, contributing to a reversal in oil prices, which rose 3.9% in June but are down 14.9% over the quarter.
- Uncertainty, combined with the strong run in markets, suggests some consolidation is due, and a degree of caution is called for in the near term. However, tariff issues appear to be heading towards resolution, and the long-term fundamentals remain supportive. The prospect of rate cuts, resilient corporate balance sheets and the ongoing AI-driven productivity boom should help underpin markets in the months ahead. Diversification remains key and volatility is likely to bring opportunity.

Source: Bloomberg Finance LP, MGIM

## PLATFORM AVAILABILITY

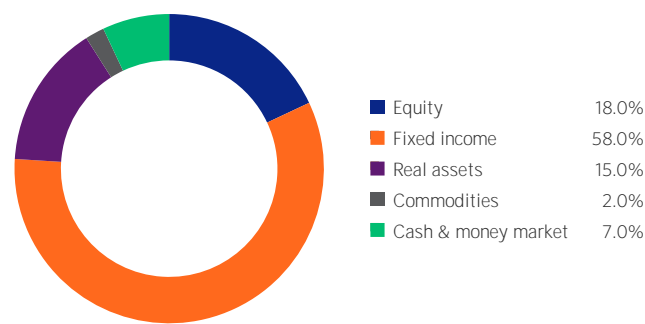
## PORTFOLIO RATINGS



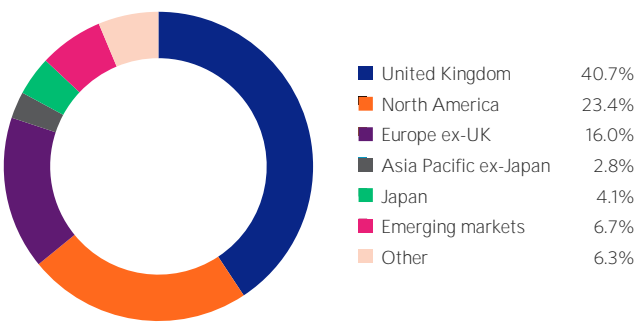
Actual performance may vary subject to the timely execution of orders, platform fees and availability.

Sources: Morningstar, MGIM, unless otherwise stated. <sup>1</sup>The Momentum Passive Plus 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 Momentum Passive Plus Portfolios due to different rebates and fees agreed with the Fund Manager by the Platforms.

ASSET ALLOCATION



GEOGRAPHIC ALLOCATION



Allocations subject to change. Source: MGIM

TOP HOLDINGS

HOLDING		
1.	Vanguard US Government Bond Index	16.5%
2.	iShares UK Gilts All Stocks Index	13.0%
3.	L&G Global Infrastructure Index	8.0%
4.	Vanguard UK Short-Term Investment Grade Bond Index	7.5%
5.	Vanguard Euro Government Bond Index	7.5%
6.	iShares Environment & Low Carbon Tilt Real Estate Index	7.0%
7.	Fidelity Index World	6.5%
8.	BlackRock ICS Sterling Liquidity	5.0%
9.	L&G Global Inflation Linked Bond Index	5.0%
10.	Vanguard FTSE UK All Share Index	4.5%

PORTFOLIO DETAILS

PORTFOLIO DETAILS	
Investment manager	Momentum Global Investment Management Limited (MGIM)
Inception	1 March 2016
Currency	GBP
Minimum investment	£1,000
Investment timeframe	4 years +
Target volatility	5-8%
Benchmark	IA Mixed Investment 0-35% Shares
AMC	0.15%
OCF <sup>2</sup>	0.32%

Source: MGIM

<sup>2</sup>As at 31.03.2025, 0.32% 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

STEVE HUNTER  
Head of Business Development  
D 0151 906 2481 M 07470 478 974  
E [steve.hunter@momentum.co.uk](mailto:steve.hunter@momentum.co.uk)

JONATHAN GARNER  
Business Development Consultant  
D 0151 906 2479 M 07469 392 164  
E [jonathan.garner@momentum.co.uk](mailto:jonathan.garner@momentum.co.uk)

EMMA CLIFT  
Head of Distribution Services  
D 020 7618 1829  
E [distributionservices@momentum.co.uk](mailto:distributionservices@momentum.co.uk)

IMPORTANT INFORMATION

Prior to 15.04.2024 the Momentum Passive Plus Cautious Portfolio was known as pi Cautious Portfolio.  
Fact sheet geographic 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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