

MKC Invest Income Focus 5 October 2024

Portfolio Objective:

Inception Date: 01.07.2024

MKC Wealth
Risk Rating

Equity Target

Balanced

50%

The MKC Invest Income Focus portfolio 5 aims to provide a natural distribution yield from a diversified portfolio of collective investments managed such that the risk level of the portfolio will be suitable for an investor at level 5 on the MKC "Baseline" scale of investment risk. The yield target will be at least 200% of the relevant benchmark yield over a rolling 12-month period. The portfolio aims to outperform the yield of this strategic asset allocation over the course of a market cycle through active asset allocation and the selection of predominantly higher-yield actively managed funds from a range of providers. While long-term capital growth is a reasonable expectation from the portfolio given its underlying asset exposures, this portfolio will be measured solely by its distribution yield.

Baseline Benchmark 5:
50% Morningstar Global Target Market Exposure
50% Morningstar Global Core Bond (GBP) Hedged

Market Overview:

October saw a divergence between US equity and bond markets as stronger than expected economic data led to a reassessment of the speed and depth of impending rate cuts. This change in sentiment was reflected in US bond yields moving higher (values lower) during the month.

Conversely, the more positive outlook sent US equity prices to record levels. There was a degree of reversal in the last week of the month following disappointing earnings reports but overall, the market ended the month slightly higher.

European stocks had a weaker month as economic data continued to show a slowdown and it seems highly likely that the European Central Bank will have to lower interest rates more quickly than other regions.

The final days of the month also saw the UK budget. At time of writing the market reaction has been negative with concerns over extra borrowing moving gilt yields higher. The coming days will see if this pattern continues.

Historic Performance*

Time Period: 06/11/2019 to 05/11/2024



— Baseline Benchmark 5

28.5%

Calendar Year Returns*

Data Point: Return Calculation Benchmark: Baseline Benchmark 5

	2019	2020	2021	2022	2023
Baseline Benchmark 5	14.05	9.56	8.42	-10.44	10.45

Cumulative Return*

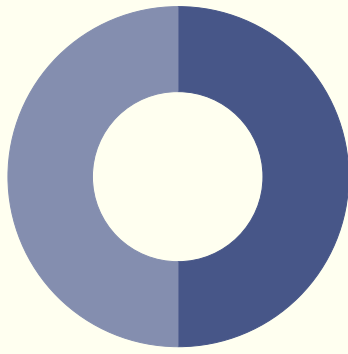
Data Point: Return Calculation Benchmark: Baseline Benchmark 5

	YTD	3 Months	6 Months	1 Year	3 Years	5 Years
Baseline Benchmark 5	8.49	4.00	5.00	15.04	6.44	28.49

*To comply with FCA regulations we are unable to provide performance numbers for this portfolio until it has a track record of at least 12 months. For context, we have provided the historic performance of the suitable benchmark but this must not be taken as an indication of likely future performance.

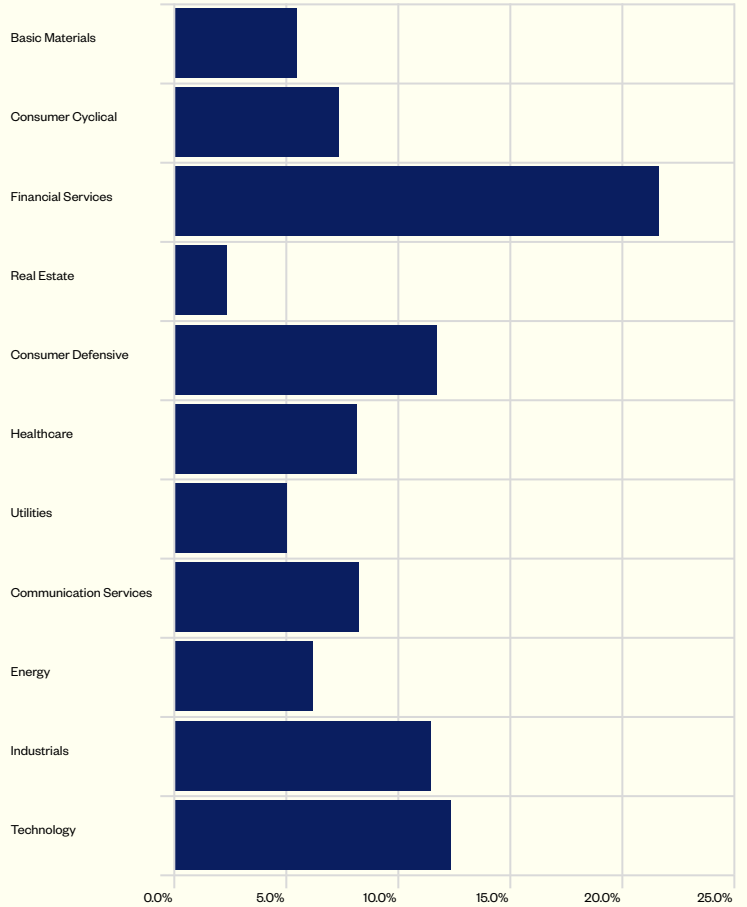
Asset Allocation - MKC Invest Income Focus 5

Portfolio Date: 10/01/2024



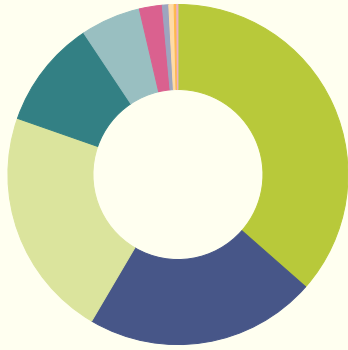
	Weighting (%)
Equity	50.0
Bond	50.0
Total	100.0

Equity Sector Exposure



Equity Regional Exposure - MKC Invest Income Focus 5

Portfolio Date: 31/10/2024



	Weighting (%)
United Kingdom	36.5
North America	22.0
Europe dev	21.9
Asia dev	10.3
Asia emrg	5.7
Australasia	2.2
Latin America	0.6
Africa/Middle East	0.5
Europe emrg	0.3
Japan	0.1
Total	100.0

Top 10 Underlying Securities:

Security	Portfolio Weighting %
Shell PLC	1.13
AstraZeneca PLC	1.13
Unilever PLC	1.12
HSBC Holdings PLC	1.04
Taiwan Semiconductor Manufacturing Co Ltd	0.94
Rio Tinto PLC Registered Shares	0.72
Apple Inc	0.70
Microsoft Corp	0.65
BP PLC	0.62
GSK PLC	0.59

Funds:

Funds	Portfolio Weighting %
Vanguard U.S. Govt Bd Idx £ H Dist	12.00
Schroder US Eq Inc Mxmsr L Inc £	10.00
Vanguard Global Credit Bond Inv GBPH Inc	10.00
Polar Optl Eurp Ex UK Inc I Inc	8.00
Fidelity Enhanced Income W Inc Monthly	7.00
Schroder UK-Listed Equity Inc MxmsrZ£Inc	7.00
Jupiter Monthly Income Bd U1 GBP Inc	6.00
Schroder Asian Income Maximiser L £ Inc	6.00
Aegon High Yield Bond GBP B Inc	5.00
Fidelity Global Enhanced Income W Mlthly	5.00
Liontrust Sust Fut Mn Inc Bd P Grs Inc	5.00
M&G Dividend GBP I Inc	4.00
Artemis SmartGARP Gilb EM Eq I Inc GBP	3.00
ArtemisFds(Lux) SD Gilb HY Bd FI GBP IncH	3.00
L&G All Stocks Gilt Index I Inc	3.00
M&G Short Dated Corp Bd GBP I Inc	3.00
MI TwentyFour Core Corp Bd A Grs Inc	3.00

Historic Yield*:

Baseline Benchmark 5: 2.09%
Income Focus 5: 5.26%

Costs and Charges:

Underlying fund costs: 0.49%
DIM Charge: 0.20%
Total Cost: 0.69%

Portfolio performance has been calculated using Morningstar Direct and is believed accurate based on the standard pricing of any underlying investment funds held in the portfolio. In some cases, clients may benefit from additional discounts to those same funds on their chosen custody platform. This will cause differences between actual performance and the performance calculated by Morningstar. We expect in all cases that these differences, where present, will be to investors' advantage.

*These yield figures are backward-looking and indicate the typical percentage yield from share dividends, bond coupons or other forms of earned investment income that would have been received over the period stated. Future yields are likely to differ substantially from historic yields.

Important Information:

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