

MKC Invest Income Focus 5 November 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:

The re-election of Donald Trump was the catalyst for a solid month for US equities with the prospect of lower tax viewed as a positive for US companies. Other regions saw more varied returns as the prospect of tariffs and a wider trade war weighed on investor sentiment.

The interest rate cutting cycle continued with both the Federal Reserve (US) and the Bank of England lowering policy rates, which came as an increase in inflation was causing the market to question the pace of future easing. Although bond yields moved lower in the latter half of the month, they remain well above the level seen at the end of the summer.

In the UK the aftermath of October's budget continued, again putting upwards pressure on bond yields. This situation was not improved when figures showed that GDP growth was just 0.1% for Q3 2024, well below the 0.5% figure for Q2.

The month ended with the French Prime Minister, Michel Barnier, attempting to get a deficit reducing budget through Parliament. This seems unlikely to happen meaning a vote of no confidence is a distinct possibility. The uncertainty caused French equities to fall and the spread (difference) between French and German debt to widen further.

Historic Performance*

Time Period: 06/12/2019 to 05/12/2024



— Baseline Benchmark 5

33.9%

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*

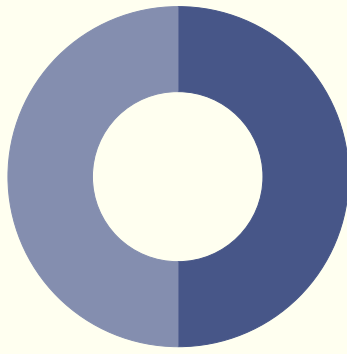
Data Point: Return Calculation Benchmark: Baseline Benchmark 5

	YTD	3 Months	6 Months	1 Year	3 Years	5 Years
Baseline Benchmark 5	12.24	5.46	7.22	15.73	11.54	33.88

*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.

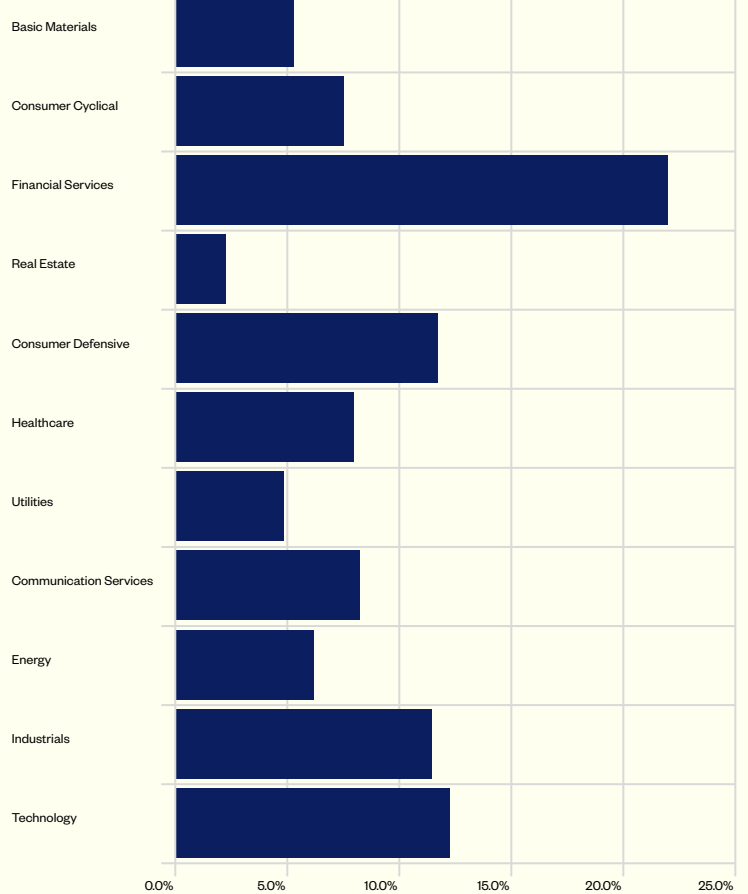
Asset Allocation - MKC Invest Income Focus 5

Portfolio Date: 10/01/2024



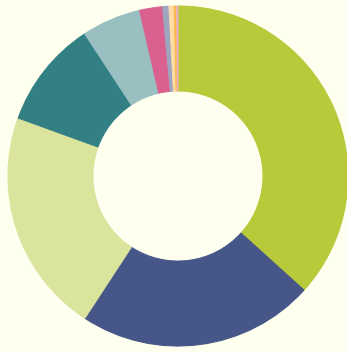
	Weighting (%)
Equity	50.0
Bond	50.0
Total	100.0

Equity Sector Exposure



Equity Regional Exposure - MKC Invest Income Focus 5

Portfolio Date: 30/11/2024



	Weighting (%)
United Kingdom	36.7
North America	22.5
Europe dev	21.3
Asia dev	10.2
Asia emrg	5.6
Australasia	2.2
Latin America	0.6
Africa/Middle East	0.5
Europe emrg	0.2
Japan	0.1
Total	100.0

Top 10 Underlying Securities:

Security	Portfolio Weighting %
Shell PLC	1.19
Unilever PLC	1.13
AstraZeneca PLC	1.11
HSBC Holdings PLC	1.10
Taiwan Semiconductor Manufacturing Co Ltd	0.90
Apple Inc	0.74
Rio Tinto PLC Registered Shares	0.73
Microsoft Corp	0.67
NVIDIA Corp	0.65
BP PLC	0.63

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 GBP H 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 Glb EM Eq I Inc GBP	3.00
ArtemisFds(Lux) SD Glb 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: 2.11%
Income Focus 5: 5.28%

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:

The portfolio is run on a discretionary management basis by MKC Investment Management Ltd for advised clients of MKC Wealth Ltd only. MKC Investment Management Ltd is a discretionary investment firm authorised and regulated by the Financial Conduct Authority (FRN:966731). Registered in England No 13475203. Registered office Walsingham House, 35 Seething Lane, London, EC3N 4AH. MKC Investment Management Ltd and MKC Wealth Ltd are part of the same group of companies. This publication is for UK based retail investors who have engaged with MKC Wealth Ltd for their financial planning services. Distribution or sharing of this publication is not permitted without authorisation from MKC Investment Management Limited. MKC Investment Management Limited investment portfolios are only available to retail investors who have been provided with a personal recommendation to invest from their MKC Wealth financial adviser. The value of investment may go up and down and you may get back less than you invested. All assets are dominated in UK Sterling. The investment or investment service may not be suitable for all recipients of this publication. If in doubt speak to your MKC Wealth Financial Adviser.