

MKC Invest Income Focus 5

February 2025

Portfolio Objective:

Inception Date: 01.07.2024

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.

MKC Wealth
Risk Rating

Equity Target

Balanced

50%

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

Market Overview:

February saw a continuation of the shift away from US exceptionalism, as uncertainty surrounding the Trump administration's policies weighed on sentiment. This, combined with concerns over future growth, led to a retreat in US stock markets. The situation was exacerbated by weakness in the tech sector, which fell following news of a Chinese AI rival, DeepSeek.

In Europe, the US stance on the conflict in Ukraine had a positive impact on equity markets. The likelihood of a ceasefire, which could lower energy prices, buoyed markets, with defence-related stocks performing particularly strongly. Optimism was further boosted by the election of a new German government and its plans to relax fiscal constraints, which could support growth.

European bond markets presented a contrasting picture, with yields rising despite the European Central Bank's readiness to cut rates. Meanwhile, US bond yields fell as concerns about trade tariffs harming the economy and potentially leading to recession outweighed inflation fears.

Historic Performance*

Time Period: 04/03/2020 to 03/03/2025



— Baseline Benchmark 5

32.1%

Calendar Year Returns*

Data Point: Return Calculation Benchmark: Baseline Benchmark 5

	2020	2021	2022	2023	2024
Baseline Benchmark 5	9.56	8.42	-10.44	10.45	10.63

Cumulative Return*

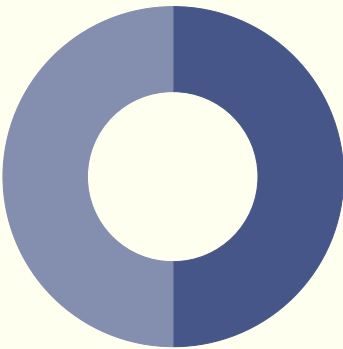
Data Point: Return Calculation Benchmark: Baseline Benchmark 5

	YTD	3 Months	6 Months	1 Year	3 Years	5 Years
Baseline Benchmark 5	0.90	-0.64	4.47	8.72	16.09	32.05

*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.

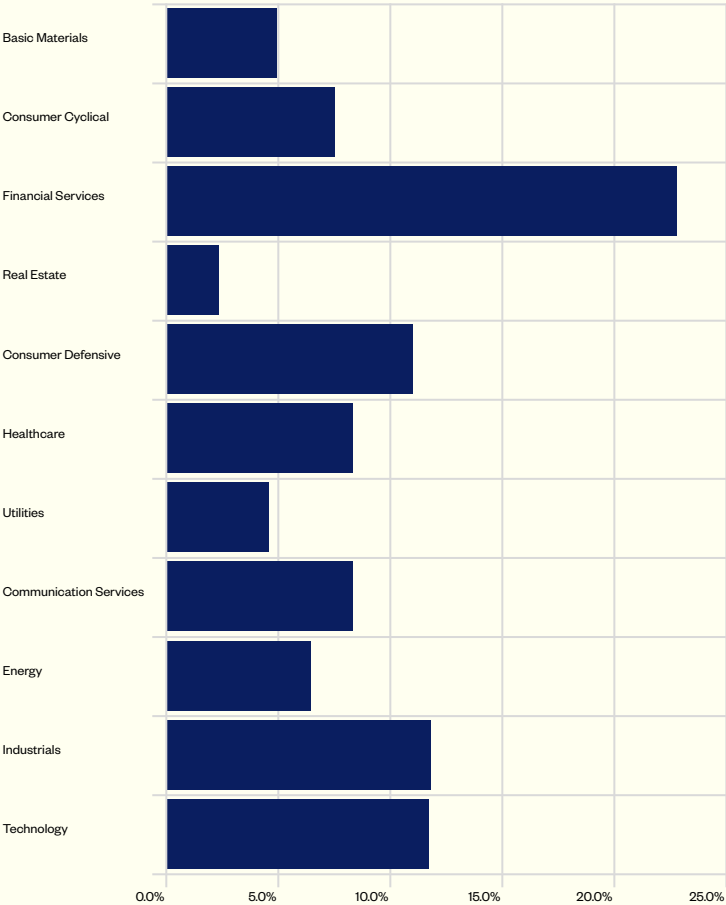
Asset Allocation - MKC Invest Income Focus 5

Portfolio Date: 10/01/2024



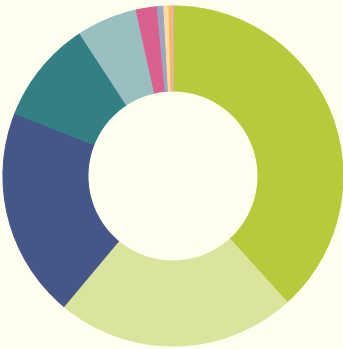
	%
Equity	50.0
Bond	50.0
Total	100.0

Equity Sector Exposure



Equity Regional Exposure - MKC Invest Income Focus 5

Portfolio Date: 28/02/2025



	%
United Kingdom	38.3
Europe dev	22.8
North America	19.9
Asia dev	9.8
Asia emrg	5.7
Australasia	2.0
Latin America	0.6
Africa/Middle East	0.5
Europe emrg	0.3
Japan	0.1
Total	100.0

Top 10 Underlying Securities:

	Portfolio Weighting %
HSBC Holdings PLC	1.33
Shell PLC	1.21
AstraZeneca PLC	1.18
Unilever PLC	1.08
Taiwan Semiconductor Manufacturing Co Ltd	0.94
British American Tobacco PLC	0.70
BP PLC	0.69
Apple Inc	0.63
NVIDIA Corp	0.61
GSK PLC	0.58

Historic Yield*:

Baseline Benchmark 5: 2.20%
Income Focus 5: 5.46%

Costs and Charges:

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

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 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

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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