

## Luna MPS Active 5



As of 31/10/2022

### Objective

The primary objective of this portfolio is to achieve high levels of capital growth and therefore adopts a higher risk approach. The portfolio has a significant allocation to equities and other risk assets.

### Key Information

|                              |                        |
|------------------------------|------------------------|
| Launch Date                  | 01/06/2020             |
| Initial Fee                  | 0%                     |
| Luna AMC                     | 0.25%                  |
| Ongoing Charge Figure (%) ** | 0.60                   |
| Running Yield (%) *          | 2.14                   |
| Number of Holdings           | 22                     |
| Performance Comparator       | IA Flexible Investment |

\* This is the weighted yield across the underlying holdings

\*\* This is the weighted OCF across the underlying holdings and does not include incidental/transactional costs.

### Investment Growth

Time Period: 01/06/2020 to 31/10/2022



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113.8 — IA Flexible Investment

112.2

### Total Return - Trailing

Data Point: Return

|                        | 3 Months | 6 Months | YTD   | 1 Year | 3 Years | 5 Years |
|------------------------|----------|----------|-------|--------|---------|---------|
| Luna MPS Active 5      | -3.4     | -6.2     | -13.2 | -12.6  | —       | —       |
| IA Flexible Investment | -4.1     | -6.0     | -11.3 | -10.1  | 3.1     | 2.9     |

Performance Calculation: All income is reinvested. Performance is shown inclusive of underlying fund charges but gross of Luna's investment management charge. Deduction of this charge will have the result of reducing the illustrated performance. A platform charge is applicable. Please refer to your investment adviser or investment administrator for details. Performance is calculated through Morningstar Direct and provided for illustrative purposes only and should not be viewed as the performance of a specific client account. The IA sector used is a relevant performance comparator for this MPS, with IA standing for Investment Association. Inception Date of 01 June 2020.

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### Investment Team

The Luna Model Portfolios are created by the Luna Investment Committee, that includes the Luna Chief Investment Officer, Alex Brandreth, and the Thornbridge Chief Investment Officer, James Bedford. Alex Brandreth joined Luna in March 2020 and is responsible for co-ordinating the overall investment strategy at Luna from asset allocation to security selection.

### Market Commentary

UK political developments continue to take centre stage. We now have a new Prime Minister, another new Chancellor and with it almost a complete reversal of the "mini-budget" announced at the end of September. The government U-turn has been welcomed by markets with sterling recovering from its lows, UK government bond (Gilts) prices picking up and global stock markets having a strong month. The Dow Jones Industrial Average surged 14% in October, its best month since January 1976. The Nasdaq Composite, which is more heavily weighted in technology and growth stocks, added less than 4% during the month. The S&P 500 split it down the middle, adding 8% in October. These returns are in US dollar terms and the recovery in the pound would have detracted for a UK investor. Closer to home, the FTSE 100 delivered a total return of 2.99%.

It was a mixed month from an economic data perspective in the UK; unemployment fell to the lowest level for 50 years, however, gross domestic product (GDP) is estimated to have fallen by 0.3% in August 2022. As well as this, a number of surveys produced

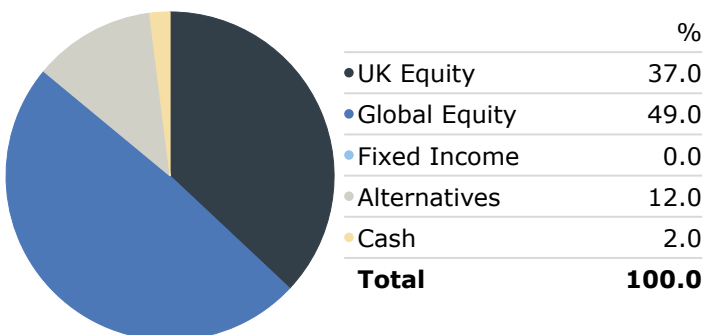
monthly to gauge the current strength of the manufacturing and service sectors moved into contraction territory. This weaker data is increasing the probability that the economy has gone into recession already.

The final two months of the year will be dominated by the same headlines that we have seen already in 2022. Now that the Chinese National Congress has finished, will the party look to change their Covid approach? Inflation in developed nations has probably now peaked, but how quickly does it fall back to more "normal" levels? Central banks will continue to move interest rates higher when they meet in November and December but when will they blink in the wake of a weakening economic backdrop? To top it off we also have US midterm elections to look forward to in November. From a seasonal and US election cycle perspective we are moving into traditionally a stronger period for stock markets.

### Top 10 Holdings

|  | Portfolio Weighting % |
|--|-----------------------|
| L&G UK Index I Acc                       | 13.1                  |
| LF Lindsell Train UK Equity Acc          | 6.9                   |
| JOHCM UK Equity Income Y GBP Inc         | 6.2                   |
| Atlantic House Defined Ret B GBP Acc     | 6.2                   |
| abrdn UK Income Unconstrained Eq P1 Acc  | 6.0                   |
| JPM US Equity Income C Net Acc           | 5.1                   |
| iShares North American Eq Idx (UK) D Acc | 5.1                   |
| Baillie Gifford American B Acc           | 4.8                   |
| Baillie Gifford Emerging Mkts Gr B Acc   | 4.6                   |
| L&G Global Health & Pharma Index I Acc   | 4.1                   |

### Asset Allocation



Luna Investment Management Ltd is a Company registered in England and Wales, registered number 12280396. Luna Investment Management Limited is an Appointed Representative of Thornbridge Investment Management LLP. Thornbridge Investment Management LLP is Authorised and Regulated by the Financial Conduct Authority (FCA No.713859) and is the Investment Manager on the portfolio. Past performance is not a guide to future performance. The value of investments and any income from them can fall and you may get back less than you invested. Although the majority of holdings will be sterling denominated, the MPS is still exposed to currency fluctuations and fluctuations in currency value will mean that the value of your investment will move impact the holding. The information contained in this documentation has been taken from sources stated and is believed to be reliable and accurate, but without further investigation cannot be warranted as to accuracy or completeness. The MPS has a high level of liquidity because of the fact that the underlying funds held are all daily traded, and any purchases/sales settle on a T+2 basis. For further information, please refer to our conflicts policy which is available on request.