

Luna MPS Passive Income 1



As of 30/04/2023

Objective

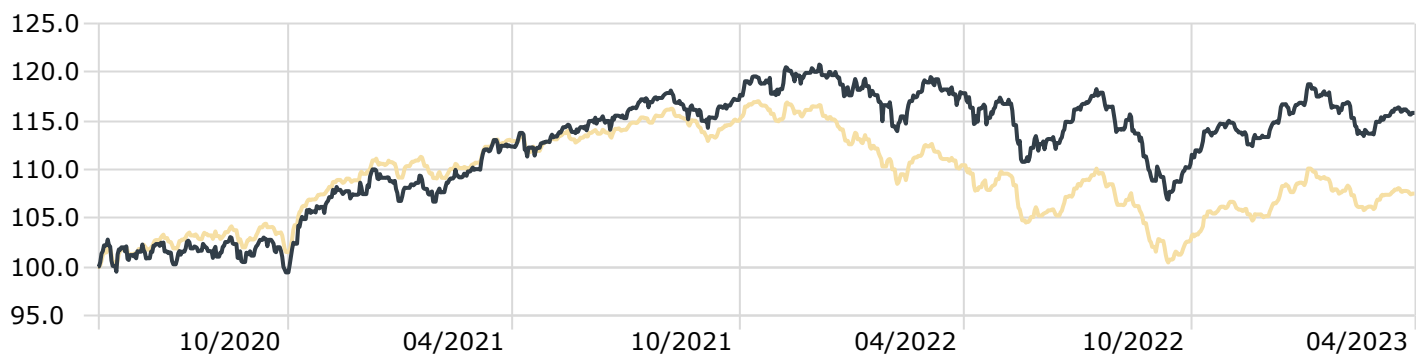
The primary objective of this portfolio is to achieve a low to moderate level of capital growth and the portfolio therefore adopts a low to moderate risk approach. It is anticipated that a substantial proportion of the total return will come from income. The portfolio is diversified across a range of asset classes, and is broadly equally invested in equities, fixed income and alternative assets.

Key Information

Launch Date	01/06/2020
Initial Fee	0%
Luna AMC	0.2%
Ongoing Charge Figure (%) **	0.34
Running Yield (%) *	3.00
Number of Holdings	29
Performance Comparator	IA Mixed 20-60% Shares
* 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 30/04/2023



— Luna MPS Passive Income 1 115.8 — IA Mixed Investment 20-60% Shares 107.5

Total Return - Trailing

Data Point: Return

	3 Months	6 Months	YTD	1 Year	3 Years	5 Years
Luna MPS Passive Income 1	-0.7	4.7	2.2	-1.7	—	—
IA Mixed Investment 20-60% Shares	-0.8	4.7	2.2	-2.6	3.4	1.8

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.

Luna Investment Management Ltd is a Company registered in England and Wales, registered number 12280396. Luna Investment Management Limited (FRN: 923454) is an appointed representative of Thornbridge Investment Management LLP (FRN: 713859) which is authorised and regulated by the Financial Conduct Authority 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.

Source: Luna Investment Management and MorningstarDirect.

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Investment Team

The Luna Model Portfolios are managed 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. Alex is supported by Ben Eardley, the Deputy Fund Manager, who joined Luna in September 2020.

Market Commentary

Fears over a global banking crisis continue to dominate the headlines. During April these fears initially reduced following the wave of support from governments/central banks and takeover activity in March but as the month end approached a number of the US regional banks saw their share prices again under pressure. This was driven by the headlines highlighting the staggering amount of deposits moving away from these banks; First Republic lost \$102 billion in deposits last quarter. Credit Suisse lost more than 200 billion francs of customer deposits over a six-month period. The US regional banks have not had the same amount of regulatory oversight and capital requirements as their larger peers, which is why these concerns remain. That is not the same approach as taken in the UK and Europe where significant recapitalisation has happened over the last 15 years and why at Luna we feel a global banking crisis seems an unlikely event. Importantly, the response by central banks, governments and other banks has been swift in tackling this issue and that needs to continue to shore up confidence in the US regional banking sector.

Another main topic remains the stubbornly high inflation in the UK. It was expected that CPI would fall below the 10% in April but it stayed just over that figure at 10.1%. Looking forward, some of the biggest drivers to inflation appear to be easing which should see annual inflation start to fall; the 40% increase in gas and electricity prices drop out of the annual comparator, and as such, inflation will likely fall to between 7-8% in April.

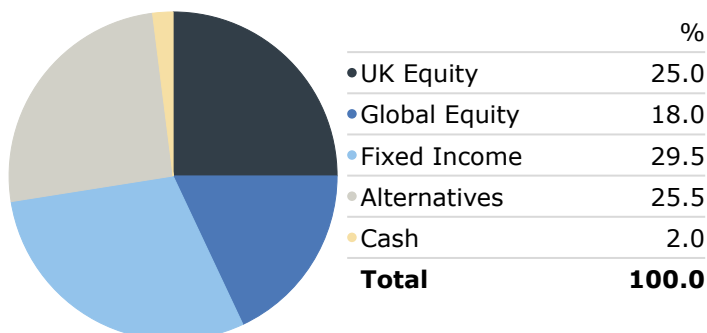
Against this backdrop the FTSE 100 was one of the best performing global markets, registering a total return of just over 3.4%* during the month. On the flip side, the Chinese stock markets demonstrated high levels of volatility and the Hang Seng closed over 4%* lower. Safe haven assets performed well in March, but they lost some of their shine in April, UK Government Bonds therefore fell in value during the month. The US S&P 500 ended the monthly basically flat after a very strong first quarter.

*Source: Morningstar Direct

Top 10 Holdings

	Portfolio Weighting %
Vanguard FTSE UK Eq Inc Idx £ Inc	9.2
L&G UK Index I Acc	9.2
iShares UK Dividend ETF GBP Dist	5.1
L&G All Stocks Gilt Index I Acc	4.9
Royal London Short Duration Gilts M Inc	4.5
iShares Envir&Lw Carb Tilt REIdx(UK)DInc	4.0
Atlantic House Defined Ret B GBP Acc	4.0
Trojan Fund X Accumulation	4.0
Baillie Gifford High Yield Bond B Inc	4.0
iShares ESG Ovrs Corp Bd Idx (UK) D Inc	4.0

Asset Allocation



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