

## Luna MPS ESG 5



As of 31/08/2024

### 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. The funds selected in this portfolio rate highly from an ESG perspective.

### Key Information

Launch Date	01/03/2021
Initial Fee	0%
Luna AMC	0.25%
Ongoing Charge Figure (%) **	0.59
Running Yield (%) *	1.44
Number of Holdings	19
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: 01/03/2021 to 31/08/2024



— Luna MPS ESG 5

120.9 — IA Flexible Investment

115.4

### Total Return - Trailing

Data Point: Return

	3 Months	6 Months	YTD	1 Year	3 Years	5 Years
Luna MPS ESG 5	3.4	5.0	7.7	13.5	5.3	—
IA Flexible Investment	1.9	5.1	6.8	11.8	5.3	28.6

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.

## Luna MPS ESG 5



As of 31/08/2024

### 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 Seldian Curri, the Deputy Fund Manager, who joined Luna in March 2023.

### Market Commentary

The first cut is the deepest. August began with the first interest rate cut of this cycle in the UK and was quickly followed by a bout of volatility in markets, triggered by the combination of a weaker jobs data point from the US and investors unwinding the Japanese yen carry trade. As the month progressed, however, calmness returned. August can often be a more volatile ride because of holidays attributing to lower liquidity in markets.

The biggest market gyrations were in Japan, with an interest rate increase triggering the yen to strengthen against other major currencies and their stock market coming under pressure. UK and US equity markets were also under pressure, but less so. As the month progressed markets regained their composure and eked out a positive month as the UK and US stock markets moved to all-time highs.

With inflation back at the Bank of England target alongside anaemic growth in the UK, we always felt it was a matter of when the first interest rate cut would

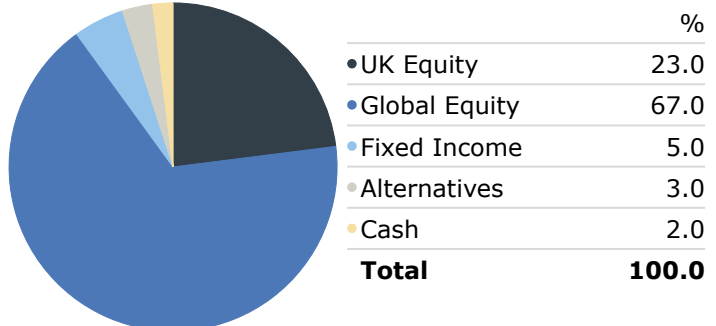
come in the UK. That duly came on the first day of the month with interest rates reducing from 5.25% to 5%. It looks likely that the Federal Reserve will also join the party in September. We anticipate that this will be the first of many interest rate reductions over the coming year, but this will ultimately be dependent upon the health of the economy.

Much of the last year has been focussed on the Artificial Intelligence phenomenon, with Nvidia being the main beneficiary of this transition. It was therefore interesting to view their financial results when they were released at the end of the month. The company continues to grow as they recording \$30.04bn in revenue over the past three months, a 122% jump from the year prior. The news wasn't enough to support the share price and despite this level of growth the shares slipped from their highs.

### Top 10 Holdings

	Portfolio Weighting %
L&G Future World ESG Dev Idx I GBP Acc	14.8
Fundsmith Sustainable Equity I Acc	8.1
iShares Japan Equity ESG Idx (UK) D Inc	7.9
iShares MSCI USAQualDiv ESG ETF USD Dis	6.9
Fidelity Global Dividend W Acc	6.3
Trojan Ethical Income X Inc	6.2
FTGF CB US Eq Sust Ldrs X GBP Acc	5.9
Royal London Sustainable Leaders C Acc	5.2
Stewart Inv Gbl EM Sustnby B GBP Acc	4.8
L&G Future World ESG UK 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 (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.