

## Luna MPS Passive 3



As of 31/12/2024

### Objective

The primary objective of this portfolio is to achieve a moderate level of capital growth. The portfolio is diversified across different asset classes and adopts a moderate risk approach.

### Key Information

Launch Date	01/06/2020
Initial Fee	0%
Luna AMC	0.2%
Ongoing Charge Figure (%) **	0.28
Running Yield (%) *	2.55
Number of Holdings	26
Performance Comparator	IA Mixed 40-85% 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 31/12/2024



— Luna MPS Passive 3 137.5 — IA Mixed Investment 40-85% Shares 131.5

### Total Return - Trailing

Data Point: Return

	3 Months	6 Months	YTD	1 Year	3 Years	5 Years
Luna MPS Passive 3	1.5	3.2	9.3	9.3	10.3	—
IA Mixed Investment 40-85% Shares	1.2	2.8	8.9	8.9	5.7	24.0

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.

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

### Market Commentary

Happy New Year. 2024 was a strong year for investors both in equities and bonds but December was a slightly trickier month with some of the gains after the US election being given back. During the month, we also saw the Federal Reserve cut interest rates again, but the Bank of England decided to hold as inflation remains slightly above the central bank target.

Bond markets were generally weaker during the month, this was a reflection that inflation is likely to be 'stickier'. In the UK we saw the Consumer Price Index (CPI) increase to 2.6% and economic growth appears to be stagnant in response to the October Budget. There was 0% growth registered in the third quarter and the economy contracted by 0.1% in the month of September. Across the pond, the new President's policies have the potential to accelerate economic growth and inflation. This means that interest rates in the UK and US might not come down as quickly as hoped in 2025. Federal Reserve Chair Jerome Powell stated this in his press conference after US interest rates were cut again in December. These are the main

reasons why global bond markets sold off during the month.

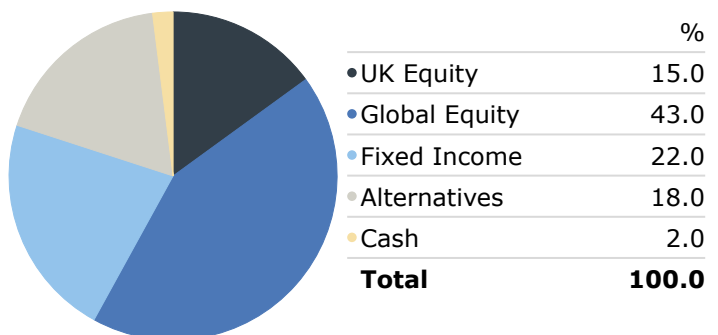
Stock markets were mixed in December, with Asian markets (Nikkei 225 and Hang Seng) posting gains for the month but most US and European (FTSE All Share and MSCI Europe) registering losses. It is important to remember that this is only one month and that markets had a very strong 2024 in general. This was also on the back of a very strong US equity market in November, therefore there was certainly an element of giving back some of the gains in the immediate aftermath of the Trump election win.

Politics in Europe continue to cause uncertainty with German Chancellor Olaf Scholz losing a confidence vote. It is almost certain now that Germans will head to the polls for an election on the 23rd February. In France Michel Barnier became the first Prime Minister to be ousted in a no-confidence vote since 1962. He was replaced by Centrist François Bayrou.

### Top 10 Holdings

	Portfolio Weighting %
Fidelity Index World P Acc	9.0
Atlantic House Defined Ret B GBP Acc	6.0
L&G UK Index I Acc	6.0
Fidelity Index Japan P Acc	5.0
Fidelity Index US P Acc	5.0
iShares Corporate Bond Index (UK) D Inc	5.0
Trojan Fund X Accumulation	5.0
iShares \$ TIPS 0-5 ETF GBP H Dist	4.0
iShares MSCI USAQualDiv ESG ETF USD Dis	4.0
L&G All Stocks Gilt Index I Acc	4.0

### Asset Allocation



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