

## Luna MPS Passive 3



As of 28/02/2025

### 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

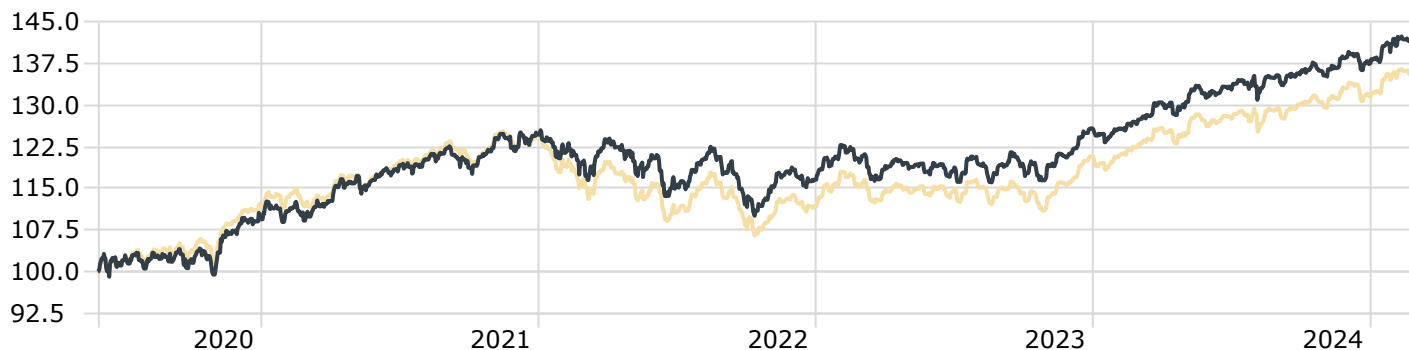
Launch Date	01/06/2020
Initial Fee	0%
Luna AMC	0.2%
Ongoing Charge Figure (%) **	0.28
Running Yield (%) *	2.45
Number of Holdings	26
Performance Comparator	IA Mixed 40-85% Shares

\* 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 28/02/2025



— Luna MPS Passive 3 140.4 — IA Mixed Investment 40-85% Shares 134.3

### Total Return - Trailing

Data Point: Return

	3 Months	6 Months	YTD	1 Year	3 Years	5 Years
Luna MPS Passive 3	1.3	3.7	2.1	10.8	17.3	—
IA Mixed Investment 40-85% Shares	0.9	3.8	2.1	9.7	15.2	33.2

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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As of 28/02/2025

### 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

It's certainly been an eventful start to the year and that continued at a pace in February. We saw interest rates cut, inflation picking up, tariffs and seesawing activity on the end of the conflict in Ukraine.

There seems to be a global will for the war in Ukraine to be brought to a halt with numerous meetings held during the month. Whilst this would be a clear positive for the people of Europe. The initial market response when Russia invaded Ukraine was a spike in commodity prices, most notably in Energy markets. Therefore, an end to the conflict could also see a slight reverse in Energy prices. This would be welcome by governments because it would provide some relief on inflation, which is proving to be stickier. Equally, a lower energy price would be welcome to European corporates that would see input costs fall and higher profitability.

Closer to home, the Bank of England decided to cut interest rates to 4.5%, the lowest base rate since June 2023. This was despite inflation figures released in the

month showing that the Consumer Price Index (CPI) has increased to 3%, above the 2% central bank target. The commentary around inflation from the central bank is also that inflation will continue to pick up over the coming months due to price increases coming through in April, whether that be Water, Energy, National Living Wage, and price increases following on from the budget.

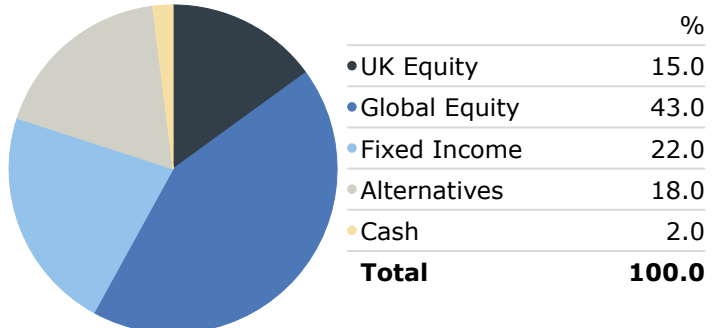
The Ukraine developments, coupled with relatively low valuations seems to be propelling UK and European equities in 2025. February was another strong month with European markets again stronger in February. US stocks were weaker during the month, a reflection of slightly weaker economic growth data and higher valuations. The strongest market was China, driven by a boost in sentiment towards the Technology sector.

Weaker economic data out the US had an impact on bond markets, with the expectation that the Federal Reserve will cut interest rates quicker in 2025 feeding through to lower bond yields and therefore higher prices due to their inverse relationship.

### Top 10 Holdings

	Portfolio Weighting %
Fidelity Index World P Acc	8.9
L&G UK Index I Acc	6.3
Atlantic House Defined Ret B GBP Acc	6.0
Trojan Fund X Accumulation	5.0
Fidelity Index Japan P Acc	5.0
iShares Corporate Bond Index (UK) D Inc	5.0
Fidelity Index US P Acc	4.8
Vanguard FTSE UK Eq Inc Idx £ Inc	4.2
Vanguard LifeStrategy 40% Equity A Acc	4.0
iShares \$ TIPS 0-5 ETF GBP H Dist	4.0

### Asset Allocation



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