

Luna MPS ESG 5



As of 30/04/2025

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 (%) **	0.55
Running Yield (%) *	1.41
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 30/04/2025



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116.8 — IA Flexible Investment

114.5

Total Return - Trailing

Data Point: Return

	3 Months	6 Months	YTD	1 Year	3 Years	5 Years
Luna MPS ESG 5	-9.0	-3.1	-5.5	1.1	9.7	—
IA Flexible Investment	-6.2	-1.4	-2.9	2.0	9.6	35.9

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 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

President Donald Trump has certainly arrived with a bang. Liberation Day came on the 2nd April, when the President outlined his plans on rebalancing global trade. This has added uncertainty to global supply changes, cast a shadow over globalisation, and dented the confidence of US consumers and businesses. The risk to the US of stagflation, a period of higher inflation and lower growth, has increased. Whether or not that tips the world's largest economy into a recession is unknown but the risks are higher. The news subsequently led to a 'run' on US assets, with equity markets lower, bond yields higher and a weakening of the US dollar.

The US government bond market reaction may be one of a surprise. During periods of uncertainty investors would expect safe-haven assets to provide protection but such was the negative outlook from the developments the bond market wasn't immune from the selling pressure. In fact, it was the moves in the bond markets, that many investors believe, led to the 90 day pause on tariffs on all countries except China, with a 10% rate being applied a week later on the 9th April.

The pause was welcome and it allows businesses to plan supply chains and limit shortages of goods being imported by the US. Markets therefore rallied on the news and ended the month pretty much where they started. The US markets though were still lower to a sterling investor due to the weakening of the US dollar. However, the outlook remains uncertain given that businesses will still not know which countries and what level tariffs are being applied at.

It is difficult to predict the next steps. We are dealing with significant government policy that is changing. The longer this goes on, the greater the chance of a US recession. The sooner that trade deals are agreed then the better for all parties. April does highlight why taking a longer term approach to investing is appropriate. We have short term volatility in both directions at the moment but it is important to note that markets do tend to deliver stronger returns over the long term. Making knee jerk reactions to constant change, such as selling at the bottom, could have made for bad investment decisions in April.

Top 10 Holdings

	Portfolio Weighting %
L&G Fut Wld ESG Tilted & OptdDevIdxIEAcc	14.7
iShares Jpn Eq ESG Scrn & Optd IdxUKDInc	8.2
Fundsmith Stewardship Fund I Acc	7.9
iShares MSCI USAQualDiv Advcd ETF USDDis	6.7
Fidelity Global Dividend W Acc	6.2
Trojan Ethical Income X Inc	6.1
FTGF CB US Eq Sust Ldrs X GBP Acc	5.9
Stewart Inv Gbl EM All Capnby B GBP Acc	5.1
Royal London Sustainable Leaders C Acc	5.1
Premier Miton Responsible UK Eq C acc	4.2

Asset Allocation

