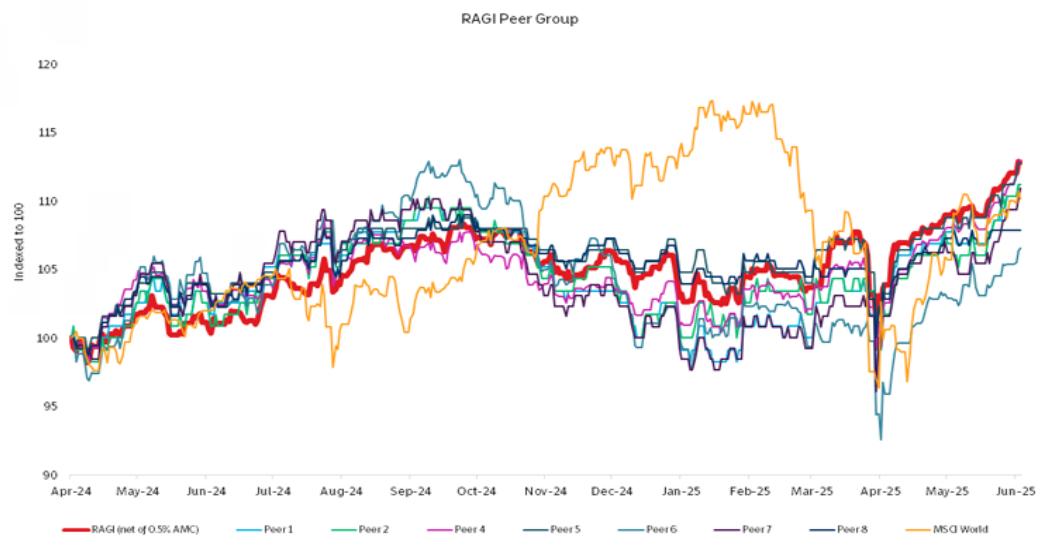


Momentum Real Assets Growth & Income (RAGI) a year on

By Richard Parfect



Source: Momentum Global Investment Management, Bloomberg Finance L.P., data to end 11 June 2025.

What this chart shows

Having been running for over a year we thought it was worth taking stock of progress of the Fund we launched in April 2024 to capitalise on the attractive opportunities in the listed investment trust space focussed on real assets as opposed listed equities.

The fund was designed to take advantage of the varied opportunities within the listed investment trust space to gain access to the types of investment that are not otherwise attainable through a normal UCITS open ended fund structure. We took the decision to include a broader range of assets: property, infrastructure, private equity, specialist debt and leasing along with a defensive liquidity sleeve of gold, government debt and uncorrelated fund strategies to provide a degree of cushioning from the share price volatility that can exist.

The chart shows RAGI achieving a return of 12.9% since inception which is ahead of its targeted annual return of 7% through the cycle. Furthermore, it has outperformed a set of peer funds and with less volatility. Stock selection and the defensive assets have both played a part here, for example the fund started with an overweight position in gold in 2024, which was then reduced into the metal's strength to fund reinvestment into other under-valued assets.

In addition, it is also notable that, although not necessarily designed to do so, RAGI's returns are ahead of global equities, as the dominant strength of US equities is now being called into question.

Why this is important

As we have written several times during the last 2 or 3 years, this much-loved corner of the market has had more than its fair share of problems that resulted in a complete dislocation of share prices from realistic value. Those problems are slowly being worked through and in some cases reversed.

One important catalyst for change has been the emergence of corporate activity or "M&A". Trusts have received bids at around net asset value (NAV) and in some cases, at a premium to NAV. Since April 2024 RAGI has directly benefitted from this with bids in its holdings of: Hipgnosis Songs Fund, BBGI Global Infrastructure and Assura. In addition, other holdings such as PRS REIT are in the process of undertaking a sale of the underlying portfolio of assets with a view to return that capital to shareholders at a value that is a significant premium to where the shares had previously traded.

We appear to be in the foothills of the recovery for this sector and Boards are under increasing pressure to address the unsustainable discounts their companies are on. Not only are shareholders such as us applying pressure, there is also increased interest from overseas investors. North American investors are particularly attuned as the UK is often the first port of call for those seeking to divert funds away from the US.



Global Matters Weekly

16 June 2025

For more information, please contact your adviser or alternatively contact:

Belvest Investment Services Limited
研富投資服務有限公司
9th Floor, Centre Mark II
305-313 Queen's Road Central
Sheung Wan, Hong Kong

Tel +852 2827 1199
Fax +852 2827 0270
belvest@bis.hk
www.bis.hk

Important notes

This communication is issued by Belvest Investment Services Limited and/or Belvest related companies (collectively, and individually Belvest) solely to its clients, qualified prospective clients or institutional and professional investors. Unless stated otherwise, any opinions or views expressed in this communication do not represent those of Belvest. Opinions or views of any Belvest company expressed in this communication may differ from those of other departments or companies within Belvest, including any opinions or views expressed in any research issued by Belvest. Belvest may deal as Distributor or Agent, or have interests, in any financial product referred to in this email. Belvest has policies designed to negate conflicts of interest. Unless otherwise stated, this e-mail is solely for information purposes.

This message may contain confidential information. Any use, dissemination, distribution or reproduction of this information outside the original recipients of this message is strictly prohibited. If you receive this message by mistake, please notify the sender by reply email immediately.

Unless specifically stated, neither the information nor any opinion contained herein constitutes as an advertisement, an invitation, a solicitation, a recommendation or advise to buy or sell any products, services, securities, futures, options, other financial instruments or provide any investment advice or service by Belvest.

No representation or warranty is given as to the accuracy, likelihood of achievement or reasonableness of any figures, forecasts, prospects or return (if any) contained in the message. Such figures, forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. The assumptions and parameters used by Belvest are not the only ones that might reasonably have been selected and therefor Belvest does not guarantee the sequence, accuracy, completeness or timeliness of the information provided herein. None of Belvest, its group members or any of their employees or directors shall be held liable, in any way, for any claims, mistakes, errors or otherwise arising out of or in connection with the content of this e-mail.

This e-mail and any accompanying attachments are not encrypted and cannot be guaranteed to be secure, complete or error-free as electronic communications may be intercepted, corrupted, lost, destroyed, delayed or incomplete, and/or may contain viruses. Belvest therefore does not accept any liability for any interception, corruption, loss, destruction, incompleteness, viruses, errors, omissions or delays in relation to this electronic communication. If verification is required please request a hard-copy version. Electronic communication carried within the Belvest system may be monitored.