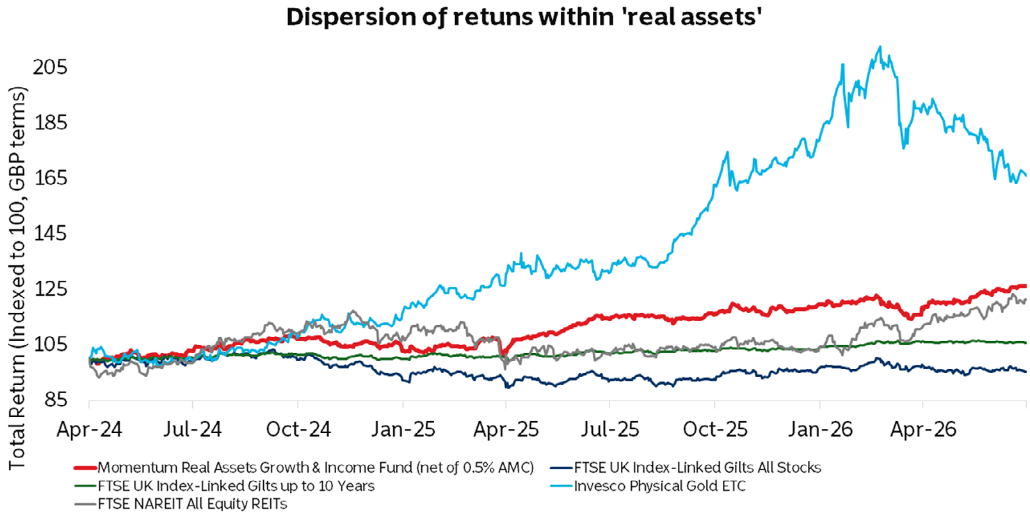
Global Matters Weekly

13 July 2026

Not all 'Real Assets' are equal

Richard Parfect



Momentum Real Assets Growth and Income Fund (RAGI) discrete annual performance (%) as at 30 June 2026

June 25-26	June 24-25	June 23-24	June 22-23	June 21-22
8.7%	13.6%	-	-	-

Source: Momentum Global Investment Management, Bloomberg Finance L.P. Data to 8 July 2026. RAGI perfomance share class R GBP. Past performance is not a guide to future performance.

What does the chart show?

The chart shows three asset types: Gold, property (REITs) and two measures of UK index-linked Gilts; that, individually, offer a means to protect against inflation over the long term. As can be seen their respective performances diverge significantly. The most dramatic performance has been gold which went through something of a euphoria bubble from September to February and then succumbed to an inevitable reckoning as it was used as a source of capital in the Iran/US/Israel war.

The fifth line represents our Real Assets Growth and Income Fund (RAGI) since its inception in April 2024. Over the period shown the Fund owns, or has owned, all three of the assets illustrated as well as others such as Infrastructure trusts. It demonstrates an outperformance of return alongside lower volatility with the exception of Gold. As it happens, the Fund actually exited Gold in February of this year when we felt it had become dislocated from its traditional 'risk off' defensive qualities and would be vulnerable to a sharp correction and therefore was no longer a defensive asset.

Even drilling into the world of 'Linkers'; sub 10 year index linked gilts have outperformed the UK index-linked Gilts All Stocks index as the effect of implied increased short term inflation expectations associated with the war had a greater positive impact for shorter dated linkers.

Why this is important

Firstly, it is another demonstration that diversification is important; secondly, active asset allocation can be useful when assets become dislocated from what might be considered 'normal' valuations.

RAGI has benefitted from a number of take-overs that have either been completed or just announced but yet to be accepted. The latest is the approach to Segro plc by Prologis of the US. They are offering 'Net Asset Value' which on face value may sound attractive given the shares were trading at a 30% discount earlier this year. However, such an offer does not reflect the substantial gains to be expected from the development and growing data centre arm of the business. We, and I suspect most other shareholders, would therefore not be prepared to accept such terms, whereas other REITs have been successfully taken out at material discounts to reported NAV; again demonstrating that in terms of quality, prospects and valuation not all real assets are born, live or die equally.

Global Matters Weekly

13 July 2026

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

Belvest 研富