

31 May 2024

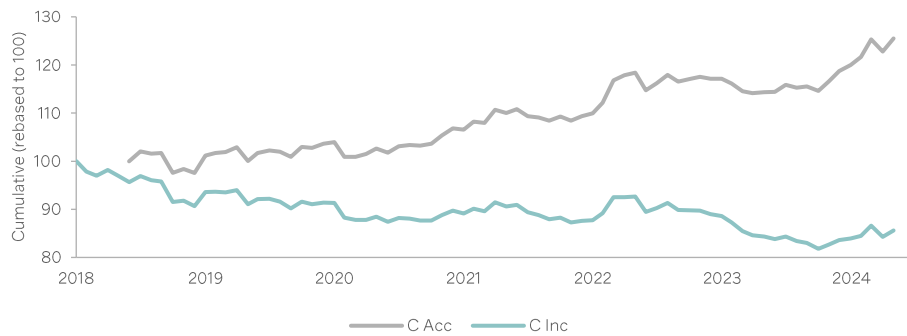
C Acc GBP Share Class (GB00BF0GWT58)
C Inc GBP Share Class (GB00BF8F7008)

This is a marketing communication for professional investors only

Investment Objective

The TM Fulcrum Income Fund aims to generate an annual income of 4.5% above the Bank of England Base Rate (before tax payable by the Fund) regardless of market conditions. In addition the Fund aims to preserve capital through aiming to control volatility to be less than half the volatility of the equity markets over rolling three year periods.

Performance



Returns (%) (Periods over 1 year are annualised)

	May	3 Months	1 Year	3 Years	5 Years	Since Inception
Total Return	2.2	3.2	9.7	4.5	4.6	3.2
Monthly Income Payment*	0.6	1.9	8.1	6.5	5.9	5.8
Capital Return	1.6	1.3	1.5	-1.9	-1.2	-2.4

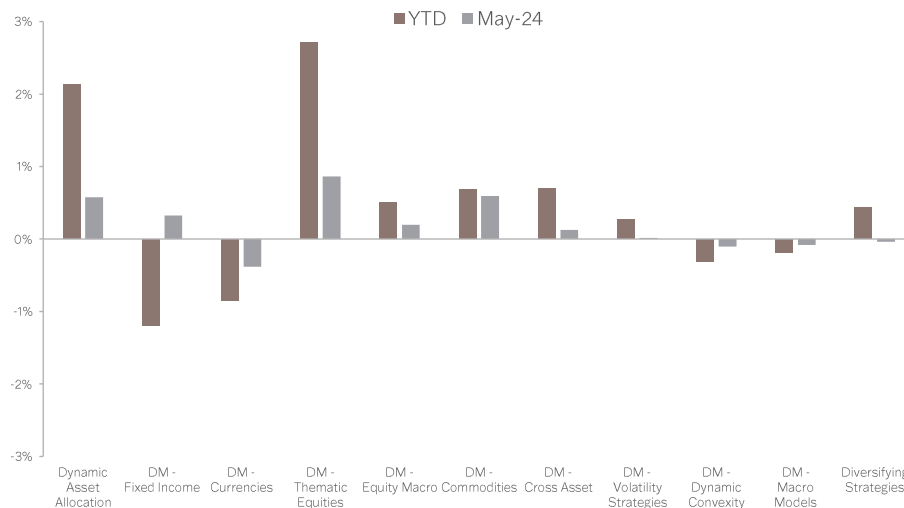
Monthly Returns (%) 2024

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Total Return	1.1	1.4	3.0	-2.0	2.2								5.7
Monthly Income Payment*	0.7	0.7	0.5	0.7	0.6								3.3
Capital Return	0.4	0.6	2.5	-2.7	1.6								2.4

12 Month Rolling Returns to May

	2024	2023	2022	2021	2020
Total Returns (%)	9.7	-3.4	7.6	7.2	2.6

Performance contribution by strategy¹



Source: Fulcrum Asset Management LLP

¹DM represents Discretionary Macro Strategies

*Actual monthly income distribution for Inc units. The Fund goes ex dividend on the first of every month covering income generated the previous month. Source: Fulcrum Asset Management LLP. Returns are shown in GBP net of fees. Past performance is not a guide to future performance and future returns are not guaranteed. NAVs provided by official third party administrator. The value of the investment and income from it can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested.

Key Facts

Legal Structure	UK OEIC (UCITS)
Domicile	United Kingdom
Fund Launch	31/01/2018
Fund AUM	£108m
Company AUM	£5.8bn

Share Class

Share Class	C Acc GBP
ISIN	GB00BF0GWT58
Ongoing Charge	0.98%
AMC	0.75%

Share Class	C Inc GBP
ISIN	GB00BF8F7008
Ongoing Charge	0.98%
AMC	0.75%
Currency Classes	GBP

Fund Facts

Administrator	J.P. Morgan Europe Limited
Custodian	J.P. Morgan Chase Bank, N.A. (London Branch)
Depository	National Westminster Bank Plc
Auditor	Deloitte LLP
Pricing	Daily
Dealing Frequency	Daily, 12:00 GMT
Report Date - Annual	31 March
Report Date - Interim	30 September



The FE fundinfo Crown Rating relates to this fund. The rating is supplied by the respective independent rating agency and is the latest available at the time this factsheet was issued.

Past performance is not a reliable indicator of future results.

Market commentary

Global equities and bonds saw positive returns in May, while the US dollar ended the month lower. In commodities, strong declines in energy prices offset increases in precious metals.

Markets were supported by a loosening in the global energy supply that caused oil prices to decline, alongside renewed optimism around the US inflation outlook, as data releases were closer to consensus than the upside surprises of recent months.

The US Federal Open Market Committee (FOMC) remained reluctant to signal near-term interest rate cuts, preferring to maintain its current policy given above-target inflation and a relatively robust economic backdrop, despite signs of a slight slowing in economic activity.

Strong UK GDP data for Q1 and evidence of an industrial rebound in Germany indicated a pickup in growth, although both the UK and Euro Area saw higher-than-expected inflation led by core price pressures. This created doubt around a near-term interest rate cut from the Bank of England (BoE), though officials at the European Central Bank (ECB) remained set on their long-telegraphed June interest rate cut.

In Japan, bond yields saw a significant jump as markets priced in a more prolonged hiking cycle from the Bank of Japan (BoJ), putting pressure on domestic equity markets and providing support to the Japanese yen. In China, policymakers unveiled a range of measures designed to support the ailing property sector, but overall economic and industrial sentiment saw signs of weakening.

Performance commentary

The fund posted a positive performance of +2.2% in May. Gains were spread across Dynamic Asset Allocation and Discretionary Macro, with Diversifying Strategies broadly flat on the month.

Within Dynamic Asset Allocation, gains were primarily driven by holding equities as global equity markets rallied.

Discretionary Macro performance was positive, with Thematic Equities enjoying another strong month. Grocers, held long against processed food stocks, continued to deliver strong margins and higher than expected revenue growth. AI-related hardware spending continued, benefiting the Long AI Winners theme and tightness in the shipping market benefitted our long shipping exposure.

Positions in precious metals, particularly gold and silver, fared well this month. While we have a more strategic view to be long in precious metals, some shorter-term tactical moves in recent weeks have been beneficial. Similarly, a move to a more neutral duration position by the end of May, with some intra-month moves in underlying holdings of UK and US fixed income, was a positive contributor to performance. With yields rising early in the month and then reversing with improved US inflation data mid-month, some active changes to positioning worked well for fixed income.

The volatility strategy had a relatively flat month, with gains in dispersion offset by losses in other sub-strategies. Currencies were more challenging, with the long US dollar versus short euro view proving to be challenging for performance as the US dollar weakened over the month.

Diversifying Strategies were flat overall, as losses from trend reversals in commodity markets were offset by gains from trading in equities and interest-rate swaps.

Positioning & Outlook

In DAA, the equity allocation increased slightly over the month as the volatility of the asset class declined. Bond allocations rose slightly due to lower volatility and improved expected returns, while commodity allocations were lifted by improved return prospects.

Within DM fixed income, we have a broadly neutral duration stance and we will look for tactical opportunities around this view. More recently, signs of slowing economic activity and continuing disinflation in the US have led to improved prospects for medium-term government bonds, although FOMC policymakers remain relatively hawkish for now.

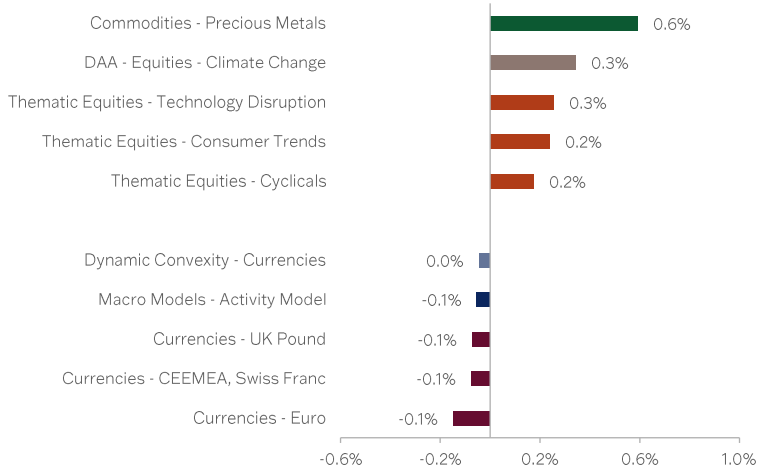
In currencies, our long dollar view offers important diversification benefits in the event of any further upside surprises to US inflation, as well as having the potential to appreciate alongside global equity markets as part of a US-led growth story, as has been evident in recent correlation shifts.

We remain short oil, particularly given the significant oversupply stemming from the high production capacity amongst OPEC+ members. We prefer precious metals, where we have increased our long exposure recently. In addition to providing a hedge against geopolitical risk, precious metals stand to benefit from continued buying from central banks.

Two key mega-themes, artificial intelligence, and obesity treatment, continue to be cornerstones of the thematic equities strategy. We continue to view 'Picks and Shovels' businesses as the best way to gain exposure to the secular AI trend, while uptake of anti-obesity medication remains strong.

Overall, we hold above average equity exposure, but remain nimble in our positioning, with significant diversification across strategies as well as hedging against emergent risks such as a sharp correction in equity markets.

Top 5 performance contributors and detractors

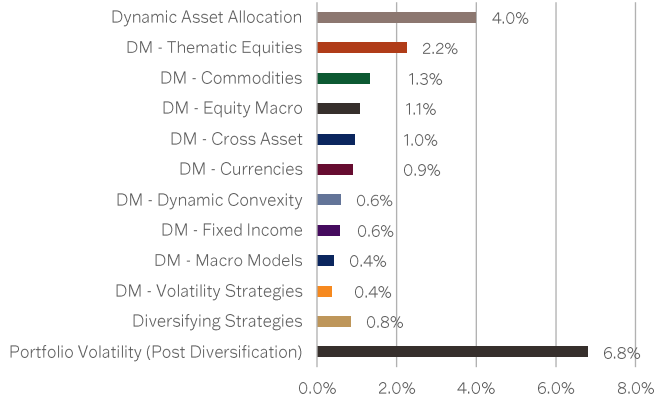


Top positions by strategy

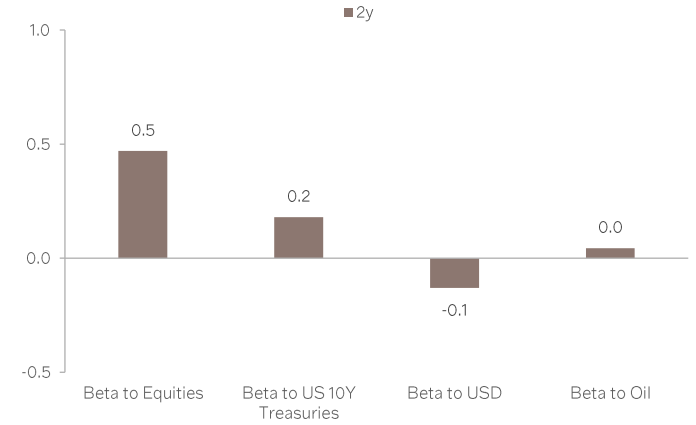
Top positions by strategy	Risk Contribution
DAA - Equities - North America	1.5%
DM - Commodities - Precious Metals	1.3%
DAA - Equities - Climate Change	1.3%
DAA - Commodities	1.2%
DM - Cross Asset - Japan Macro	1.1%
Diversifying Strategies	0.8%
DM - Fixed Income - UK Rates	0.8%
Dynamic Asset Allocation - Fixed Income	0.6%
DM - Thematic Equities - Cyclical	0.5%
DM - Thematic Equities - Consumer Trends	0.5%

Source: Fulcrum Asset Management LLP

Risk contribution by strategy

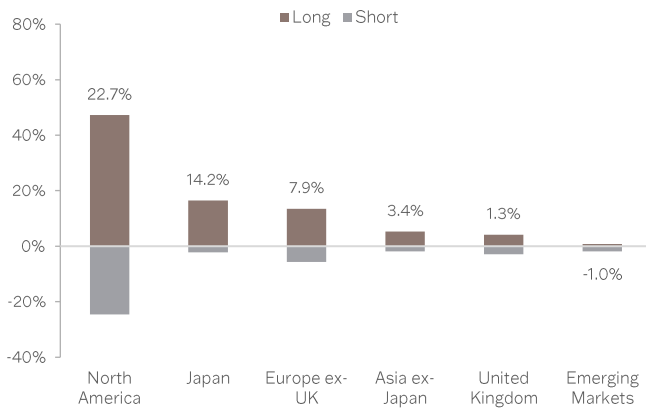


Portfolio Beta Exposures²

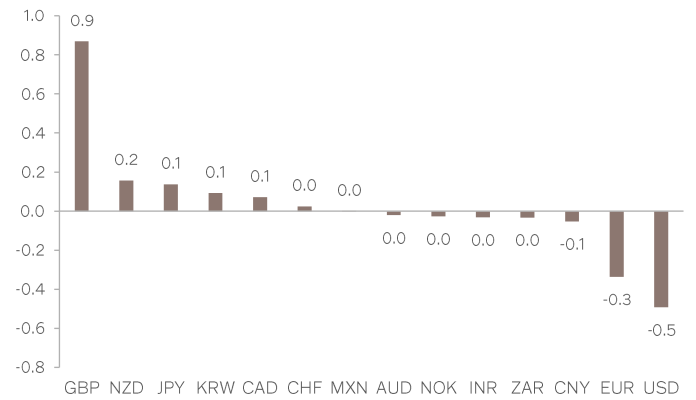


Portfolio exposures

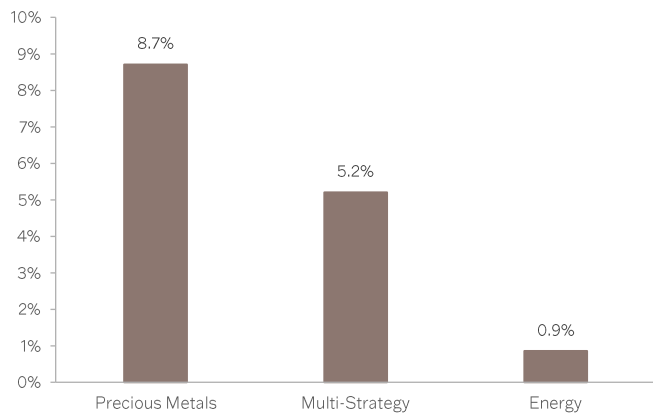
Equity – Net exposures by Region (48.6%)



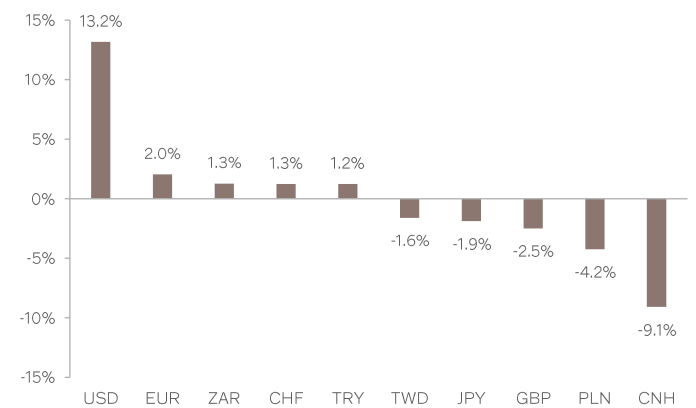
Fixed Income – Duration exposure (0.4 years)



Commodities – Net exposures by commodity (14.8%)



Currencies – Net exposures, top 5 long/short



²Global Equities: MSCI World; US Dollar: DXY; Oil: WTI
 Source: Fulcrum Asset Management LLP using RiskMetrics.
 Past performance is not a guide to future performance and future returns are not guaranteed.
 Full details on all the fund share classes are available on our website: www.fulcrumasset.com

Risk Summary

Leverage techniques may be used by the fund. A relatively small price movement in an underlying asset may amplify losses and the fund may be exposed to losses which are greater than the initial amount invested. Any derivatives usage can result in substantial losses to the fund where expectations as to how a derivative will perform prove to be incorrect or inefficient, or in adverse market conditions. Losses may occur if an organisation through which the fund transacts becomes insolvent or fails to meet its obligations. This risk may be reduced by obtaining assets as collateral from these organisations. For a full explanation of specific risks and the fund's overall risk profile, as well as all its share classes, please refer to the Prospectus, available on the firm's website.

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