

# **VT MOMENTUM INVESTMENT FUNDS II**

**(Sub-funds VT Momentum Diversified Growth Fund and VT Momentum  
Diversified Income Fund)**

**Interim Report and Financial Statements (Unaudited)  
for the six months ended 30 September 2023**

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## COMPANY OVERVIEW

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### **Type of Company:**

VT Momentum Investment Funds II (the Company) is an investment company with variable capital incorporated in England and Wales under registered number IC000342 and authorised by the Financial Conduct Authority with effect from 5 October 2004. The FCA's Product Reference Number ("PRN") for the Company is 407990. The product reference number of each Sub-fund is set out in Appendix I. The Company has unlimited duration.

The Company is a UCITS scheme and is an umbrella company (as defined in the OEIC Regulations). Each Sub-fund would be a UCITS scheme if it had a separate authorisation order.

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after he has paid the price on purchase of the shares.

## STATEMENT OF THE AUTHORISED FUND MANAGER'S (AFM's) RESPONSIBILITIES

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The rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook require the Authorised Fund Manager to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company at the end of the financial period and its net revenue and net capital losses for the period. In preparing these financial statements the Authorised Fund Manager is required to:

- > comply with the Prospectus, the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014, the Instrument of Incorporation, generally accepted accounting principles and applicable accounting standards, subject to any material departures which are required to be disclosed and explained in the financial statements.
- > select suitable accounting policies and then apply them consistently.
- > make judgements and estimates that are reasonable and prudent.
- > prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

The Authorised Fund Manager is required to keep proper accounting records and to manage the Company in accordance with the COLL regulations, the Instrument of Incorporation, and the Prospectus. The Authorised Fund Manager is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## DIRECTOR'S STATEMENT

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In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook, we hereby certify the interim report.

David E. Smith CA

Valu-Trac Investment Management Limited  
Authorised Fund Manager

Date

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Momentum Diversified Growth Fund
<b>Size of Sub-fund (£000's)</b>	£122,585,849
<b>Launch date</b>	05 October 2004
<b>Sub-fund objective and policy</b>	<p>The investment objective of VT Momentum Diversified Growth Fund is to achieve capital growth over the long term (5 years). The Sub-fund aims to meet its objective by investing in a balanced and well diversified portfolio of UK and International equities which the Investment Manager expects to grow in value as well as some fixed interest securities including government and corporate bonds. Investments will also be made in regulated collective investment schemes (which may include funds managed and/or operated by the AFM or Investment Manager), money markets and cash deposits to provide further diversification to the Sub-fund in accordance with applicable regulations.</p>
<b>Benchmark:</b>	<p>The Sub-fund is not managed to a benchmark, and nor does the AFM use a benchmark in order to assess performance.</p> <p>However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.</p> <p>In order to assess the Sub-fund's performance, investors may find it useful to compare the Fund against the performance of the IA Mixed Investments 40-85% Shares, which serves as a method of comparing the Fund's performance with another fund which has broadly similar characteristics.</p>
<b>Authorised Fund Manager (AFM)</b>	Valu-Trac Investment Management Limited
<b>Ex-distribution dates</b>	31 March, 30 September
<b>Distribution dates</b>	31 May, 30 November
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA.
<b>Shares Classes</b>	A, N, B and I Accumulation
<b>Minimum investment*</b>	
Lump sum subscription:	A Share Class (Accumulation) = £3,000 N Share Class (Accumulation) = £1,000 B Share Class (Accumulation) = £100,000 I Share Class (Accumulation) = £50,000,000
Top-up:	A Share Class (Accumulation) = £2,500 N Share Class (Accumulation) = £1,000 B Share Class (Accumulation) = £10,000 I Share Class (Accumulation) = £100,000
Holding:	A Share Class (Accumulation) = £3,000 N Share Class (Accumulation) = £1,000 B Share Class (Accumulation) = £100,000 I Share Class (Accumulation) = £50,000,000
Redemption:	All share classes = Nil (provided minimum holding is maintained)

\*The AFM may waive the minimum levels at its discretion.

**SUB-FUND OVERVIEW (continued)**

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**Redemption and switching charges** Nil

**Initial charge\*\*** A Share Class (Accumulation) = 5.0%  
N Share Class (Accumulation) = 5.0%  
B Share Class (Accumulation) = 0.0%  
I Share Class (Accumulation) = 0.0%

\*\*The AFM may waive or discount the initial charge at its discretion.

**Annual Management charge**

The annual management charge in respect of the A Class shares is equal to 1.40% per annum of the net asset value of the A Class shares.

The annual management charge in respect of the N Class shares is equal to 1.00% per annum of the net asset value of the N Class shares.

The annual management charge in respect of the B Class shares is equal to 0.75% per annum of the net asset value of the B Class shares.

The annual management charge in respect of the I Class shares is equal to 0.50% per annum of the net asset value of the I Class shares.

## INVESTMENT MANAGER'S REVIEW

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### Asset Allocation

#### Fund structure as at 29th September 2023

The strategic asset allocation is consistent with the Fund's investment objectives over the long term. It is, as such, likely to change infrequently, though subject to review every 12 months.

Asset Class	Fund %	Strategic Asset Allocation %
<b>Equities</b>	<b>53.5</b>	<b>60.0</b>
UK	23.3	20.0
North America	0.0	1.0
Europe ex UK	3.6	5.0
Japan	6.8	7.5
Asia & Emerging Markets	12.4	10.5
Global	7.4	16.0
<b>Credit</b>	<b>9.0</b>	<b>15.0</b>
<b>Specialist Assets</b>	<b>24.9</b>	<b>20.0</b>
<b>Cash/Managed Liquidity/Defensive Assets</b>	<b>12.6</b>	<b>5.0</b>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Source: Momentum Global Investment Management  
Figures may not sum due to rounding

Our approach to asset allocation is set by a valuation philosophy and the analysis we carry out across asset markets to determine how attractive they are in both an absolute sense and relative to each other.

### Performance

The VT Momentum Diversified Growth Fund returned 0.4% (B Share Class (Accumulation)) over the six month period versus its IA peer group which returned -0.2% over the same period. Specialist Assets was the highest performing asset class over the period, primarily driven by Specialist Financial and Property. Overseas Equities, with strong performance in Japan, US and Global regions, also contributed positively to returns. Fixed Income also returned positively over the period whereas UK Equities and Defensive Assets detracted from overall performance.

### Portfolio Activity

#### UK Equities

Two new holdings were introduced within UK equities. Firstly, Kin & Carta, a pure-play digital transformation business that provides consultancy services across technology, data, and experience to help businesses improve efficiency and effectiveness through digital solutions. The large, expected growth within the digital transformation market is a key driver for Kin & Carta. At the time of purchase, the shares were trading at a forward P/E of 14x and in the medium term, management is targeting 15% per annum growth in net revenue, while achieving mid-teen operating margins.

The second holding added to the portfolio is XPS Pensions Group, a pension consulting and administration business that is well positioned to benefit from the changing landscape across the UK pension industry. At the time of initial purchase, the shares traded on a forward P/E of 14x and a dividend yield of 4.9%.

Several of the Fund's UK holdings announced positive results over the period. Halfords reported like-for-like revenue growth over the year, and market share gains across their divisions. Elsewhere, Games Workshop reported revenue and profits ahead of consensus forecasts, causing the shares to finish 15% higher over June. In LBG Media annual results the group delivered strong yearly performance against a worsening economic environment, with key strategic progress being made through expansion of their global audience and content views. The group achieved record Q4 revenue across both direct and indirect revenue streams. LBG Media are now the top news publisher on TikTok and well-positioned for when the social media platform is monetised.

Kier Group also reported strong FY23 results, showing an increase in pre-tax profit. They plan to resume dividend payments, expected to begin alongside FY24 interim results in March, given its strong performance over the last year. The company anticipates continued benefits from UK Government infrastructure spending and expects strong cash generation. Shares returned over 68%, making them a top contributor to returns this period.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### **Portfolio Activity (Continued)**

#### ***UK Equities (Continued)***

Babcock's FY23 results were also impressive, with revenue growth, margin expansion and reduced debt. The company is also set to reinstate dividends in FY24, and we anticipate steady growth and cash generation in the coming years.

Marks and Spencer also released a strong trading update, with significant profit upgrades and growth in food and clothing sales. The company's shares returned over 41%.

#### ***Overseas Equities***

During the quarter, we broadened our overseas equity exposure by introducing the Momentum Sustainable Equity fund, a well-diversified, quantitative global equity strategy implemented by Robeco, a world class quantitative investment specialist. The fund prioritises companies with better than average ESG credentials, employing a multi-style approach (growth, quality, value, size). Additionally, this fund offers an attractive cost advantage, the total expense to the portfolio will be around 0.21% per annum. With a heightened focus on North America, the Lyrical US Value Equity Strategy was exited in order to keep the US weight in line with regional views.

#### ***Fixed Income***

There were no notable changes over the period.

#### ***Specialist Assets***

Leading healthcare REIT Assura was introduced into the portfolio. The Trust invests in and develops purpose-built GP surgeries which are in high demand at present as the government seeks to expand primary care services and reduce the burden on hospitals. The revenue stream from the properties is government backed with some inflation linkage, but the REIT yields significantly more than government bonds, trading on a forward dividend yield of 7%, with the prospect of mid-single digit growth in the dividend over time.

Notably, the Round Hill Music Royalty Fund significantly contributed to returns during Q3. The fund received a cash bid for its portfolio assets from music publishing company Alchemy Copyrights (also known as "Concord"), representing a 67% premium over the prior day's closing price. Shares saw a 72% return in September.

We believe that many of the Specialist Assets holdings within the Fund are significantly undervalued. Round Hill provides evidence that there are multiple avenues that investment companies can take to see their underlying assets achieve fair value. Besides private industry interest, the investment managers of our Specialist Assets holdings are also becoming more active. Around one fifth of the holdings have launched share buyback programmes, which could rise further over the coming months. In addition, we are also seeing an increase in insider purchases, which has historically been an indication of significant undervaluation.

Momentum Global Investment Management  
Investment Manager to the Fund  
26 October 2023



## PERFORMANCE RECORD

### Financial Highlights

A Share Class (Accumulation)	Six months	Year ended 31	Year ended 31
	ended 30 September 2023	March 2023	March 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	319.3570	348.5582	333.0243
Return before operating charges	3.6517	(21.5870)	23.4062
Operating charges (note 1)	(3.4978)	(7.6142)	(7.8723)
Return after operating charges *	0.1539	(29.2012)	15.5339
Closing net asset value per share	319.5109	319.3570	348.5582
Retained distribution on accumulated shares	5.8638	8.1389	7.1013
*after direct transactions costs of:	-	0.2338	0.1704
Performance			
Return after charges	0.05%	(8.38%)	4.67%
Other information			
Closing net asset value	£33,633,281	£37,385,460	£44,821,741
Closing number of shares	10,526,488	11,706,479	12,859,185
Operating charges (note 2)	2.19%	2.28%	2.31%
Direct transaction costs	0.00%	0.07%	0.05%
Prices			
Highest share price	328.8306	350.9381	358.1876
Lowest share price	311.7321	300.4449	329.0625

B Share Class (Accumulation)	Six months	Year ended 31	Year ended 31
	ended 30 September 2023	March 2023	March 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	198.1491	214.8658	203.9592
Return before operating charges	2.2676	(13.3506)	14.3828
Operating charges (note 1)	(1.5286)	(3.3661)	(3.4762)
Return after operating charges *	0.7390	(16.7167)	10.9066
Closing net asset value per share	198.8881	198.1491	214.8658
Retained distribution on accumulated shares	4.2920	6.3485	5.7295
*after direct transactions costs of:	-	0.1446	0.1047
Performance			
Return after charges	0.37%	7.78%	5.35%
Other information			
Closing net asset value	£82,935,577	£89,052,757	£119,499,259
Closing number of shares	41,699,627	44,942,286	55,615,770
Operating charges (note 2)	1.54%	1.63%	1.66%
Direct transaction costs	0.00%	0.07%	0.05%
Prices			
Highest share price	204.1431	216.3521	220.4674
Lowest share price	193.7697	185.8550	202.7615

**PERFORMANCE RECORD (Continued)**

**Financial Highlights (Continued)**

<b>N Share Class (Accumulation)</b>	<b>Six months</b>	<b>Year ended 31</b>	<b>Year ended 31</b>
	<b>ended 30</b>	<b>March 2023</b>	<b>March 2022</b>
	<b>September 2023</b>		
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	192.6114	209.3917	199.2572
Return before operating charges	2.2034	(13.0015)	14.0371
Operating charges (note 1)	(1.7260)	(3.7788)	(3.9026)
Return after operating charges *	0.4774	(16.7803)	10.1345
Closing net asset value per share	193.0888	192.6114	209.3917
Retained distribution on accumulated shares	3.9274	5.6869	5.0806
*after direct transactions costs of:	-	0.1407	0.1022
Performance			
Return after charges	0.25%	8.01%	5.08%
Other information			
Closing net asset value	£506,334	£713,456	£426,912
Closing number of shares	262,229	370,412	203,882
Operating charges (note 2)	1.79%	1.88%	1.91%
Direct transaction costs	0.00%	0.07%	0.05%
Prices			
Highest share price	198.3945	210.8329	214.9736
Lowest share price	188.2227	180.8699	197.6281

<b>I Share Class (Accumulation)</b>	<b>Six months</b>	<b>For the period 29</b>
	<b>ended 30</b>	<b>April 2022 to 31</b>
	<b>September 2023</b>	<b>March 2023<sup>^</sup></b>
Changes in net assets per share	GBP	GBP
Opening net asset value per share	92.8596	100.0000
Return before operating charges	1.0629	(5.9154)
Operating charges (note 1)	(0.6004)	(1.2250)
Return after operating charges *	0.4625	(7.1404)
Closing net asset value per share	93.3221	92.8596
Retained distribution on accumulated shares	2.1295	2.7170
*after direct transactions costs of:	-	0.0675
Performance		
Return after charges	0.50%	(7.14%)
Other information		
Closing net asset value	£5,896,907	£7,956,751
Closing number of shares	6,318,875	8,568,581
Operating charges (note 2)	1.29%	1.38%
Direct transaction costs	0.00%	0.07%
Prices		
Highest share price	95.6895	100.0667
Lowest share price	90.8706	86.9974

<sup>^</sup>Share class re-opened on 29 April 2022

## PERFORMANCE RECORD (Continued)

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1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund plus the costs of the underlying holdings.

### **Risk profile**

The risk profile of the Sub-fund is 5 (31 March 2023: 5). The Sub-fund is ranked 5 because weekly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically.

## PORTFOLIO STATEMENT

As at 30 September 2023

Holding	Security	Value £	% of Total Net Assets %
<b>Collective Investment Schemes (31.03.2023: 41.25%)</b>			
483	Absalon Emerging Market Corporate Debt	4,326,533	3.53%
179,104	Aikya Global Emerging Markets	1,914,510	1.56%
199,785	CIM Dividend Income	2,850,508	2.33%
955,000	Goodhart Partners Horizon Fund-HMG Global Emerging Markets Equity**	14,325	0.01%
6,558	Samarang Asian Prosperity	2,647,777	2.16%
230,654	Invesco European Equity Income (UK)	1,247,955	1.02%
1,300,586	Ninety One Global Gold	2,257,168	1.84%
109,640	Momentum GF Global Sustainable Equity	8,929,394	7.28%
444,770	Morant Wright Fuji Yield	5,673,926	4.63%
75,171	Neuberger Berman Uncorrelated Strategies	813,349	0.66%
18,435	Prusik Asian Equity Income	2,581,291	2.11%
2,541,311	Royal London Enhanced Cash Plus	2,771,851	2.26%
1,366,357	Royal London Short Duration Global High Yield Bond	1,538,518	1.26%
2,931,331	Royal London Sterling Extra Yield Bond	2,697,997	2.20%
1,886,392	Royal London Short Term Money Market Fund	2,018,334	1.65%
2,318,911	VT Downing European Unconstrained Income***	2,312,418	1.89%
		<u>44,595,854</u>	<u>36.38%</u>
<b>Corporate Bonds (31.03.2023: 0.00%)</b>			
4,864,287	Lehman Brothers 0% 29/12/2067**	-	0.00%
		-	0.00%
<b>Exchange Traded Commodities (31.03.2023: 0.81%)</b>			
6,375	Invesco Physical Markets PLC	938,974	0.77%
		<u>938,974</u>	<u>0.77%</u>
<b>Exchange Traded Funds (31.03.2023: 4.05%)</b>			
225,000	AMUNDI MSCI JAPAN UCITS ETF	2,814,750	2.30%
112,000	Amundi MSCI Emerging Markets II UCITS ETF	3,969,280	3.24%
120,000	iShares Emerging Markets Dividend UCITS ETF	1,285,800	1.05%
17,250	Xtrackers S&P Europe ex UK UCITS ETF	927,533	0.76%
		<u>8,997,363</u>	<u>7.34%</u>
<b>Investment Trusts (31.03.2023: 20.73%)</b>			
985,935	Cordiant Digital Infrastructure Ltd	698,042	0.57%
4,035,000	Chrysalis Investments Ltd	2,542,050	2.07%
1,105,000	Digital 9 Infrastructure	413,270	0.34%
3,425,000	Doric Nimrod Air Three Ltd	1,609,750	1.31%
2,410,000	Doric Nimrod Air Two Ltd	2,277,450	1.86%
7,558,759	DP Aircraft I Ltd	338,925	0.28%
6,090,777	Fair Oaks Income Ltd	2,606,891	2.13%
1,395,000	Gore Street Energy Storage Fund PLC	1,086,705	0.89%
662,500	Greencoat UK Wind PLC	932,800	0.76%
2,235,000	Hipgnosis Songs Fund Ltd	1,821,525	1.49%
820,000	JLEN Environmental Assets Group Limited	806,880	0.66%
140,489	Oakley Capital Investments Ltd	625,176	0.51%
1,375,000	RM Infrastructure Income PLC	955,625	0.78%
1,980,000	Round Hill Music Royalty Fund Limited	1,824,040	1.49%
975,000	Sequoia Economic Infrastructure Income Fund Ltd	804,375	0.66%
1,780,894	Syncona Limited Ord Npv	2,048,028	1.67%
3,240,000	TwentyFour Select Monthly Income Fund Ltd	2,397,600	1.96%
14,100,000	Schroders Capital Global Innovation Trust PLC	2,100,900	1.71%
		<u>25,890,032</u>	<u>21.12%</u>

**PORTFOLIO STATEMENT (Continued)**

Holding Security	Value £	% of Total Net Assets %
<b>Government Bonds (31.03.2023: 1.12%)</b>		
1,550,000 UK GILT 0.125% 31-01-2024	1,525,386	1.24%
2,525,000 UK GILT 0.625% 22-10-2050	928,544	0.76%
1,175,000 UK GILT 1.25% 22-10-2041	674,403	0.55%
710,000 UK GILT 1.75% 07-09-2037	497,128	0.41%
525,000 UK GILT 3.50% 22-10-2025	510,573	0.42%
260,000 UK GILT 4.125% 29-01-2027	255,775	0.21%
	4,391,809	3.58%
<b>Real Estate Investment Trusts (31.03.2023: 5.03%)</b>		
1,185,077 AEW UK REIT PLC	1,159,005	0.95%
1,125,000 Assura PLC	472,500	0.39%
2,680,000 Ediston Property Investment Company PLC	1,854,560	1.51%
552,500 Londonmetric Property PLC	946,985	0.77%
475,000 LXi REIT PLC	430,825	0.35%
2,025,000 Life Science REIT plc	1,397,250	1.14%
775,000 PRS Reit PLC	526,225	0.43%
	6,787,350	5.54%
<b>Equities (31.03.2023: 25.40%)</b>		
158,153 Aberdeen Private Equity Fund Ltd*	-	0.00%
3,340,333 Accrol Group Holdings PLC	985,398	0.80%
301,654 Babcock International Group PLC	1,266,343	1.03%
540,000 Barclays PLC	861,516	0.70%
130,000 Vistry Group PLC	1,182,350	0.96%
655,000 BT Group PLC	769,625	0.63%
6,550,000 Capita PLC	1,112,845	0.91%
177,500 Conduit Holdings Ltd	809,400	0.66%
18,000 Cranswick PLC	632,880	0.52%
1,460,000 Diversified Energy Company PLC	1,184,790	0.97%
555,000 Essentra PLC	894,660	0.73%
4,700 Games Workshop Group PLC	495,850	0.40%
375,000 Halfords Group PLC	748,125	0.61%
770,000 Jupiter Fund Management PLC	739,970	0.60%
2,050,000 Kier Group PLC	2,345,200	1.91%
1,175,000 Kin and Carta PLC	927,075	0.76%
710,000 LBG Media PLC	602,080	0.49%
545,000 Legal & General Group PLC	1,216,985	0.99%
702,500 M&G PLC	1,405,703	1.15%
327,500 Marks and Spencer Group PLC	776,503	0.63%
3,825,000 Marstons PLC	1,147,500	0.94%
295,000 Moonpig Group PLC	475,540	0.39%
250,000 Morgan Advanced Materials PLC	617,500	0.50%
1,425,000 Mobico Group PLC	1,265,400	1.03%
140,000 Next 15 Group PLC	842,800	0.69%
340,000 OSB Group PLC	1,113,840	0.91%
187,500 Phoenix Group Holdings	897,563	0.73%
283,180 Origin Enterprises PLC	802,214	0.65%
470,000 Senior PLC	754,820	0.62%
18,750,000 Speymill Deutsche Immobilien Company PLC*	-	0.00%
1,485,000 Strix Group PLC	798,930	0.65%
57,500 Synthomer PLC	137,425	0.11%
300,000 XPS Pensions Group PLC	594,000	0.48%
	28,404,830	23.17%
<b>Rights (31.03.2023: 0.00%)</b>		
345,000 Synthomer PLC (Rights)	132,135	0.11%
	132,135	0.11%

PORTFOLIO STATEMENT (Continued)

Holding Security	Value £	% of Total Net Assets %
Currency hedges (31.03.2023: 0.00%)	(20,262)	(0.02%)
Investment assets (31.03.2023: 98.39%)	<b>120,118,085</b>	<b>97.99%</b>
Net other assets (31.03.2023: 1.61%)	<b>2,467,764</b>	<b>2.01%</b>
<b>Net assets</b>	<b>122,585,849</b>	<b>100.00%</b>

\* Delisted security

\*\* Unlisted security

\*\*\* Related security due to the AFM of the Sub-fund also being the AFM of this holding

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total sales for the period</b>	<b>39,261,404</b>
Lyrical Value Fund (LUX) – U.S. Value Equity Strategy	5,779,932
Morant Wright Fuji Yield	5,600,000
Samarang Asian Prosperity	3,950,002
iShares EM Dividend UCITS ETF	3,544,860
Aikya Global Emerging Markets	2,100,000
CIM Dividend Income	2,000,007
Prusik Asian Equity Income	1,168,425
Ninety One Global Gold	1,150,000
Senior PLC	1,143,369
International Public Partnerships Ltd	1,100,604
Other Sales	11,724,205

	£
<b>Total purchases for the period</b>	<b>27,194,465</b>
Momentum GF Global Sustainable Equity	9,024,678
Amundi MSCI Emerging Markets II UCITS ETF	4,005,330
AMUNDI MSCI JAPAN UCITS ETF	2,744,850
Royal London Short Term Money Market Fund	2,000,000
UK GILT 0.625% 22-10-2050	1,030,621
Xtrackers S&P Europe ex UK UCITS ETF	954,443
Kin and Carta PLC	858,600
UK GILT 1.25% 22-10-2041	697,311
Assura PLC	547,771
XPS Pensions Group PLC	522,702
Other Purchases	4,808,159

The analysis is of the top 10 sales and purchases during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 30 September		2023		2022	
		£	£	£	£
Income					
	Net capital (losses)		(1,830,040)		(21,747,392)
	Revenue	3,010,961		3,289,426	
Expenses		(641,030)		(771,750)	
Interest payable and similar charges		<u>(68)</u>		<u>(2,116)</u>	
Net revenue before taxation		2,369,863		2,515,560	
Taxation		<u>(7,512)</u>		<u>-</u>	
Net revenue after taxation			<u>2,362,351</u>		<u>2,515,560</u>
Total return before distributions			532,311		(19,231,832)
Finance costs: distributions			<u>(2,675,235)</u>		<u>(2,642,000)</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>			<u>(2,142,924)</u>		<u>(21,873,832)</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 30 September	2023	2022
	£	£
<b>Opening net assets attributable to shareholders</b>	134,623,454	164,290,712
Amounts receivable on creation of shares	4,135,422	23,322,222
Amounts payable on cancellation of shares	(16,581,967)	(27,172,051)
Retained distributions on accumulated shares	2,551,864	2,527,493
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(2,142,924)</u>	<u>(21,873,832)</u>
<b>Closing net assets attributable to shareholders</b>	<u>122,585,849</u>	<u>141,094,544</u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 31 March 2023 was £134,623,454.



## BALANCE SHEET

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As at	30.09.2023		31.03.2023	
	£	£	£	£
<b>ASSETS</b>				
Investment assets		120,118,085		132,450,779
<b>Current assets</b>				
Debtors	3,149,610		2,370,164	
Cash and bank balances	<u>2,599,372</u>		<u>1,542,760</u>	
<b>Total current assets</b>		<u>5,748,982</u>		<u>3,912,924</u>
<b>Total assets</b>		125,867,067		136,363,703
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Bank overdraft	(46,612)		-	
Creditors	<u>(3,234,606)</u>		<u>(1,740,249)</u>	
<b>Total current liabilities</b>		<u>(3,281,218)</u>		<u>(1,740,249)</u>
<b>Net assets attributable to shareholders</b>		<u>122,585,849</u>		<u>134,623,454</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the period ended 31 March 2023 and are described in those financial statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') Authorised Funds issued by the Investment Association in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

## DISTRIBUTION TABLES

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### Interim distribution in pence per share

Group 1: Shares purchased prior to 01 April 2023

Group 2 : Shares purchased on or after 01 April 2023 and on or before 30 September 2023

<b>A Share Class (Accumulation)</b>	<b>Net revenue 30.11.2023</b>	<b>Equalisation</b>	<b>Distribution 30.11.2023</b>	<b>Distribution 30.11.2022</b>
Group 1	5.8638p	-	5.8638p	4.7805p
Group 2	4.1588p	1.7050p	5.8638p	4.7805p

<b>B Share Class (Accumulation)</b>	<b>Net revenue 30.11.2023</b>	<b>Equalisation</b>	<b>Distribution 30.11.2023</b>	<b>Distribution 30.11.2022</b>
Group 1	4.2920p	-	4.2920p	3.6243p
Group 2	2.6130p	1.6790p	4.2920p	3.6243p

<b>N Share Class (Accumulation)</b>	<b>Net revenue 30.11.2023</b>	<b>Equalisation</b>	<b>Distribution 30.11.2023</b>	<b>Distribution 30.11.2022</b>
Group 1	3.9274p	-	3.9274p	3.2780p
Group 2	1.6962p	2.2312p	3.9274p	3.2780p

<b>I Share Class (Accumulation)</b>	<b>Net revenue 30.11.2023</b>	<b>Equalisation</b>	<b>Distribution 30.11.2023</b>	<b>Distribution 30.11.2022<sup>^</sup></b>
Group 1	2.1295p	-	2.1295p	1.3252p
Group 2	1.0302p	1.0993p	2.1295p	1.3252p

<sup>^</sup>Distribution for the period 29 April 2022 to 30 September 2022

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Momentum Diversified Income Fund
<b>Size of Sub-fund (£000's)</b>	£152,609,913
<b>Launch date</b>	05 October 2004
<b>Sub-fund objective and policy</b>	<p>The investment objective of VT Momentum Diversified Income Fund is to provide income over the medium to long term (3-5 years). The Sub-fund aims to meet its objective by investing in a balanced and well diversified portfolio of UK and International equities which the Investment Manager expects to be able to generate income (i.e. dividends) as well as some fixed interest securities including government and corporate bonds. Investments will also be made in regulated collective investment schemes (which may include funds managed and/or operated by the AFM or Investment Manager), money markets and cash deposits to provide further diversification to the Sub-fund in accordance with applicable regulations.</p>
<b>Benchmark:</b>	<p>The Sub-fund is not managed to a benchmark, and nor does the AFM use a benchmark in order to assess performance.</p> <p>However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.</p> <p>In order to assess the Sub-fund's performance, investors may find it useful to compare the Sub-fund against the performance of the IA Mixed Investments 20-60% Shares, which serves as a method of comparing the Sub-fund's performance with another fund which has broadly similar characteristics.</p>
<b>Authorised Fund Manager (AFM)</b>	Valu-Trac Investment Management Limited
<b>Ex-distribution dates</b>	last business day of each month
<b>Distribution dates</b>	last business day of each month, 1 month after the ex-distribution date
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA.
<b>Shares Classes</b>	A, N, B and I Income B Accumulation
<b>Minimum investment*</b>	
Lump sum subscription:	A Share Class (Income) = £3,000 N Share Class (Income) = £1,000 B Share Class (Income and Accumulation) = £100,000 I Share Class (Income) = £50,000,000
Top-up:	A Share Class (Income) = £2,500 N Share Class (Income) = £1,000 B Share Class (Income and Accumulation) = £10,000 I Share Class (Income) = £100,000
Holding:	A Share Class (Income) = £3,000 N Share Class (Income) = £1,000 B Share Class (Income and Accumulation) = £100,000 I Share Class (Income) = £50,000,000
	*The AFM may waive the minimum levels at its discretion.
<b>Redemption:</b>	All share classes = Nil (provided minimum holding is maintained)

## SUB-FUND OVERVIEW (continued)

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**Redemption and switching charges**

Nil

**Initial charge\*\***

A Share Class (Income) = 5.0%

N Share Class (Income) = 5.0%

B Share Class (Income and Accumulation) = 0.0%

I Share Class (Income) = 0.0%

\*\*The AFM may waive or discount the initial charge at its discretion.

**Annual Management charge**

The annual management charge in respect of the A Class shares is equal to 1.40% per annum of the net asset value of the A Class shares.

The annual management charge in respect of the N Class shares is equal to 1.00% per annum of the net asset value of the N Class shares.

The annual management charge in respect of the B Class shares is equal to 0.75% per annum of the net asset value of the B Class shares.

The annual management charge in respect of the I Class shares is equal to 0.50% per annum of the net asset value of the I Class shares.

## INVESTMENT MANAGER'S REVIEW

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### Asset Allocation

#### Fund structure as at 29th September 2023

The strategic asset allocation is consistent with the Fund's investment objectives over the long term. It is, as such, likely to change infrequently, though subject to review every 12 months.

Asset Class	Fund %	Strategic Asset Allocation &
<b>Equities</b>	<b>33.9</b>	<b>34.5</b>
UK	22.1	20.5
North America	0.0	2.1
Europe ex UK	2.5	3.0
Japan	2.9	2.1
Asia & Emerging Markets	6.4	6.8
<b>Credit</b>	<b>22.6</b>	<b>25.0</b>
<b>Specialist Assets</b>	<b>31.6</b>	<b>23.0</b>
<b>Cash/Managed Liquidity/Defensive Assets</b>	<b>11.9</b>	<b>17.5</b>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Source: Momentum Global Investment Management  
Figures may not sum due to rounding

Our approach to asset allocation is set by a valuation philosophy and the analysis we carry out across asset markets to determine how attractive they are in both an absolute sense and relative to each other.

### Performance

The VT Momentum Diversified Income Fund returned 1.5% (B Share Class (Income)) over the six month period versus its IA peer group which returned -0.5% over the same period. Specialist Assets was the highest performing asset class over the period, primarily driven by Specialist Financial and Property. Overseas Equities, with strong performance in Japan and Asia Pacific regions, also contributed positively to returns. Fixed Income and UK equities also returned positively over the period whereas Defensive Assets detracted from overall performance.

### Portfolio Activity

#### UK Equities

Several of the Fund's UK holdings announced positive results over the six month period. Halfords reported like-for-like revenue growth over the year, and market share gains across their divisions. Elsewhere, Games Workshop reported revenue and profits ahead of consensus forecasts, causing the shares to finish 15% higher over the month. In LBG Media's annual results the group delivered strong yearly performance against a worsening economic environment, with key strategic progress being made through expansion of their global audience and content views. The group achieved record Q4 2022 revenue across both direct and indirect revenue streams. LBG Media is now the top news publisher on TikTok and well-positioned for when the social media platform is monetised. We took the opportunity to trim these positions selling into the strength and recycle the capital into several new holdings in order to bolster the income stream for the Fund. A number of other holdings, including the iShares UK Dividend ETF, Accrol, Capita and Strix, were also reduced to fund these purchases.

Kier Group reported strong FY23 results, showing an increase in pre-tax profit. They plan to resume dividend payments, expected to begin alongside FY24 interim results in March, given its strong performance over the last year. The company anticipates continued benefits from UK Government infrastructure spending and expects strong cash generation. Shares returned over 68%, making them a top contributor to returns this period.

Babcock's FY23 results were also impressive, with revenue growth, margin expansion and reduced debt. The company is also set to reinstate dividends in FY24, and we anticipate steady growth and cash generation in the coming years.

Marks and Spencer also released a strong trading update, with significant profit upgrades and growth in food and clothing sales. The company's shares returned over 41%.

## INVESTMENT MANAGER'S REVIEW (continued)

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### **Portfolio Activity (Continued)**

#### ***Overseas Equities***

We introduced the Robeco QI Emerging Markets Conservative Equity strategy in place of the iShares Emerging Markets Dividend ETF. The Robeco strategy provides multi-factor exposure, whilst delivering a more defensive, stable income with an impressive 5% dividend yield.

#### ***Fixed Income***

There were no notable changes over the period.

#### ***Specialist Assets***

Leading healthcare REIT Assura was introduced into the portfolio. The Trust invests in and develops purpose-built GP surgeries which are in high demand at present as the government seeks to expand primary care services and reduce the burden on hospitals. The revenue stream from the properties is government backed with some inflation linkage, but the REIT yields significantly more than government bonds, trading on a forward dividend yield of 7% at the time of purchase, with the prospect of mid-single digit growth in the dividend over time.

Notably, the Round Hill Music Royalty Fund significantly contributed to returns during the period. The fund received a cash bid for its portfolio assets from music publishing company Alchemy Copyrights (also known as "Concord"), representing a 67% premium over the prior day's closing price. Shares saw a 72% return in September and we took the opportunity to exit our position into this strength.

We believe that many of the Specialist Assets holdings within the Fund are significantly undervalued. Round Hill provides evidence that there are multiple avenues that investment companies can take to see their underlying assets achieve fair value. Besides private industry interest, the investment managers of our Specialist Assets holdings are also becoming more active. Around one fifth of the holdings have launched share buyback programmes, which could rise further over the coming months. In addition, we are also seeing an increase in insider purchases, which has historically been an indication of significant undervaluation.

Momentum Global Investment Management  
Investment Manager to the Fund  
26 October 2023

## PERFORMANCE RECORD

### Financial Highlights

A Share Class (Income)	Six months	Year ended 31	Year ended 31
	ended 30 September 2023	March 2023	March 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	80.4667	93.6828	94.5439
Return before operating charges	1.8169	(6.8705)	5.8265
Operating charges (note 1)	(0.8506)	(2.0027)	(2.1364)
Return after operating charges *	0.9663	(8.8732)	3.6901
Distributions on income shares	(2.1600)	(4.3429)	(4.5512)
Closing net asset value per share	79.2730	80.4667	93.6828
*after direct transactions costs of:	0.0399	0.0522	0.0471
Performance			
Return after charges	1.20%	(9.47%)	3.91%
Other information			
Closing net asset value	£24,312,577	£27,573,596	£35,823,227
Closing number of shares	30,669,446	34,267,105	38,238,865
Operating charges (note 2)	2.13%	2.30%	2.27%
Direct transaction costs	0.05%	0.06%	0.05%
Prices			
Highest share price	82.4921	94.2840	99.4554
Lowest share price	77.2740	77.3845	89.7337

B Share Class (Income)	Six months	Year ended 31	Year ended 31
	ended 30 September 2023	March 2023	March 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	99.7043	115.3194	115.6210
Return before operating charges	2.2546	(8.4837)	7.1517
Operating charges (note 1)	(0.7335)	(1.7739)	(1.8706)
Return after operating charges *	1.5211	(10.2576)	5.2811
Distributions on income shares	(2.6800)	(5.3575)	(5.5827)
Closing net asset value per share	98.5454	99.7043	115.3194
*after direct transactions costs of:	0.0496	0.0645	0.0577
Performance			
Return after charges	1.53%	(8.90%)	4.57%
Other information			
Closing net asset value	£118,504,762	£104,116,616	£129,425,229
Closing number of shares	120,253,963	104,425,425	112,231,920
Operating charges (note 2)	1.48%	1.65%	1.62%
Direct transaction costs	0.05%	0.06%	0.05%
Prices			
Highest share price	102.2722	116.1029	121.9759
Lowest share price	95.9212	95.5960	110.4107

**PERFORMANCE RECORD (Continued)**

**Financial Highlights (Continued)**

<b>N Share Class (Income)</b>	<b>Six months</b>	<b>Year ended 31</b>	<b>Year ended 31</b>
	<b>ended 30</b>	<b>March 2023</b>	<b>March 2022</b>
	<b>September 2023</b>		
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	97.1083	112.5993	113.1793
Return before operating charges	2.1968	(8.2739)	6.9896
Operating charges (note 1)	(0.8346)	(1.9922)	(2.1110)
Return after operating charges *	1.3622	(10.2661)	4.8786
Distributions on income shares	(2.6107)	(5.2249)	(5.4586)
Closing net asset value per share	95.8598	97.1083	112.5993
*after direct transactions costs of:	0.0482	0.0629	0.0564
Performance			
Return after charges	1.40%	(9.12%)	4.31%
Other information			
Closing net asset value	£460,845	£714,366	£601,110
Closing number of shares	480,749	735,638	533,849
Operating charges (note 2)	1.73%	1.90%	1.87%
Direct transaction costs	0.05%	0.06%	0.05%
Prices			
Highest share price	99.5876	113.3479	119.2682
Lowest share price	93.3598	93.2153	107.8248

<b>B Share Class (Accumulation)</b>	<b>Six months</b>	<b>Year to 31</b>	<b>Year ended 31</b>
	<b>ended 30</b>	<b>March 2023</b>	<b>March 2022</b>
	<b>September 2023</b>		
	GBP	GBP	GBP
Opening net asset value per share	106.0560	116.5338	111.4463
Return before operating charges	2.4295	(8.6414)	6.9341
Operating charges (note 1)	(0.7909)	(1.8364)	(1.8466)
Return after operating charges *	1.6386	(10.4778)	5.0875
Closing net asset value per share	107.6946	106.0560	116.5338
Distributions on accumulation shares	2.8777	5.5467	5.4876
*after direct transactions costs of:	0.0534	0.0668	0.0570
Performance			
Return after charges	1.55%	(8.99%)	4.56%
Other information			
Closing net asset value	£8,186,262	£8,853,330	£8,459,570
Closing number of shares	7,601,371	8,347,787	7,259,328
Operating charges (note 2)	1.48%	1.65%	1.62%
Direct transaction costs	0.05%	0.06%	0.05%
Prices			
Highest share price	109.2662	117.3255	120.6688
Lowest share price	103.4125	99.0165	110.7333



## PERFORMANCE RECORD (Continued)

### Financial Highlights (Continued)

I Share Class (Income)	Six months	For the period
	ended 30	23 May 2022 to
	September 2023	31 March 2023 <sup>^</sup>
	GBP	GBP
Opening net asset value per share	89.0933	100.0000
Return before operating charges	0.8191	(5.7155)
Operating charges (note 1)	(0.5451)	(1.1315)
Return after operating charges *	0.2740	(6.8470)
Distributions on income shares	(1.1992)	(4.0597)
Closing net asset value per share	88.1681	89.0933
*after direct transactions costs of:	0.0443	0.0567
Performance		
Return after charges	0.31%	(6.84%)
Other information		
Closing net asset value	£1,605,895	£1,348,014
Closing number of shares	1,821,402	1,513,036
Operating charges (note 2)	1.23%	1.40%
Direct transaction costs	0.05%	0.06%
Prices		
Highest share price	91.4080	101.2139
Lowest share price	85.7723	85.3232

<sup>^</sup>Share class opened on 23 May 2022

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund plus the costs of the underlying holdings.

### Risk profile

The risk profile of the Sub-fund is 5 (31 March 2023: ranked 5). The Sub-fund is ranked 5 because weekly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically.

**PORTFOLIO STATEMENT**

As at 30 September 2023

Holding	Security	Value £	% of Total Net Assets %
<b>Collective Investment Schemes (31.03.2023: 37.97%)</b>			
544	Absalon Emerging Market Corporate Debt	3,802,207	2.49%
198,122	CIM Dividend Income	1,973,225	1.29%
500,494	Invesco Perpetual European Equity Income	1,856,131	1.22%
34,805	Jupiter Global Emerging Markets Short Duration Bond	3,504,207	2.30%
38,710	MI TwentyFour Dynamic Bond	3,519,092	2.31%
251,388	Morant Wright Fuji Yield	3,206,958	2.10%
105,033	Neuberger Berman Uncorrelated Strategies	1,136,456	0.74%
12,593	Prusik Asian Equity Income	1,763,224	1.16%
22,762	Robeco QI Emerging Conservative Equities	2,897,651	1.90%
17,210,180	Royal London Short Duration Global High Yield Bond	12,864,610	8.43%
12,038,386	Royal London Sterling Extra Yield Bond	11,080,131	7.26%
2,705,467	Ninety One Global Gold Fund	2,432,485	1.59%
6,682	Samarang Asian Prosperity	1,740,521	1.14%
629,600	Goodhart Partners Horizon Fund-HMG Global Emerging Markets Equity**	9,444	0.01%
807,798	VT Downing European Unconstrained Income***	805,536	0.53%
		<b>52,591,878</b>	<b>34.46%</b>
<b>Exchange Traded Commodities (31.03.2023: 1.36%)</b>			
13,450	Invesco Physical Markets PLC	1,981,051	1.30%
		<b>1,981,051</b>	<b>1.30%</b>
<b>Exchange Traded Funds (31.03.2023: 2.01%)</b>			
59,500	Amundi Prime Japan UCITS ETF	1,290,406	0.85%
57,500	Invesco EURO STOXX High Dividend Low Volatility UCITS ETF	1,118,720	0.73%
84,000	iShares Asia Pacific Dividend UCITS ETF	1,388,100	0.91%
		<b>3,797,226</b>	<b>2.49%</b>
<b>Government Bonds (31.03.2023: 0.23%)</b>			
875,000	UK GILT 4.25% 07-12-2049	791,551	0.52%
2,010,000	UK GILT 4.25% 07-06-2032	1,995,086	1.31%
1,600,000	UK GILT 4.75% 07-12-2038	1,603,280	1.05%
1,370,000	UK GILT 5.00% 07-03-2025	1,373,151	0.90%
1,315,000	UK GILT 6.00% 07-12-2028	1,413,480	0.93%
790,000	UK GILT 3.75% 22-10-2053	648,859	0.43%
340,000	UK GILT 4.75% 07-12-2030	348,364	0.23%
1,050,000	UK GILT 3.50% 22-10-2025	1,021,146	0.67%
740,000	UK GILT 4.125% 29-01-2027	727,975	0.48%
		<b>9,922,892</b>	<b>6.50%</b>
<b>Real Estate Investment Trusts (31.03.2023: 7.31%)</b>			
2,400,000	AEW UK REIT PLC	2,347,200	1.54%
2,035,000	Assura PLC	854,700	0.56%
3,968,407	Ediston Property Investment Company PLC	2,746,138	1.80%
3,226,572	Life Science REIT plc	2,226,335	1.46%
1,323,798	Londonmetric Property PLC	2,268,990	1.49%
2,724,090	PRS Reit PLC	1,849,657	1.21%
		<b>12,293,020</b>	<b>8.06%</b>

**PORTFOLIO STATEMENT (Continued)**

Holding	Security	Value £	% of Total Net Assets %
<b>Investment Trusts (31.03.2023: 28.16%)</b>			
1,666,823	Cordiant Digital Infrastructure Ltd	1,180,111	0.77%
4,440,000	Chrysalis Investments Ltd	2,797,200	1.83%
1,625,000	Digital 9 Infrastructure	607,750	0.40%
5,900,000	Doric Nimrod Air Three Ltd	2,773,000	1.82%
3,545,000	Doric Nimrod Air Two Ltd	3,350,025	2.20%
9,312,689	DP Aircraft I Ltd	417,569	0.27%
9,675,695	Fair Oaks Income Ltd	4,141,258	2.71%
2,470,000	Gore Street Energy Storage Fund PLC	1,924,130	1.26%
1,673,812	Greencoat UK Wind PLC	2,356,727	1.54%
3,045,000	Hipgnosis Songs Fund Ltd	2,481,675	1.63%
1,600,000	International Public Partnerships Ltd	1,968,000	1.29%
1,758,640	JLEN Environmental Assets Group Limited	1,730,502	1.13%
395,000	Oakley Capital Investments Ltd	1,757,750	1.15%
2,841,996	RM Infrastructure Income PLC	1,975,187	1.29%
2,828,500	Sequoia Economic Infrastructure Income Fund Ltd	2,333,513	1.53%
2,030,000	Syncona Limited Ord Npv	2,334,500	1.53%
19,180,628	Schroders Capital Global Innovation Trust PLC	2,857,914	1.87%
		36,986,811	24.24%
<b>Equities (31.03.2023: 20.95%)</b>			
87,171	Aberdeen Private Equity Fund Ltd*	-	0.00%
3,283,915	Accrol Group Holdings PLC	968,755	0.63%
409,864	Babcock International Group PLC	1,720,609	1.13%
150,000	BP PLC	807,000	0.53%
1,273,300	BT Group PLC	1,496,128	0.98%
267,700	Conduit Holdings Ltd	1,220,712	0.80%
31,650	Cranswick PLC	1,112,814	0.73%
690,600	Diversified Energy Company PLC	560,422	0.37%
517,100	Essentra PLC	833,565	0.55%
6,200	Games Workshop Group PLC	654,100	0.43%
65,000	GSK plc	973,830	0.64%
614,800	Halfords Group PLC	1,226,526	0.80%
180,300	J Sainsbury PLC	455,798	0.30%
1,834,306	Kier Group PLC	2,098,446	1.38%
69,202	LBG Media PLC	58,683	0.04%
1,000,000	Legal & General Group PLC	2,233,000	1.46%
1,214,800	M&G PLC	2,430,815	1.59%
660,076	Marks and Spencer Group PLC	1,565,040	1.03%
2,880,100	Marstons PLC	864,030	0.57%
435,300	Morgan Advanced Materials PLC	1,075,191	0.70%
1,437,100	Mobico Group PLC	1,276,145	0.84%
5,300	Next PLC	386,900	0.25%
408,750	OSB Group PLC	1,339,065	0.88%
364,410	Origin Enterprises PLC	1,032,328	0.68%
357,600	Phoenix Group Holdings	1,711,831	1.12%
16,000	Rio Tinto PLC	835,520	0.55%
578,220	Senior PLC	928,621	0.61%
14,000,000	Speymill Deutsche Immobilien Company PLC*	-	0.00%
607,995	Strix Group PLC	327,101	0.21%
190,000	Tesco PLC	504,830	0.33%
1,123,600	Jupiter Fund Management PLC	1,079,780	0.71%
11,195	Synthomer PLC	26,756	0.02%
785,300	Barclays PLC	1,252,868	0.82%
20,370	Unilever PLC	832,013	0.55%
		33,889,222	22.21%
<b>Rights (31.03.2023: 0.00%)</b>			
67,170	Synthomer PLC (Rights Issue)	25,726	0.02%
		25,726	0.02%

PORTFOLIO STATEMENT (Continued)

Holding	Security	% of Total Net	
		Value £	Assets %
	<b>Structured Notes (31.03.2023: 0.00%)</b>		
4,350,000	Barclays Bank PLC WTS 23/02/2018**	-	0.00%
		-	0.00%
	<b>Portfolio of investments (31.03.2023: 97.99%)</b>	<b>151,487,826</b>	<b>99.26%</b>
	<b>Net other assets (31.03.2023: 2.01%)</b>	<b>1,122,087</b>	<b>0.74%</b>
	<b>Net assets</b>	<b>152,609,913</b>	<b>100.00%</b>

\* Delisted security

\*\* Unlisted security

\*\*\* Related security due to the AFM of the Sub-fund also being the AFM of this holding

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total sales for the period</b>	<b>40,541,506</b>
TwentyFour Select Monthly Income Fund Ltd	5,121,464
Muzinich Short Duration High Yield	4,693,863
Absalon Emerging Market Corporate Debt	3,500,000
Morant Wright Fuji Yield	3,200,000
Round Hill Music Royalty Fund Limited	3,097,120
iShares Emerging Markets Dividend UCITS ETF	2,773,160
JPMorgan European Growth & Income PLC	2,398,554
Vistry Group PLC	1,786,404
AMUNDI MSCI JAPAN UCITS ETF	1,384,900
Ninety One Global Gold	1,218,204
Other Sales	11,367,837
	£
<b>Total purchases for the period</b>	<b>56,260,407</b>
Jupiter Global Emerging Markets Short Duration Bond	3,500,000
Robeco QI Emerging Conservative Equities	2,800,000
UK GILT 4.25% 07-06-2032	2,155,911
UK GILT 4.75% 07-12-2038	1,740,354
UK GILT 5.00% 07-03-2025	1,394,818
UK GILT 6.00% 07-12-2028	1,352,972
Amundi MSCI Japan UCITS ETF	1,347,940
iShares Asia Pacific Dividend UCITS ETF	1,334,004
Amundi Prime Japan UCITS ETF	1,300,224
Invesco EURO STOXX High Dividend Low Volatility UCITS ETF	1,139,655
Other Purchases	38,194,529

The analysis is of the top 10 sales and purchases during the period.

### Scheme of Arrangement

On 23 August 2023, Momentum Multi-Asset Value Trust plc merged into the VT Momentum Diversified Income Fund through a scheme of arrangement. The subscriptions into the fund from Momentum Multi-Asset Value Trust plc shareholders were financed by way of an in specie transfer of holdings amounting to £23,165,381.

## STATEMENT OF TOTAL RETURN

For the six months ended 30 September	2023		2022	
	£	£	£	£
Income				
Net capital (losses)		(1,258,589)		(26,335,890)
Revenue	5,067,302		4,911,621	
Expenses	(674,558)		(787,032)	
Interest payable and similar charges	(93)		(116)	
Net revenue before taxation	4,392,651		4,124,473	
Taxation	(233,847)		(195,395)	
Net revenue after taxation		4,158,804		3,929,078
Total return before distributions		2,900,215		(22,406,812)
Finance costs: distributions		(3,828,885)		(4,018,372)
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>(928,670)</b>		<b>(26,425,184)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 30 September	2023	2022
	£	£
<b>Opening net assets attributable to shareholders</b>	141,990,739	173,552,994
Amounts receivable on creation of shares	9,190,856	15,568,481
Amounts payable on cancellation of shares	(20,885,951)	(19,540,759)
Scheme of Arrangement	23,019,865	-
Distribution accumulated	223,074	206,136
Changes in net assets attributable to shareholders from investment activities (see above)	(928,670)	(26,425,184)
<b>Closing net assets attributable to shareholders</b>	<b>152,609,913</b>	<b>143,361,668</b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 31 March 2023 was £141,990,739.

## BALANCE SHEET

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As at	30.09.2023		31.03.2023	
	£	£	£	£
<b>FIXED ASSETS</b>				
Investment assets		151,487,826		139,124,711
<b>Current assets</b>				
Debtors	1,209,502		1,257,726	
Cash and bank balances	<u>2,711,538</u>		<u>3,549,688</u>	
<b>Total current assets</b>		<u>3,921,040</u>		<u>4,807,414</u>
<b>Total assets</b>		155,408,866		143,932,125
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Bank overdraft	-		(27,502)	
Distribution payable on income shares	(694,535)		(1,277,526)	
Creditors	<u>(2,104,418)</u>		<u>(636,358)</u>	
<b>Total current liabilities</b>		<u>(2,798,953)</u>		<u>(1,941,386)</u>
<b>Net assets attributable to shareholders</b>		<u>152,609,913</u>		<u>141,990,739</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the period ended 31 March 2023 and are described in those financial statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') Authorised Funds issued by the Investment Association in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

## DISTRIBUTION TABLES

### First Interim distribution in pence per share

Group 1: Shares purchased prior to 01 April 2023

Group 2 : Shares purchased on or after 01 April 2023 and on or before 30 April 2023

<b>Class A Income</b>	<b>Net revenue 31.05.2023</b>	<b>Equalisation</b>	<b>Distribution 31.05.2023</b>	<b>Distribution 31.05.2022</b>
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.1439p	0.2161p	0.3600p	0.3600p

<b>Class B Income</b>	<b>Net revenue 31.05.2023</b>	<b>Equalisation</b>	<b>Distribution 31.05.2023</b>	<b>Distribution 31.05.2022</b>
Group 1	0.4462p	-	0.4462p	0.4432p
Group 2	0.1280p	0.3182p	0.4462p	0.4432p

<b>Class N Income</b>	<b>Net revenue 31.05.2023</b>	<b>Equalisation</b>	<b>Distribution 31.05.2023</b>	<b>Distribution 31.05.2022</b>
Group 1	0.4345p	-	0.4345p	0.4327p
Group 2	0.2336p	0.2009p	0.4345p	0.4327p

<b>Class B Accumulation</b>	<b>Net revenue 31.05.2023</b>	<b>Equalisation</b>	<b>Distribution 31.05.2023</b>	<b>Distribution 31.05.2022</b>
Group 1	0.4746p	-	0.4746p	0.4479p
Group 2	0.1259p	0.3487p	0.4746p	0.4479p

<b>Class I Income</b>	<b>Net revenue 31.05.2023</b>	<b>Equalisation</b>	<b>Distribution 31.05.2023</b>
Group 1	0.3987p	-	0.3987p
Group 2	0.3987p	-	0.3987p

### Second Interim distribution in pence per share

Group 1: Shares purchased prior to 01 May 2023

Group 2 : Shares purchased on or after 01 May 2023 and on or before 31 May 2023

<b>Class A Income</b>	<b>Net revenue 30.06.2023</b>	<b>Equalisation</b>	<b>Distribution 30.06.2023</b>	<b>Distribution 30.06.2022</b>
Group 1	0.3002p	-	0.3002p	0.3600p
Group 2	0.0777p	0.2225p	0.3002p	0.3600p

<b>Class B Income</b>	<b>Net revenue 30.06.2023</b>	<b>Equalisation</b>	<b>Distribution 30.06.2023</b>	<b>Distribution 30.06.2022</b>
Group 1	0.3721p	-	0.3721p	0.4378p
Group 2	0.0393p	0.3328p	0.3721p	0.4378p

<b>Class N Income</b>	<b>Net revenue 30.06.2023</b>	<b>Equalisation</b>	<b>Distribution 30.06.2023</b>	<b>Distribution 30.06.2022</b>
Group 1	0.3624p	-	0.3624p	0.4275p
Group 2	0.0170p	0.3454p	0.3624p	0.4275p

<b>Class B Accumulation</b>	<b>Net revenue 30.06.2023</b>	<b>Equalisation</b>	<b>Distribution 30.06.2023</b>	<b>Distribution 30.06.2022</b>
Group 1	0.3964p	-	0.3964p	0.4558p
Group 2	0.0339p	0.3625p	0.3964p	0.4558p

<b>Class I Income</b>	<b>Net revenue 30.06.2023</b>	<b>Equalisation</b>	<b>Distribution 30.06.2023</b>	<b>Distribution 30.06.2022<sup>^</sup></b>
Group 1	0.3326p	-	0.3326p	0.0322p
Group 2	0.3326p	-	0.3326p	0.0322p

<sup>^</sup>Distribution for the period 23 May 2022 to 31 May 2022



**DISTRIBUTION TABLES (Continued)**

**Third Interim distribution in pence per share**

Group 1: Shares purchased prior to 01 June 2023

Group 2 : Shares purchased on or after 01 June 2023 and on or before 30 June 2023

<b>Class A Income</b>	<b>Net revenue 28.07.2023</b>	<b>Equalisation</b>	<b>Distribution 28.07.2023</b>	<b>Distribution 29.07.2022</b>
Group 1	0.4198p	-	0.4198p	0.3600p
Group 2	0.0091p	0.4107p	0.4198p	0.3600p

<b>Class B Income</b>	<b>Net revenue 28.07.2023</b>	<b>Equalisation</b>	<b>Distribution 28.07.2023</b>	<b>Distribution 29.07.2022</b>
Group 1	0.5208p	-	0.5208p	0.4441p
Group 2	0.0771p	0.4437p	0.5208p	0.4441p

<b>Class N Income</b>	<b>Net revenue 28.07.2023</b>	<b>Equalisation</b>	<b>Distribution 28.07.2023</b>	<b>Distribution 29.07.2022</b>
Group 1	0.5081p	-	0.5081p	0.4334p
Group 2	0.0004p	0.5077p	0.5081p	0.4334p

<b>Class B Accumulation</b>	<b>Net revenue 28.07.2023</b>	<b>Equalisation</b>	<b>Distribution 28.07.2023</b>	<b>Distribution 29.07.2022</b>
Group 1	0.5584p	-	0.5584p	0.4516p
Group 2	0.0533p	0.5051p	0.5584p	0.4516p

<b>Class I Income</b>	<b>Net revenue 28.07.2023</b>	<b>Equalisation</b>	<b>Distribution 28.07.2023</b>	<b>Distribution 29.07.2022</b>
Group 1	0.4656p	-	0.4656p	0.4187p
Group 2	0.2281p	0.2375p	0.4656p	0.4187p

**Fourth Interim distribution in pence per share**

Group 1: Shares purchased prior to 01 July 2023

Group 2 : Shares purchased on or after 01 July 2023 and on or before 31 July 2023

<b>Class A Income</b>	<b>Net revenue 30.08.2023</b>	<b>Equalisation</b>	<b>Distribution 30.08.2023</b>	<b>Distribution 31.08.2022</b>
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0000p	0.3600p	0.3600p	0.3600p

<b>Class B Income</b>	<b>Net revenue 30.08.2023</b>	<b>Equalisation</b>	<b>Distribution 30.08.2023</b>	<b>Distribution 31.08.2022</b>
Group 1	0.4467p	-	0.4467p	0.4439p
Group 2	0.0005p	0.4462p	0.4467p	0.4439p

<b>Class N Income</b>	<b>Net revenue 30.08.2023</b>	<b>Equalisation</b>	<b>Distribution 30.08.2023</b>	<b>Distribution 31.08.2022</b>
Group 1	0.4353p	-	0.4353p	0.4332p
Group 2	0.0200p	0.4153p	0.4353p	0.4332p

<b>Class B Accumulation</b>	<b>Net revenue 30.08.2023</b>	<b>Equalisation</b>	<b>Distribution 30.08.2023</b>	<b>Distribution 31.08.2022</b>
Group 1	0.4805p	-	0.4805p	0.4532p
Group 2	0.0098p	0.4707p	0.4805p	0.4532p

<b>Class I Income</b>	<b>Net revenue 30.08.2023</b>	<b>Equalisation</b>	<b>Distribution 30.08.2023</b>	<b>Distribution 31.08.2022</b>
Group 1	0.3994p	-	0.3994p	0.4034p
Group 2	0.3994p	-	0.3994p	0.4034p

**DISTRIBUTION TABLES (Continued)**

**Fifth Interim distribution in pence per share**

Group 1: Shares purchased prior to 01 August 2023

Group 2 : Shares purchased on or after 01 August 2023 and on or before 31 August 2023

<b>Class A Income</b>	<b>Net revenue 30.09.2023</b>	<b>Equalisation</b>	<b>Distribution 30.09.2023</b>	<b>Distribution 30.09.2022</b>
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0076p	0.3524p	0.3600p	0.3600p
<b>Class B Income</b>	<b>Net revenue 30.09.2023</b>	<b>Equalisation</b>	<b>Distribution 30.09.2023</b>	<b>Distribution 30.09.2022</b>
Group 1	0.4469p	-	0.4469p	0.4442p
Group 2	0.0003p	0.4466p	0.4469p	0.4442p
<b>Class N Income</b>	<b>Net revenue 30.09.2023</b>	<b>Equalisation</b>	<b>Distribution 30.09.2023</b>	<b>Distribution 30.09.2022</b>
Group 1	0.4352p	-	0.4352p	0.4333p
Group 2	0.0162p	0.4190p	0.4352p	0.4333p
<b>Class B Accumulation</b>	<b>Net revenue 30.09.2023</b>	<b>Equalisation</b>	<b>Distribution 30.09.2023</b>	<b>Distribution 30.09.2022</b>
Group 1	0.4825p	-	0.4825p	0.4556p
Group 2	0.0000p	0.4825p	0.4825p	0.4556p
<b>Class I Income</b>	<b>Net revenue 30.09.2023</b>	<b>Equalisation</b>	<b>Distribution 30.09.2023</b>	<b>Distribution 30.09.2022</b>
Group 1	0.3997p	-	0.3997p	0.3976p
Group 2	0.0012p	0.3985p	0.3997p	0.3976p

**Sixth Interim distribution in pence per share**

Group 1: Shares purchased prior to 01 September 2023

Group 2 : Shares purchased on or after 01 September 2023 and on or before 30 September 2023

<b>Class A Income</b>	<b>Net revenue 30.10.2023</b>	<b>Equalisation</b>	<b>Distribution 30.10.2023</b>	<b>Distribution 31.10.2022</b>
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0033p	0.3567p	0.3600p	0.3600p
<b>Class B Income</b>	<b>Net revenue 30.10.2023</b>	<b>Equalisation</b>	<b>Distribution 30.10.2023</b>	<b>Distribution 31.10.2022</b>
Group 1	0.4473p	-	0.4473p	0.4444p
Group 2	0.0163p	0.4310p	0.4473p	0.4444p
<b>Class N Income</b>	<b>Net revenue 30.10.2023</b>	<b>Equalisation</b>	<b>Distribution 30.10.2023</b>	<b>Distribution 31.10.2022</b>
Group 1	0.4352p	-	0.4352p	0.4335p
Group 2	0.0010p	0.4342p	0.4352p	0.4335p
<b>Class B Accumulation</b>	<b>Net revenue 30.10.2023</b>	<b>Equalisation</b>	<b>Distribution 30.10.2023</b>	<b>Distribution 31.10.2022</b>
Group 1	0.4853p	-	0.4853p	0.4575p
Group 2	0.0159p	0.4694p	0.4853p	0.4575p
<b>Class I Income</b>	<b>Net revenue 30.10.2023</b>	<b>Equalisation</b>	<b>Distribution 30.10.2023</b>	<b>Distribution 31.10.2022</b>
Group 1	0.4001p	-	0.4001p	0.3969p
Group 2	0.0000p	0.4001p	0.4001p	0.3969p

## INFORMATION FOR INVESTORS

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### Individual shareholders

**Income tax:** Tax-free annual dividend allowance currently standing at £1,000 (2023/24). UK resident shareholders are now subject to new higher rates of tax on dividend income in excess of the annual allowance. The actual rate depends on the individual's tax rate band.

**Capital gains tax:** Individual shareholders resident in the UK for tax purposes may be liable to capital gains tax on realisation of their shares as with other chargeable assets. However, the first £6,000 (2023/24) of gains each year are presently tax free for individuals. Gains in excess of that amount are charged at the rate of tax applicable to the individual tax payer.

### Taxation

The Company has no corporation tax to pay on its profits for the period ended 30 September 2023. Capital gains within the Company will not be taxed.

### Corporate shareholders

Companies resident for tax purposes in the UK which hold shares should note that OEIC distributions are streamed into both franked and unfranked income. The unfranked income element will be treated as an annual payment which has been subject to income tax at prevailing rates and will be liable to tax accordingly. On realisation of their shares, UK resident companies may be liable to pay corporation tax on any capital gains.

The above information on taxation is only a general summary, and shareholders should consult their own tax advisors in relation to their own circumstances. Shareholders should also note that the position as outlined may change to reflect future changes in tax legislation.

### Issue and redemption of shares

Valu-Trac Investment Management Limited is the AFM and Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during normal business hours between 8.30am and 5.30pm. Instructions may be given by email to the below email addresses or by sending an application form to the Registrar. Application forms are available from the Registrar.

For VT Momentum Diversified Cautious, VT Momentum Diversified Balanced and VT Momentum Diversified Moderate; Momentum@valu-trac.com

The price of shares will be determined by reference to a valuation of the Company's net assets at 12 noon on each dealing day.

The AFM has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for shares in whole or part, and in this event the AFM will return any money sent, or the balance of such monies, at the risk of the applicant.

Any subscription monies remaining after a whole number of shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued in such circumstances.

A contract note giving details of the shares purchased and the price used will be issued by the Registrar by the end of the business day following the valuation point by reference to which the purchase price is determined. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

Ownership of shares will be evidenced by an entry on the Company's Register of Shareholders. Certificates will not be issued. Statements in respect of periodic distributions of revenue will show the number of shares held by the recipient in respect of which the distribution is made. Individual statements of a shareholder's shares will also be issued at any time on request by the registered holder.

Where shares are redeemed, payment will be made not later than the close of business on the fourth business day following the next valuation point after receipt by the AFM of a request for redemption.

The most recent issue and redemption prices are available from the AFM.

## CORPORATE DIRECTORY

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<b>Authorised Corporate Director, Administrator &amp; Registrar</b>	<p>Valu-Trac Investment Management Limited Orton Fochabers Moray IV32 7QE</p> <p>Telephone: 01343 880344 Fax: 01343 880267 Email: momentum@valu-trac.com</p> <p>Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648</p>
<b>Director</b>	<p>Valu-Trac Investment Management Limited as AFM</p>
<b>Investment Manager</b>	<p>Momentum Global Investment Management Limited The Rex Building 62 Queen Street London EC4R 1EB</p> <p>Authorised and regulated by the Financial Conduct Authority</p>
<b>Depository</b>	<p>NatWest Trustee and Depository Services Limited House A, Floor 0 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ</p> <p>Authorised and regulated by the Financial Conduct Authority</p>
<b>Auditor</b>	<p>Johnston Carmichael LLP Chartered Accountants Commerce House South Street Elgin IV30 1JE</p>