30 APRIL 2024

MATTIOLI WOODS FUNDS

FP MATTIOLI WOODS RESPONSIBLE EQUITY FUND

FUND MANAGER COMMENTARY

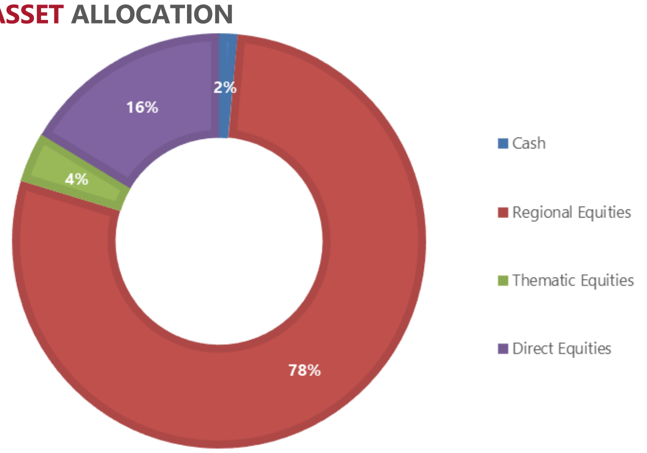
MARKET REVIEW

Equity and bond markets endured a tough April following three consecutive months of gains. The turn in investor sentiment was primarily driven by data emphasising the persistent grip of inflation on the US economy. Central banks have affirmed their 'data dependence' and, unfortunately for those betting on rate cuts, that data is not consistent with interest rate cuts in the near term. Investors also had to contend with significant escalation in Middle East tensions mid-April, which further dented risk appetite. Over the month, we saw a reversal of market leadership with the main Chinese, Asia Pacific (ex-Japan) and UK indices all delivering positive returns (in £ terms), while US, European and Japanese markets lagged. The 'higher for longer' interest rates narrative drove bond yields higher (and prices lower) over the month. Areas least sensitive to interest rate expectations were the most resilient, with corporate bonds outperforming developed market government debt. The oil price, a beneficiary of threats to supply, ended April flat as we saw tensions between Israel and Iran ease in the latter part of the month.

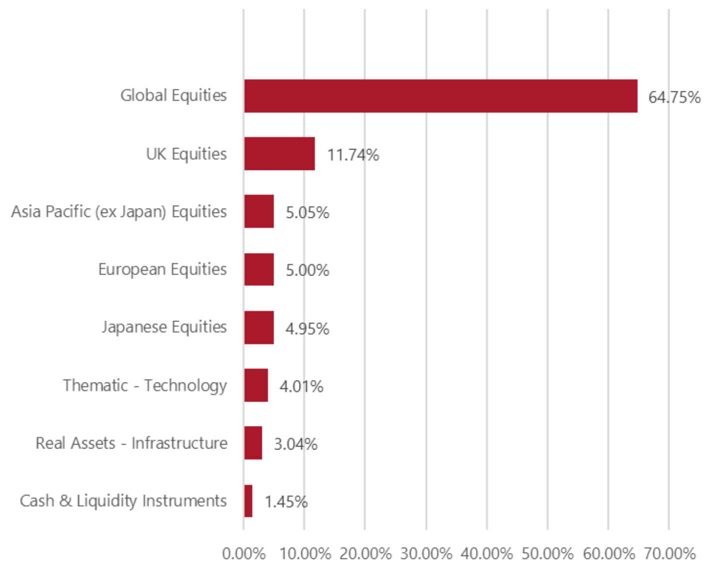
FUND REVIEW

The Responsible Equity Fund delivered performance of -1.35% during April, ahead of the benchmark's -2.16%. Having weighed on performance for some time, the Fund's underweight to US equities proved helpful in April. US equities endured a difficult month, with the market coming to terms with the potential that interest rates could stay higher for longer. This weighed on long-duration growth stocks. From the Fund's perspective, this meant a softer month for the Janus Henderson Sustainable Future Technologies and the recently added Impax Environmental Markets. Conversely, our preference for valuation conscious strategies, such as Schroder Global Sustainable Value Equity and BNY Mellon Global Sustainable Equity Income helped to deliver outperformance. On a relative basis, it was a strong month for UK equities and our overweight position helped. Both Janus Henderson UK Responsible Income and Greencoat UK Wind proved resilient over the month. Another area where we have been persistently overweight is Asia, which also outperformed over the month. Our exposure comes in the form of Stewart Asia Pacific Leaders. While long-term numbers remain exceptional, the Fund has struggled over the past few months. While the Fund's underweight to Chinese equities has proved helpful over the past few years, the market has staged a rally more recently. This has weighed on relative performance. While there are undoubtedly pockets of value in the Chinese market, we continue to be comfortable with the manager's wary approach. There was little activity over the month, except for the investment of inflows.

ASSET ALLOCATION



FUND COMPOSITION



Due to rounding, figures above may not equal 100%

FUND PERFORMANCE

Source: Financial Express, bid-to-bid, net income reinvested, sterling terms. Performance is quoted net of fees.

CUMULATIVE PERFORMANCE as at 30.04.2024

	1 month	3 months	6 months	1 year	3 years
Fund	-1.35	3.21	13.69	7.93	
Benchmark	-2.25	4.94	16.72	14.34	15.54

ANNUAL PERFORMANCE

	2023	2022	2021	2020	2019
Fund	8.18	-8.39			
Benchmark	12.68	-11.06	17.68	15.27	21.92

TOP TEN HOLDINGS as at 30.04.2024

Holding	Percentage
Janus Henderson Global Sustainable Equity I Inc	21.25%
Nomura Global Sustainable Equity F GBP	20.41%
BNY Mellon Sustainable Global Equity Income I W Inc	12.00%
Schroder Global Sustainable Value	11.10%
Impax Environmental Markets plc	7.88%
Stewart Investors Asia Pacific Sustainability B Acc	5.05%
FP Carmignac European Leaders B Income GBP	5.00%
Nomura Japan Sustainable Equity Core F GBP	4.95%
Janus Henderson Sustainable Future Technologies G Acc	4.01%
Janus Henderson UK Responsible Income	3.86%

FUND AIM

The investment objective of the Fund is to generate a combination of capital growth (the increase in value of investments) and income (money paid out by an investment, such as a dividend from a share or from fund) over an investment term of five-year rolling periods. Capital growth will be prioritised over income generation.

INVESTMENT PHILOSOPHY

The Fund uses a global, multi-sector approach, investing in a combination of direct equities in the UK, as well as geographic and thematic equity funds to generate long-term capital growth and income. The Fund defines responsible investing as aiming to generate attractive long-term returns, while ensuring that the companies owned are behaving in the interests of their communities and wider society.

FUND DETAILS

Fund managers:	Jonathon Marchant and Lauren Hyslop
Fund size:	£11.51 million
No. of holdings:	11
Sector:	IA Global
Benchmark:	IA Global
Distribution policy:	Half-yearly
Payment dates:	March and September
XD date:	February and August
Launch date:	20 September 2021
Legal structure:	Non-UCITS Retail Scheme
Reporting date (annual):	31 July
Reporting date (interim):	31 January
Base currency:	Sterling
Valuation point:	12:00 midday daily
ISA eligible:	Yes
Ongoing charges figure (% p.a.)	
B Income	1.06%
Annual management charge (% p.a.)	
B Income	0.40%
Initial fee	0.00%
ISIN	
B Income	GB00BMCH5X09
SEDOL	
B Income	BMCH5X0

RISK WARNINGS

- **Past performance is not a guide to future returns.**
- **The value of investments and the income from them can fall as well as rise, and you may not get back the amount invested.**
- **For funds investing globally, currency exchange rate fluctuations may have a positive or negative impact on the value of your investments.**
- **Changes in interest rates will affect the value of, and the interest earned from, bonds held by the Fund. When interest rates rise, the capital value of the Fund is likely to fall and vice versa.**
- **Investment trusts can borrow money that can then be used to make further investments. In a rising market, this 'gearing' can enhance returns to shareholders. However, if the market falls, losses will be multiplied.**
- **The Fund does not use derivatives extensively, although it may use them in an attempt to reduce risk, reduce costs and to generate additional income. Investing in derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions. Derivatives may expose the Fund to credit risks of counterparties, who may not meet payment obligations. The use of derivatives may result in the Fund being leveraged (where economic exposure and thus the potential for loss by the Fund exceeds the amount it has invested), and in these market conditions the effect of leverage will magnify losses.**
- **This document is issued by Mattioli Woods plc and should be read in conjunction with the Fund's Supplementary Information Document. A list of risk factors is detailed in the Supplementary Information Document, and an investment should not be contemplated until the risks are considered fully. Current tax levels and relief are liable to change, and their value will depend on an individual investor's circumstances. If you are unsure about any information contained within this document, you should take financial advice.**

Sources: FE Fundinfo

MORE INFORMATION

If you have any issues with this document, please contact Mattioli Woods plc.