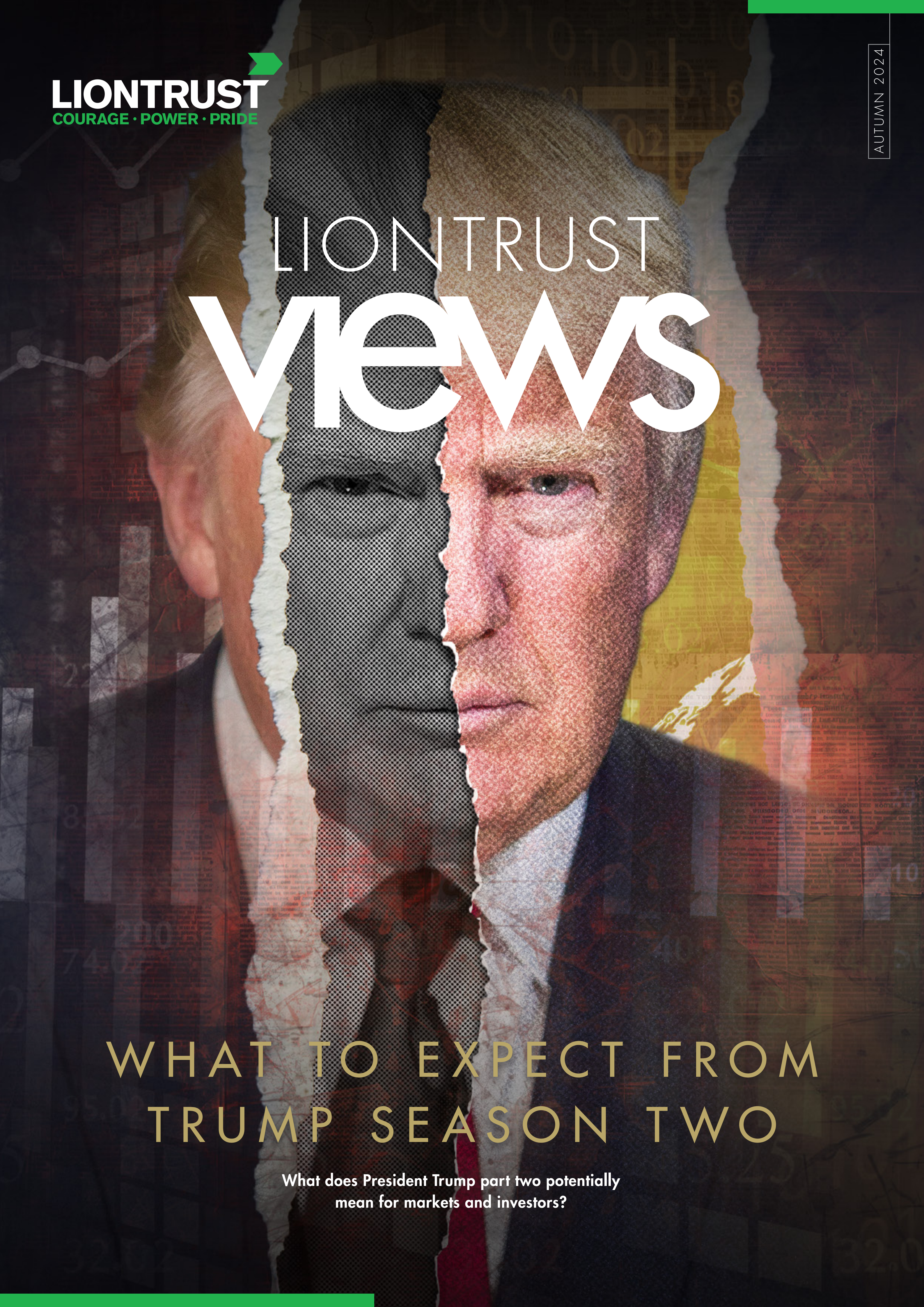


LIONTRUST
COURAGE · POWER · PRIDE

AUTUMN 2024

LIONTRUST views

WHAT TO EXPECT FROM TRUMP SEASON TWO

What does President Trump part two potentially mean for markets and investors?

CONTENTS

WELCOME

The US stock market has reached all-time record highs more than 40 times this year. This does not, however, reflect the reality of the performance of the whole market, with the index being driven higher by a small group of mega caps. This has led to what are known as the Magnificent 7 stocks representing a historically outsized proportion of the market.

We began to see signs at times during the third quarter of 2024 of a broadening out of share price growth to the rest of the market in the US and internationally, where investors can find some attractive valuations.

This comes as Donald Trump prepares to return to the White House in January as the 47th President of the US. On pages 8 and 9, some of the Liontrust fund managers provide their thoughts on what Trump might mean for markets and investors, including the impact of tariffs, tax cuts and the national debt.

The UK has also had a significant year politically, with Labour's landslide election victory in seats in the summer and its long-anticipated Budget at the end of October. On pages 10 and 11, we look at prospects for the UK and what will be the catalyst for market outperformance given the relatively low valuations on quality companies available across the stock market.

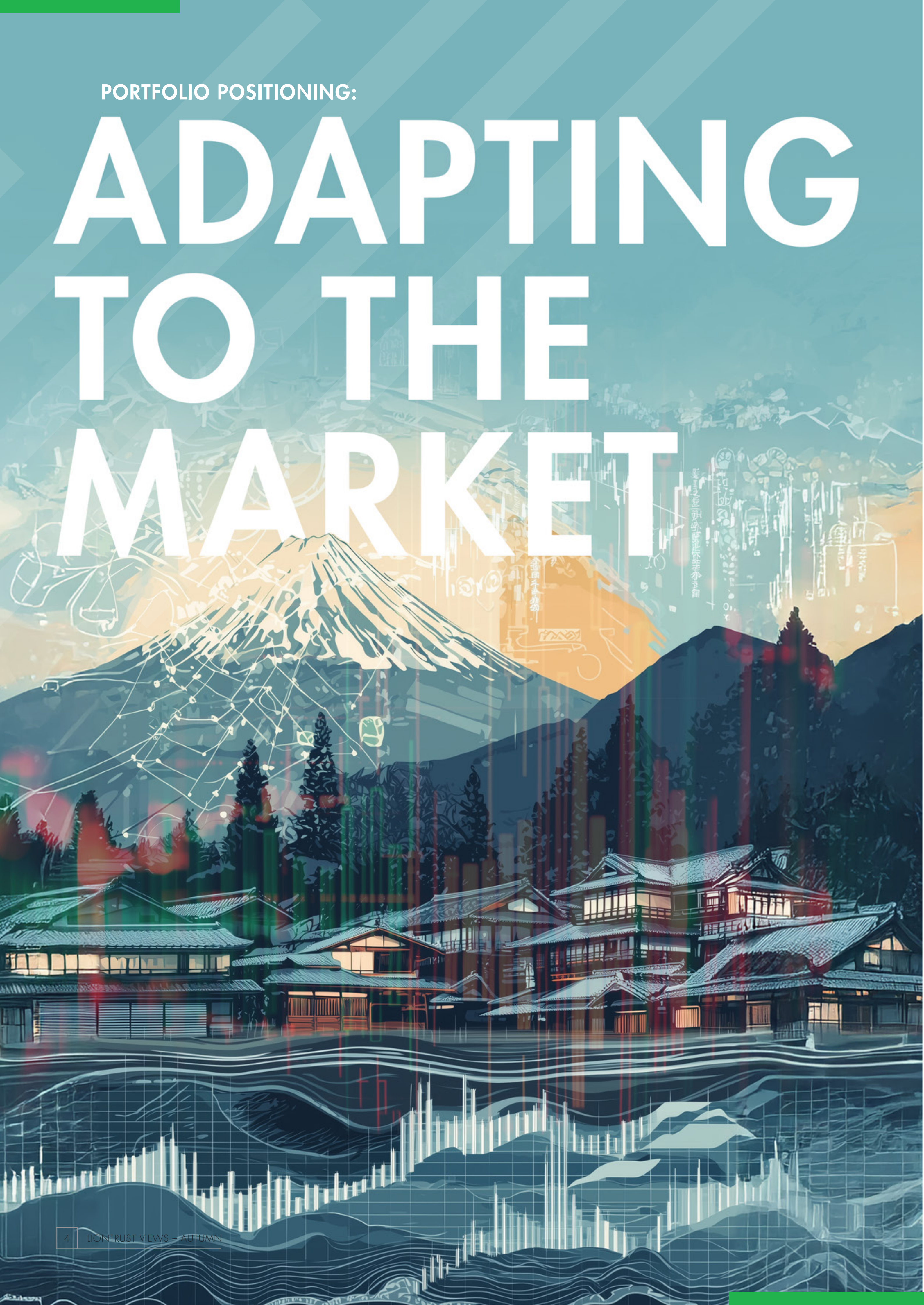
Returning to the concentration risk theme, the Liontrust Multi-Asset team have been advocating this year the benefits of diversification, both to mitigate risk and benefit from where growth is likely to come from over the next few years. This could be more important than ever given the fragmentation of globalisation we have seen and the potential effect of more tariffs on supply chains. On pages 12 and 13, we discuss how to achieve true diversification in a portfolio.

Finally, our facts and figures on pages 14 to 25 provides the vital statistics you need to see how your funds have performed.

We hope that you enjoy reading this edition of *Liontrust Views* and we welcome your feedback. ■

PORTFOLIO POSITIONING:

ADAPTING TO THE MARKET



Recent reports suggest UK adults hold £430 billion in cash deposits. Cash can be a good place to park savings for the short term as the returns are not subject to the volatility experienced by investment markets. Extending the time savings are kept in cash and not investing in asset classes like equities and bonds, however, means potentially missing out on generating real returns to enable spending power to exceed the rate of inflation over the long term.

The gap between cash and investing is potentially exacerbated at the moment by the fact that interest rates have started falling and we believe stock markets in the UK and internationally are offering attractive valuations. This latter point may seem surprising given the fact that the US S&P500 index has reached many new all-time highs in 2024. Yet it is important to remember that the US stock market has been driven to current levels in large part by a handful of mega caps including Nvidia and Apple, which have benefited from the fever-like excitement around AI.

The market environment is changing, however. The superior earnings that have been delivered by US mega and large caps are now being seen beyond these stocks, not only in the US but also in international markets.

Two key financial metrics – price to earnings (PE) and price to book (PB) – show that the UK offers the most value of global markets. The investment opportunity in the UK is discussed on pages 10 to 11 of this issue of *Liontrust Views*.

China and emerging markets

Over the last two to three years, China's slowing economic growth and trade tensions with the US have weighed on emerging markets (EMs). We believe there are several reasons why EMs may now be more attractive. China's central bank recently announced a new wave of monetary stimulus. While US-China relations remain complicated, the reorganisation of strategic supply chains could create new opportunities for EMs other than China. Longer term, Asia and emerging markets offer strong underlying fundamentals, not least of which is their strong economic growth and favourable demographics.

US and Japan

Two of the most expensive markets are the US and Japan. However, while we are neutral on US equities from a tactical view, we are positive on US smaller companies and the Japanese market.

US smaller companies underperformed in the interest rate-rising environment, which generally had a more onerous impact on them because they tend to have more debts. They now offer attractive valuations at discounts against historical levels. Falling interest rates should

> The fact Japan is in an inflationary environment for the first time in a couple of decades should encourage more consumption

support small caps and they also tend to be quicker out of the blocks in an economic recovery.

The fact Japan is in an inflationary environment for the first time in a couple of decades should encourage more consumption and, together with an improving corporate picture after years of underperformance, gives us a positive view on the outlook for the stock market.

If, as we believe, the concentration in equity markets of the mega caps in the US lessens over time and earnings and share prices broaden beyond them then it is important to consider what the relative impact will be on active managers and passive vehicles within portfolios. If you take the US, the top 10 holdings in the S&P index represent around 35% of the whole index, yet we do not believe all the growth will come from just a few stocks.

While passive vehicles have certainly helped us over the years in terms of a broader universe of options to use within portfolios, there is a big opportunity now for active management, particularly in mid and small caps, and for savings to work harder for investors than keeping them in cash.

Past performance is not a guide to future returns

A FORWARD LOOK

Outlook

Our overall outlook for markets remains positive. On balance, the global economy remains relatively buoyant, inflation has fallen, unemployment is low and consumers continue to spend.

Apart from Japan, leading equity markets rose over the third quarter, most notably Asia ex-Japan and emerging markets (EMs), while bonds saw solid gains as the Federal Reserve, European Central Bank and the Bank of England cut interest rates. Over one and three years to the end of September, global equities have risen 21.2% and 32.3% respectively.[1]

Equity markets were volatile in August as nervousness set in over data pointing to weakness in the US economy. In our view, however, the underlying economic and market fundamentals remained largely unchanged over the third quarter.

Markets have been preoccupied with whether there will be a soft or hard economic landing, but we believe central banks have already engineered the former. It would be incredible to have had the scale of central bank intervention without the risk of a recession. It may happen, but even if there were to be a recession, they are not all created equal. The impact of a so-called "technical recession" is likely to be limited.

A key moment during the third quarter was the half-point interest rate cut in the US in September. The Federal Reserve had left markets guessing over whether it would be a quarter or half point cut. Its decision meant even lower borrowing costs for businesses and consumers and more stimulation for the economy. It was also good news for three sub-asset classes for which we have already assigned positive tactical outlooks – US smaller companies, EMs and Developed Asia ex-Japan.

A rate cut generally reduces the debt burdens for smaller companies more than their larger peers. A cut also could weaken the US dollar, which makes it easier to repay debts for many EM and Asian governments and companies that borrow extensively in the currency. There was further good news for Asia and EMs towards the end of the quarter when China's government pledged a massive monetary and fiscal boost for its economy.

We have a positive bias towards equities, and while we are broadly neutral on fixed income, we are positive on corporate and high yield bonds. During the equities' pullback in August, it was encouraging to see bonds performing positively, reverting to their traditional role of providing diversification benefits. We are neutral on alternatives such as property and commodities and are negative on cash: the real return against inflation that can be achieved on cash is low and equities and bonds may provide a better alternative for those with a longer time horizon or greater risk budget.

Asset class outlook

When we are positive about an asset class, we categorise it as 'overweight' and may look to increase our target allocation to it in our funds and portfolios.

Conversely, when we are negative about an asset class, we classify it as 'underweight' and may reduce the target allocation.

Finally, 'neutral' means that we are neither positive nor negative.

In our third quarter Tactical Asset Allocation (TAA), we made no changes to our outlook rankings for the sub-asset classes and therefore we have not changed any of the weightings listed opposite.

[1]Source: Bloomberg/Liontrust, 1 October 2024

UNITED STATES

STOCKS* ▬ BONDS ▬

US stocks rose in dollar terms over the third quarter, but the gains were pared when converted to sterling. The US and Japan were the major stock markets most affected by the early August pullback in global equities. However, US equities, especially small caps, were given a fillip in September when the Federal Reserve cut interest rates by a half-point. We see plenty of value in the US beyond the mega caps, especially in smaller companies.

US government bonds (treasuries) added significantly to their gains of the previous quarter, reflecting the reductions in prevailing yields as the Federal Reserve cut rates amid falling inflation (bond prices are inversely related to yields).

*Small caps overweight.

EMERGING MARKETS

STOCKS ▲ BONDS ▬

We have had a positive outlook on EMs for some time. In the third quarter, EM equities extended the gains they made in the previous two quarters. They received a double boost in September: first, by the Federal Reserve's 50 basis point rate cut, which will make it easier for EM sovereigns and companies to service debt that is issued in US dollars (a lower US interest rate makes the dollar less attractive to hold and therefore weaker). The second and arguably more consequential boost was an announcement by China of a massive stimulus package to tackle the slowdown in its economy, which was a positive surprise for markets.

EM debt was one of the leading fixed income performers in the second quarter. High yields and economic turnarounds are proving to be attractive to investors, and the Federal Reserve cut was helpful for them. But we are more positive about EM equities than bonds.

UNITED KINGDOM

STOCKS ▲ BONDS ▬

Over the third quarter, the UK rose but it was still one of the poorer performing stock markets. The quarter began with the landslide victory for Labour in the general election to bring political stability, which reinforced our confidence in the undervalued stock market.

Gilts also rose over the third quarter, helped by a quarter-point base rate cut by the Bank of England in August. We believe gilts offer reasonable value and the prospect of delivering inflation-beating returns over the medium term as inflation is now lower. We are positive on UK corporate bonds because we believe the spreads they offer over government bonds are attractive on a risk-adjusted basis.

KEY ▲ Overweight ▼ Underweight ▬ Neutral

EUROPE

STOCKS ▬ BONDS ▬

European equities delivered a small positive return in sterling terms over the third quarter. Europe's political backdrop remains uncertain. Inflation is ebbing in the eurozone and, in September, the ECB cut rates for the second time this year. We retain our neutral stance on both equities and bonds in the region.

ASIA PACIFIC

STOCKS ▲

Asia Pacific ex-Japan was the best-performing equity region for a second consecutive quarter. Early in the quarter, however, data were released showing China's growth slowed abruptly in the second quarter, export growth slowed in July, and some of the world's biggest private equity firms had pulled back from investing in the country as the trade war with the US rumbled on and Beijing exerted tighter control over businesses. However, the region benefited from the Federal Reserve's half-point rate cut and the massive economic stimulus announced by the Chinese government. The region's equities represent good value versus developed markets.

JAPAN

STOCKS ▲

Japan was the only leading market to deliver a negative return over the quarter, although it had a lower negative return in sterling terms because of exchange rate moves. It suffered significantly during the early August pullback in global equities, although its travails began in July when the Bank of Japan raised interest rates, prompting fears about the monetary direction of the country and causing the yen to appreciate. Despite fears over Japan, we believe its positive fundamentals remain intact. Year to date, Japanese equities are still positive.

We have kept our positive tactical outlook rating on Japanese equities, including small caps. The country is in an inflationary environment for the first time in a couple of decades, which should encourage more consumption, and there is an improving corporate outlook and attractive valuations after years of underperformance. ■

Past performance is not a guide to future returns

WHAT TO EXPECT FROM TRUMP

– SEASON TWO –

There is a broad assumption that Trump's policies... are likely to be inflationary
James Klempster
Multi-Asset team

Trump has made tariffs a central part of his promise... these will hurt non-US companies
Mark Hawtin
Global Equities team

An increase in tariffs to 10% for all imports... would add about 0.8% to US inflation
Phil Milburn
Global Fixed Income team

Trump will take the US out of the Paris agreement again
Simon Clements
Sustainable Investment team

It has been an incredible year of elections around the world, from Taiwan and India to the UK and then finally the US on 5 November. The US Presidential election had arguably more unique circumstances than any other in history. And it proved historic with Donald Trump returning to the White House by sweeping the so-called swing states and winning a majority of the popular vote.

What does President Trump part two potentially mean for markets and investors? While he will not take office until 20 January 2025, Liontrust's fund managers provide their initial thoughts.

James Klempster, Multi-Asset team

In terms of the likely policy direction, we saw a clear trend towards 'America First' in the presidential campaign. This is in line with the theme of the fragmentation of globalisation that we have been talking about this year. An example of this is Trump talking about greater tariffs being applied to China and possibly even Europe. There are, however, already a number of tariffs in place on China so it is more a difference of degree rather than a difference of principle.

There is a broad assumption that Trump's policies, including on tariffs and migration, are likely to be inflationary. There is also an argument that he will try to have more influence on the Federal Reserve to reduce interest rates more quickly. While the Federal Reserve is politically independent, you can imagine a scenario where a lot of leverage is applied to try and secure lower interest rates, which could be inflationary.

While the tax cuts that Trump has promised could be deflationary in the short term, over the long run they might also be inflationary.

Mark Hawtin, Global Equities team

Trump has made tariffs a central part of his promise and if enacted these will hurt non-US companies exporting to the US. Chinese car companies are the most obvious target. We expect that other areas of focus for Trump will be the rolling back of regulation, tax cuts and the impact on the deficit. This is likely to be positive news for the industrials and financial sectors, as well as energy, while crypto currencies should also benefit.

However, overall, the outcome of the election will not change the driving concern for US investors, which is that the level of national debt and the interest burden is becoming unsustainable. With Trump spending plans ranging between $8–10 trillion, this could have significant impacts on the economy and debt levels.

Phil Milburn, Global Fixed Income team

We estimate that President Trump will start quickly on tariffs for some countries he sees as strong competitors (the most obvious example being China) but use the threat of tariffs to negotiate with other trading partners (such as the EU). Tit-for-tat US and European tariffs would raise inflation and hurt growth, but impact Europe more severely than the US.

An increase in tariffs to 10% for all imports, if passed in full to the consumer, would add about 0.8% to US inflation. This would be mostly felt in the second half of 2025 and the first half of 2026. In the longer term, tariffs create a headwind to global growth as trade is not a zero-sum game.

For the Federal Reserve, the boost to inflation and any additional fiscal stimulus (the deficit is already 6.3% of GDP) is likely to slow the pace of cuts to interest rates.

Simon Clements, Sustainable Investment team

Trump's big win gives him licence to change the political and economic landscape in the US and worldwide. The most obvious, and arguably most important area, is the urgent need to decarbonise the global economy. Trump will take the US out of the Paris agreement again and therefore will undoubtedly make this challenge more difficult to achieve.

From an investment perspective, we are less concerned. Trump is a deal maker and he will pursue the most cost-effective option to achieve his lofty ambitions. While this will result in more oil and gas being drilled in the US, it is doubtful he will pursue coal over renewable energy. The latter is the most cost-effective way to power the economy, and the technology has not relied on subsidies to be competitive for years. In fact, the last Trump term was a golden era for renewable energy in the US.

Many of our investment themes, such as Improving the Management of Water, will be at the heart of rebuilding the American industrial heartland which Trump is promising to do.

OPPORTUNITY KNOCKS FOR THE UK

The UK stock market has long been regarded by many commentators and investors as being cheap on multiple financial metrics and relative to other markets around the world, especially the US.

This offers the opportunity to invest in high-quality companies trading at attractive valuations at the same time as there are arguably a number of reasons to be confident about the outlook for the UK stock market.

The Liontrust Multi-Asset investment team agrees with the belief that this could be an attractive time to invest in the UK, especially for small and mid-cap stocks. This is reflected in the team's positive score of four out of five for its tactical asset allocation (TAA) for UK equities.

This naturally prompts the question of what will be the catalyst that will enable this valuation gap to be closed. The Multi-Asset team does not believe there will be one major catalyst that will lead to the UK outperforming other stock markets and states it is rather a number of factors in combination which make it an attractive investment proposition.

First, the UK has one of the most comprehensive legal systems in the world. It also provides an environment that enables businesses to commercialise their innovations. The UK has three of the top 10 universities in the world and two of the three most effective technology clusters.

The UK is home to world-class companies among all cap sizes listed on the stock market. For example, according to the *Tech Nation Report 2024*, 171 technology unicorns (a start-up company worth in excess of $1 billion) have been created in the UK, it has the third most valuable technology sector in the world and UK manufacturing ranks 8th by value of output.

The UK is also the 6th largest market for medical technology and has two of the 10 largest pharmaceutical companies in the world.

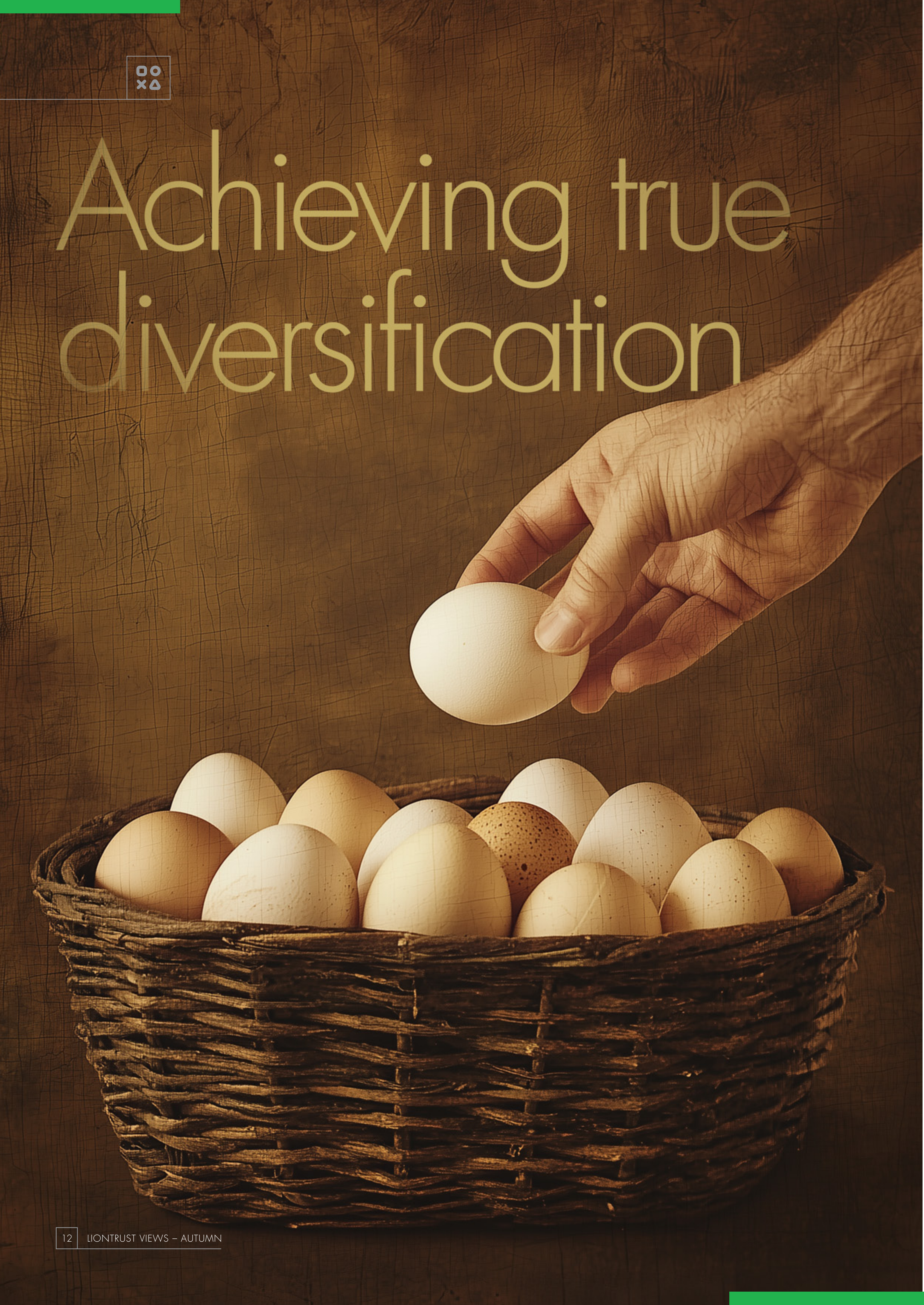
The large majority in seats that the new Labour government won at the General Election in July should herald a period of greater political stability than we have experienced over the past few years. If the government convinces the investment markets it will follow orthodox economic policies, manage debt levels, improve productivity and growth prospects, and maintain gilt yields at reasonable levels then it can attract international investors back to the UK.

Then there is the valuation opportunity in the UK. Canaccord Genuity Quest's analysis shows that, at the end of September 2024, the UK stock market discount to its measure of intrinsic value was 19%. Among small caps, Quest estimates that market capitalisation was at a 35% discount to intrinsic value. In contrast, US equities trade at a 39% premium to their intrinsic value and Europe and Asia do not offer the discounts available in the UK.

Given these valuations, it is not surprising that there has been significant takeover interest for UK-listed companies. Research shows the UK is second globally behind the US by the value of M&A activity that has taken place this year.

UK equities will never account for a significant portion of the Liontrust Multi-Asset funds and portfolios given that the stock market comprises less than 10% of the global economy and 5% of the global market. But they are maintaining their overweight allocation given the attractive valuations, the positive environment for companies in the UK and the improving economic backdrop of lower inflation and interest rates on a downward path.

Achieving true diversification



It has been called the investors' secret weapon: the means to share in the gains that the stock market can offer over the long term while shielding yourself from the worst of the falls that are part and parcel of owning shares. It goes by the "official" term of diversification or by the more homely one of not putting all your eggs in one basket. How can it be achieved in practice?

What does it mean?

Let's think about the FTSE 100 index, which consists of the 100 most valuable companies on the London stock market. Imagine you choose one company in this index and decide to invest all your money in its shares. There is a risk – small, but not negligible – that this company will go bust and you will lose all your money.

Now imagine that you split your money into 100 equal parts and spread it among all 100 of those companies. There is, short of Armageddon, no chance that all 100 will go bankrupt. By hedging your bets in this way, you protect yourself from the worst possible outcome: total loss of your money. If you own 100 stocks, some will do well and others not, but overall you stand a very good chance, if history is any guide, of growing your money over time.

Diversification is enhanced further if you invest in smaller stocks than those in the FTSE 100, and therefore spread your investments more widely across sectors, and also by investing internationally.

Diversification does not mean just buying a variety of stocks instead of only one; to achieve diversification involves owning more than one type of investment. A truly diversified portfolio may include stocks, bonds (which pay a fixed return each year), property, perhaps some gold, other commodities and possibly even more alternative assets. The idea behind this is that these investments tend to rise and fall at different times; often bonds go up when shares go down and overall performance is therefore smoothed out.

How to diversify a portfolio

Everyone should have a diversified portfolio – remember the example of owning the one FTSE 100 stock – but the type of diversification you need depends on your age, your investment goals and your attitude to risk.

An investor in his or her 20s, for example, may want to forget about bonds, property, gold and so on and just put everything in the stock market, as long as the money will not be required for a very long time, such as at retirement. Although over the ensuing decades there are bound to be many ups and downs, the long-term record of stock markets suggests the saver will have made handsome returns at the end. But, as we have said, that twentysomething saver must diversify his or her stock market holdings to avoid the risk that the failure of one business severely reduces the value of their investments.

As you get older, or closer to the time when you need to draw on your savings, a more diversified portfolio in the sense of owning a greater variety of asset types becomes appropriate. In one's 50s and 60s, it makes sense to start adding some bonds and property because, in the event of a severe stock market fall, the time available for it to recover is steadily dwindling.

If you are very risk averse – find out by asking yourself how you would react to a fall of 30% or 40% in the value of your portfolio – it would be best to increase your level of diversification sooner.

If you do decide to choose your own stocks, you could find yourself with a poorly diversified portfolio even if you owned shares in, say, 20 companies. If, for instance, you owned shares in 20 firms focused on artificial intelligence (AI), you would be very exposed to the risk of a reversal of sentiment towards it or a failure of the technology to live up to expectations. So it is best to be diversified across industry sectors and types of businesses.

It is easy to see the advantages of diversification but are there any disadvantages? One is the danger of "over-diversification". This refers to the fact that the returns from a basket of shares or other assets are increasingly likely to converge with the return of the market as a whole as you own more and more holdings. Very diversified portfolios can also become cumbersome to manage so a happy medium is called for.

If you seek to achieve diversification through owning a portfolio of funds, it is important to spread your savings across investment styles, including growth and value. If one style is out of favour, then the other investment styles should be able to offset this. Multi-asset funds can be used for you to achieve true diversification according to your own risk profile.

FACTS & FIGURES

QUARTERLY DATA

Asian (but not Japanese) stocks	▲ 7.73%	MSCI Pacific ex-Japan Index
Emerging market stocks	▲ 2.61%	MSCI Emerging Market Index
UK corporate bonds	▲ 2.41%	Bloomberg Barclays Sterling Aggregate Bond Index
UK stocks	▲ 2.26%	FTSE All-Share Index
European corporate bonds	▲ 1.35%	Bloomberg Barclays European Corporate Bond Index
Global government bonds	▲ 0.93%	FTSE G7 Index
European (but not UK) stocks	▲ 0.23%	FTSE All World Developed Europe excluding UK Index
Emerging market bonds	▼ -0.02%	Bloomberg Emerging Markets Hard Currency Aggregate Index
Japanese stocks	▼ -0.19%	TOPIX Index
US stocks	▼ -0.21%	S&P 500 Composite Index
Global high yield bonds	▼ -0.25%	ICE Bank of America ML Global High Yield Bond Index
US corporate bonds	▼ -0.26%	Bloomberg Barclays US Corporate Bond Index

To highlight the unpredictability of markets, the table below details the performance of global equity and fixed income indices over the past five years (in sterling terms). This table demonstrates how volatile markets can be, and shows the benefits of diversifying your investment, or in other words, not putting all your eggs in one basket.

Index percentage growth (%)	1 Oct 2023 to 30 Sep 2024	1 Oct 2022 to 30 Sep 2023	1 Oct2021 to 30 Sep 2022	1 Oct 2020 to 30 Sep 2021	1 Oct 2019 to 30 Sep 2020
US stocks	24.07	11.23	2.10	24.65	9.76
European (but not UK) stocks	15.59	19.94	-12.91	21.96	0.71
UK stocks	13.40	13.84	-4.00	27.90	-16.59
Japanese stocks	8.11	12.27	-15.80	13.26	-0.06
Asian (but not Japanese) stocks	16.77	1.22	-1.83	20.75	-10.43
Emerging market stocks	15.14	2.58	-12.79	13.70	5.72
Global government bonds	0.46	-8.36	-5.06	-7.49	1.62
Global high yield bonds	6.48	3.10	-2.76	5.28	-0.96
US corporate bonds	3.99	-5.20	-1.59	-2.45	2.85
European corporate bonds	5.09	2.45	-13.36	-3.66	2.80
Emerging market bonds	6.68	-0.70	-7.01	-1.09	-0.53
UK corporate bonds	8.48	-0.31	-23.79	-5.26	3.66

Past performance does not predict future returns. Rebased in sterling where appropriate, i.e. all index returns are recalculated based on exchange rates to give returns for a sterling investor. Source: Morningstar Direct, 30 September 2024.

EXPLORER FUND RANGE

THE LIONTRUST MULTI-ASSET INVESTMENT TEAM

JOHN HUSSELBEE

JAMES KLEMPSTER

ANTHONY CHEMLA

DAVID SALISBURY

PORTFOLIO CHANGES

BOUGHT

No new funds were added during the quarter

SOLD

There were no fund exits during the quarter

CUMULATIVE RETURN

Fund and share class Total returns for the periods shown (%)	3 MONTHS 30 Jun 24 to 30 Sep 24	1 YEAR 30 Sep 23 to 30 Sep 24	3 YEARS 30 Sep 21 to 30 Sep 24	5 YEARS 30 Sep 19 to 30 Sep 24
Liontrust MA Explorer 35 Fund S Acc	3.02	13.62	-5.37	-4.49
Liontrust MA Explorer Income 45 Fund S Acc	2.64	13.85	-3.77	2.65
Liontrust MA Explorer Income 60 Fund S Acc	2.26	14.44	4.36	17.87
Liontrust MA Explorer 70 Fund S Acc	2.01	14.95	7.19	23.97
Liontrust MA Explorer 85 Fund S Acc	1.65	15.45	11.56	34.02
Liontrust MA Explorer 100 Fund S Acc	0.99	15.34	12.49	40.20

DISCRETE YEARLY PERFORMANCE

Fund and share class Total returns for the periods shown (%)	30 Sep 23 to 30 Sep 24	30 Sep 22 to 30 Sep 23	30 Sep 21 to 30 Sep 22	30 Sep 20 to 30 Sep 21	30 Sep 19 to 30 Sep 20
Liontrust MA Explorer 35 Fund S Acc	13.62	1.96	-18.31	0.13	0.79
Liontrust MA Explorer Income 45 Fund S Acc	13.85	4.50	-19.11	5.07	1.52
Liontrust MA Explorer Income 60 Fund S Acc	14.44	7.01	-14.78	12.68	0.24
Liontrust MA Explorer 70 Fund S Acc	14.95	9.09	-14.52	17.32	-1.42
Liontrust MA Explorer 85 Fund S Acc	15.45	9.67	-11.89	22.61	-2.02
Liontrust MA Explorer 100 Fund S Acc	15.34	9.59	-11.01	22.93	1.38

Source: Financial Express, as at 30 September 2024. Total return figures are calculated on a single pricing basis. Performance figures are shown in sterling unless otherwise specified. The fund performance figures are net of all fees.

ASSET ALLOCATION

PERFORMED WELL

- Global ex-UK fixed income
- UK equities
- Developed Asia equities
- High yield bonds
- Corporate bonds
- Emerging market debt
- Alternatives

DIDN'T PERFORM AS WELL

- Europe ex-UK equities
- Emerging market equities

FUND SELECTION

PERFORMED WELL

- HSBC Global Aggregate Bond
- Fidelity Asia Pacific Opportunities
- Vanguard Global Aggregate Bond
- Federated Hermes Asia ex-Japan
- Invesco UK Opportunities IFSL Evenlode Income
- Barings Global High Yield Bond
- Man GLG Sterling Corporate Bond Professional
- Aegon High Yield Bond
- Columbia Threadneedle American Smaller Companies

DIDN'T PERFORM AS WELL

- GQG Partners US Equity
- BlackRock Emerging Markets
- BlackRock European Dynamic
- WS Lindsell Train UK Equity
- HSBC American Index
- Loomis Sayles US Growth Equity

Past performance does not predict future returns. You may get back less than you originally invested. Please refer to page 26 for more information on the Key Risks.

BLENDED FUND RANGE

THE LIONTRUST MULTI-ASSET INVESTMENT TEAM

JOHN HUSSELBEE

JAMES KLEMPSTER

ANTHONY CHEMLA

DAVID SALISBURY

PORTFOLIO CHANGES

BOUGHT

No new funds were added during the quarter

SOLD

There were no fund exits during the quarter

CUMULATIVE RETURN

Fund and share class Total returns for the periods shown (%)	3 MONTHS 30 Jun 24 to 30 Sep 24	1 YEAR 30 Sep 23 to 30 Sep 24	3 YEARS 30 Sep 21 to 30 Sep 24	5 YEARS 30 Sep 19 to 30 Sep 24
Liontrust MA Blended Reserve Fund S Acc	2.56	12.03	-4.00	-0.67
Liontrust MA Blended Moderate Fund S Acc	2.35	13.01	0.60	8.18
Liontrust MA Blended Intermediate Fund S Acc	1.91	13.95	5.01	16.42
Liontrust MA Blended Progressive Fund S Acc	1.76	14.65	9.13	23.99
Liontrust MA Blended Growth Fund S Acc	1.36	15.81	14.94	35.51

DISCRETE YEARLY PERFORMANCE

Fund and share class Total returns for the periods shown (%)	30 Sep 23 to 30 Sep 24	30 Sep 22 to 30 Sep 23	30 Sep 21 to 30 Sep 22	30 Sep 20 to 30 Sep 21	30 Sep 19 to 30 Sep 20
Liontrust MA Blended Reserve Fund S Acc	12.03	3.19	-16.96	3.62	-0.15
Liontrust MA Blended Moderate Fund S Acc	13.01	4.15	-14.53	7.83	-0.28
Liontrust MA Blended Intermediate Fund S Acc	13.95	5.50	-12.65	12.09	-1.09
Liontrust MA Blended Progressive Fund S Acc	14.65	7.26	-11.26	15.88	-1.95
Liontrust MA Blended Growth Fund S Acc	15.81	8.50	-8.53	20.79	-2.40

Source: Financial Express, as at 30 September 2024. Total return figures are calculated on a single pricing basis. Performance figures are shown in sterling unless otherwise specified. The fund performance figures are net of all fees.

ASSET ALLOCATION

PERFORMED WELL

- Corporate bonds
- Developed Asia equities
- High yield bonds
- Alternatives
- UK equities
- Emerging market equities
- Global ex-UK fixed income

DIDN'T PERFORM AS WELL

- US equities
- Europe ex-UK equities

FUND SELECTION

PERFORMED WELL

- iShares Corporate Bond Index
- Man GLG Sterling Corporate Bond Professional
- L&G Emerging Markets Equity Index
- Royal London Corporate Bond
- abrdn Asia Pacific ex-Japan Equity Tracker
- Aegon High Yield Bond
- Barings Global High Yield Bond
- Fidelity Asia Pacific Opportunities
- Federated Hermes Asia ex-Japan
- HSBC Global Aggregate Bond

DIDN'T PERFORM AS WELL

- L&G US Index
- BlackRock Emerging Markets
- GQG Partners US Equity
- BlackRock European Dynamic
- Loomis Sayles US Growth Equity

Past performance does not predict future returns. You may get back less than you originally invested. Please refer to page 26 for more information on the Key Risks.

DYNAMIC PASSIVE FUND RANGE

THE LIONTRUST MULTI-ASSET INVESTMENT TEAM

JOHN HUSSELBEE

JAMES KLEMPSTER

ANTHONY CHEMLA

DAVID SALISBURY

PORTFOLIO CHANGES

BOUGHT

No new funds were added during the quarter

SOLD

There were no fund exits during the quarter

CUMULATIVE RETURN

Fund and share class Total returns for the periods shown (%)	3 MONTHS 30 Jun 24 to 30 Sep 24	1 YEAR 30 Sep 23 to 30 Sep 24	3 YEARS 30 Sep 21 to 30 Sep 24	5 YEARS 30 Sep 19 to 30 Sep 24
Liontrust MA Dynamic Passive Reserve Fund S Acc	2.66	11.92	-2.27	3.17
Liontrust MA Dynamic Passive Moderate Fund S Acc	2.52	13.32	1.91	9.55
Liontrust MA Dynamic Passive Intermediate Fund S Acc	2.20	14.65	7.56	19.02
Liontrust MA Dynamic Passive Progressive Fund S Acc	2.08	15.60	12.62	27.35
Liontrust MA Dynamic Passive Growth Fund S Acc	1.87	17.43	19.28	39.43
Liontrust MA Dynamic Passive Adventurous Fund S Acc	1.70	18.39	20.11	46.04

DISCRETE YEARLY PERFORMANCE

Fund and share class Total returns for the periods shown (%)	30 Sep 23 to 30 Sep 24	30 Sep 22 to 30 Sep 23	30 Sep 21 to 30 Sep 22	30 Sep 20 to 30 Sep 21	30 Sep 19 to 30 Sep 20
Liontrust MA Dynamic Passive Reserve Fund S Acc	11.92	1.79	-14.21	4.81	0.73
Liontrust MA Dynamic Passive Moderate Fund S Acc	13.32	2.81	-12.52	7.64	-0.13
Liontrust MA Dynamic Passive Intermediate Fund S Acc	14.65	3.96	-9.75	11.50	-0.76
Liontrust MA Dynamic Passive Progressive Fund S Acc	15.60	5.03	-7.24	16.02	-2.54
Liontrust MA Dynamic Passive Growth Fund S Acc	17.43	6.78	-4.87	21.52	-3.81
Liontrust MA Dynamic Passive Adventurous Fund S Acc	18.39	6.41	-4.66	22.63	-0.86

Source: Financial Express, as at 30 September 2024. Total return figures are calculated on a single pricing basis. Performance figures are shown in sterling unless otherwise specified. The fund performance figures are net of all fees.

ASSET ALLOCATION

PERFORMED WELL

- Emerging market equities
- Corporate bonds
- High yield bonds
- Developed Asia equities
- Alternatives
- UK equities
- Global ex-UK fixed income

DIDN'T PERFORM AS WELL

- US equities
- Europe ex-UK equities

FUND SELECTION

PERFORMED WELL

- iShares Emerging Markets Equity Index
- iShares Corporate Bond Index
- Vanguard UK Investment Grade Bond Index
- abrdn Asia Pacific ex-Japan Tracker
- iShares USD High Yield Corporate Bond ESG
- L&G UK Index
- iShares Euro High Yield Corporate Bond
- L&G Emerging Markets Equity Index
- HSBC Global Aggregate Bond
- BlackRock Global High Yield ESG
- L&G Global Infrastructure Index

DIDN'T PERFORM AS WELL

- L&G US Index
- HSBC American Index

Past performance does not predict future returns. You may get back less than you originally invested. Please refer to page 26 for more information on the Key Risks.

INCOME GENERATING FUND RANGE

THE LIONTRUST MULTI-ASSET INVESTMENT TEAM

JOHN HUSSELBEE

JAMES KLEMPSTER

ANTHONY CHEMLA

DAVID SALISBURY

PORTFOLIO CHANGES

BOUGHT

No new funds were added during the quarter

SOLD

There were no fund exits during the quarter

CUMULATIVE RETURN

Fund and share class Total returns for the periods shown (%)	3 MONTHS 30 Jun 24 to 30 Sep 24	1 YEAR 30 Sep 23 to 30 Sep 24	3 YEARS 30 Sep 21 to 30 Sep 24	5 YEARS 30 Sep 19 to 30 Sep 24
Liontrust MA Explorer 35 Fund S Inc	3.02	13.62	-5.35	-4.54
Liontrust MA Explorer Income 45 Fund S Inc	2.64	13.85	-3.77	2.65
Liontrust MA Explorer Income 60 Fund S Inc	2.26	14.44	4.36	17.87
Liontrust MA Monthly High Income Fund S Inc	3.39	14.12	0.70	3.70
IA Mixed Investment 0-35% Shares	2.46	10.53	-0.18	6.20
IA Mixed Investment 20-60% Shares	2.28	12.01	4.36	15.71

DISCRETE YEARLY PERFORMANCE

Fund and share class Total returns for the periods shown (%)	30 Sep 23 to 30 Sep 24	30 Sep 22 to 30 Sep 23	30 Sep 21 to 30 Sep 22	30 Sep 20 to 30 Sep 21	30 Sep 19 to 30 Sep 20
Liontrust MA Explorer 35 Fund S Inc	13.62	1.96	-18.31	0.06	0.79
Liontrust MA Explorer Income 45 Fund S Inc	13.85	4.50	-19.11	5.07	1.52
Liontrust MA Explorer Income 60 Fund S Inc	14.44	7.01	-14.78	12.68	0.24
Liontrust MA Monthly High Income Fund S Inc	14.12	4.00	-15.15	6.64	-3.44
IA Mixed Investment 0-35% Shares	10.53	2.63	-12.00	6.02	0.35
IA Mixed Investment 20-60% Shares	12.01	4.17	-10.56	12.21	-1.19

Source: Financial Express, as at 30 September 2024. Total return figures are calculated on a single pricing basis. Performance figures are shown in sterling unless otherwise specified. The fund performance figures are net of all fees. IA Mixed Investment 0-35% Shares is the comparator benchmark for the Liontrust MA Explorer 35 Fund and the Liontrust MA Monthly High Income Fund. IA Mixed Investment 20-60% Shares is the comparator benchmark for the Liontrust MA Explorer Income 45 Fund and the Liontrust MA Explorer Income 60 Fund.

ASSET ALLOCATION

PERFORMED WELL

- Global ex-UK fixed income
- Corporate bonds
- High yield bonds
- Developed Asia equities
- Emerging market debt
- UK equities
- Alternatives

DIDN'T PERFORM AS WELL

- Emerging market equities
- US equities
- Europe ex-UK equities

FUND SELECTION

PERFORMED WELL

- Man GLG Sterling Corporate Bond
- HSBC Global Aggregate Bond
- Vanguard Global Aggregate Bond
- Barings Emerging Markets Sovereign Debt
- Aegon High Yield Bond
- Barings Global High Yield Bond
- Fidelity Asia Pacific Opportunities
- Federated Hermes Asia ex-Japan Equity
- Invesco UK Opportunities
- Royal London Corporate Bond
- IFSL Evenlode Income
- L&G Global Real Estate Dividend Index

DIDN'T PERFORM AS WELL

- GQG Partners US Equity
- L&G US Index Trust
- BlackRock Emerging Markets
- WS Lindsell Train UK Equity
- Loomis Sayles US Growth Equity
- BlackRock European Dynamic
- HSBC American Index
- JP Morgan Emerging Markets Income
- Schroder US Equity Income Maximiser

Past performance does not predict future returns. You may get back less than you originally invested. Please refer to page 26 for more information on the Key Risks.

SPECIALIST FUND RANGE

THE LIONTRUST MULTI-ASSET INVESTMENT TEAM

JOHN HUSSELBEE

JAMES KLEMPSTER

ANTHONY CHEMLA

DAVID SALISBURY

PORTFOLIO CHANGES

BOUGHT

Invesco UK Opportunities

WS Gresham House UK Multi Cap Income

SOLD

There were no fund exits during the quarter

CUMULATIVE RETURN

Fund and share class Total returns for the periods shown (%)	3 MONTHS 30 Jun 24 to 30 Sep 24	1 YEAR 30 Sep 23 to 30 Sep 24	3 YEARS 30 Sep 21 to 30 Sep 24	5 YEARS 30 Sep 19 to 30 Sep 24
Liontrust MA UK Equity S Acc	2.88	14.96	15.25	23.25
IA UK All Companies	2.32	14.19	9.02	25.91

DISCRETE YEARLY PERFORMANCE

Fund and share class Total returns for the periods shown (%)	30 Sep 23 to 30 Sep 24	30 Sep 22 to 30 Sep 23	30 Sep 21 to 30 Sep 22	30 Sep 20 to 30 Sep 21	30 Sep 19 to 30 Sep 20
Liontrust MA UK Equity S Acc	14.96	11.87	-10.38	24.84	-14.34
IA UK All Companies	14.19	12.77	-15.33	32.38	-12.76

Source: Financial Express, as at 30 September 2024. Total return figures are calculated on a single pricing basis. Performance figures are shown in sterling unless otherwise specified. The fund performance figures are net of all fees.

ASSET ALLOCATION

PERFORMED WELL

UK equities

DIDN'T PERFORM AS WELL

N/A

FUND SELECTION

PERFORMED WELL

IFSL Evenlode Income

iShares MSCI UK Small Cap

Artemis Income

JOHCM UK Equity Income

iShares Mid Cap UK Equity Index

Liontrust UK Equity

JOHCM UK Dynamic

iShares UK Equity Index

iShares 100 UK Equity Index

DIDN'T PERFORM AS WELL

WS Gresham House UK Multi Cap Income

Invesco UK Opportunities

WS Lindsell Train UK Equity

Past performance does not predict future returns. You may get back less than you originally invested. Please refer to page 26 for more information on the Key Risks.

IMPORTANT INFORMATION

KEY RISKS

Past performance does not predict future returns. You may get back less than you originally invested.

The Funds and Model Portfolios managed by the Multi-Asset Team may be exposed to the following risks:

Credit Risk: There is a risk that an investment will fail to make required payments and this may reduce the income paid to the fund, or its capital value. The creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay;

Counterparty Risk: The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss;

Liquidity Risk: If underlying funds suspend or defer the payment of redemption proceeds, the Fund's ability to meet redemption requests may also be affected;

Interest Rate Risk: Fluctuations in interest rates may affect the value of the Fund and your investment. Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;

Derivatives Risk: Some of the underlying funds may invest in derivatives, which can, in some circumstances, create wider fluctuations in their prices over time;

Emerging Markets: The Fund may invest in less economically developed markets (emerging markets) which can involve greater risks than well developed economies;

Currency Risk: The Fund invests in overseas markets and the value of the Fund may fall or rise as a result of changes in exchange rates.

Index Tracking Risk: The performance of any passive funds used may not exactly track that of their Indices.

The issue of units/shares in the Liontrust Multi-Asset Funds may be subject to an initial charge, which will have an impact on the realisable value of the investment, particularly in the short term. Investments should always be considered as long term.

For the Liontrust Multi-Asset Model Portfolios, any performance shown represents model portfolios which are periodically restructured and/or rebalanced. Actual returns may vary from the model returns. There is no certainty the investment objectives of the portfolio will actually be achieved, and no warranty or representation is given to this effect, whether express or implied. The portfolios therefore should be considered as long-term investments.

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