

BMO Managed Portfolio Trust PLC Income Portfolio



January 2019

Manager Commentary
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Global equity markets continued to experience turbulence throughout December, with the direction of travel mainly downwards. This time it was the US market, which had been the one major equity market in positive territory for the year, that finally succumbed, with a 9% fall for the month. This meant that the S&P Composite Index recorded negative returns for the year, although for UK-based investors, returns were marginally positive when translated back into sterling due to currency weakness. The trigger for the fall was another increase in US interest rates to 2.5%, the ninth since 2016. Although the rate rise was well signalled, markets responded negatively, fearful that the Federal Reserve, if it continued this policy, would almost certainly cause a recession in the US late in 2019 or in 2020. Equity markets in the US fell sharply, and elsewhere, markets moved lower.

Against this background, the FTSE All Share Index declined by 3.8%, while the FTSE Equity Investment Instruments Index fell by 4.3% (both figures are total return terms).

The net asset value of the Income Portfolio was down by 4.2% (also in total return terms). The best contributors were Murray International and JPMorgan Global Emerging Markets Income Trust, both of which are heavily exposed to emerging markets which, after a very challenging year, showed some robust relative performance during the month.

Key facts as at 31.12.2018

Trust aims: The objective for the Income Portfolio is to provide income shareholders with an attractive level of income, with the potential for income and capital growth from a diversified portfolio of investment companies. The Income Portfolio invests in a diversified portfolio of at least 25 investment companies that have underlying investment exposures across a range of geographic regions and sectors and that focus on offering an income yield above that of the FTSE All - Share Index.

Benchmark: FTSE All-Share Index

Fund type: Investment Trust

Launch date: April 2008

Total assets - portfolio: £57.2 million

Total assets - company: £124.4 million

Share price: 122.00p

NAV: 121.59p

Discount/Premium(-/+): 0.3%

Dividend payment dates: Jan, Apr, Jul, Oct

Net dividend yield †: 4.7%

Net gearing/Net cash*: -6.0%/0.0%

Management fee rate:** 0.65%

Ongoing charges:** 1.07%

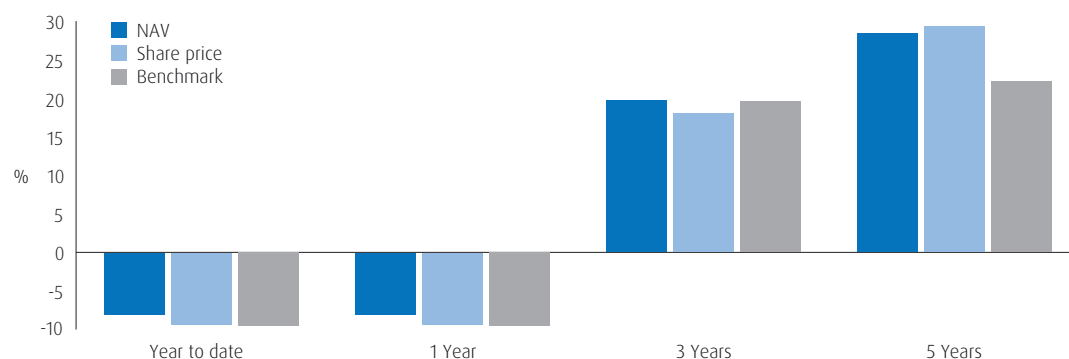
Year end: 31 May

Sector: Flexible Investment

Currency: Sterling

Website: bmomanagedportfolio.com

Fund performance as at 31.12.2018



Cumulative performance (%) as at 31.12.2018

	1 Month	Year to date	1 Year	3 Years	5 Years
NAV	-4.2	-8.0	-8.0	19.7	28.3
Share price	-4.7	-9.3	-9.3	17.9	29.3
Benchmark	-3.75	-9.47	-9.47	19.54	22.13

Discrete performance (%) as at 31.12.2018

	2018/2017	2017/2016	2016/2015	2015/2014	2014/2013
NAV	-8.0	15.2	12.8	2.6	4.5
Share price	-9.3	17.82	10.37	0.76	8.38
Benchmark	-9.47	13.10	16.75	0.98	1.18

Key risks

Stock market movements may cause the value of investments and the income from them to fall as well as rise and investors may not get back the amount originally invested. Changes in rates of exchange may have an adverse effect on the value, price or income of investments. If markets fall, gearing can magnify the negative impact on performance.

Past performance is not a guide to future performance.

Source: Lipper and BMO. Basis: Percentage growth, total return, bid to bid price with net income reinvested in sterling. The discrete performance table refers to 12 month periods, ending at the date shown.

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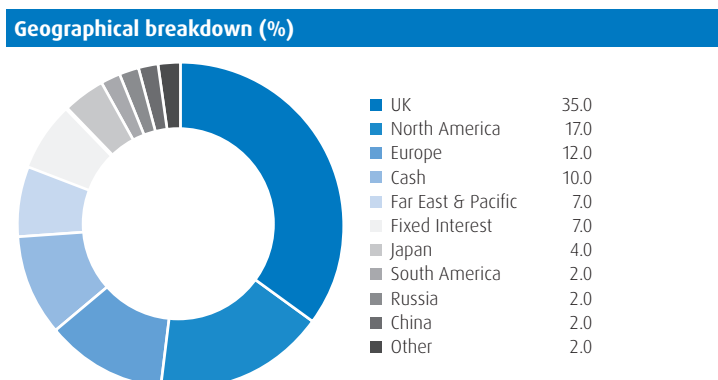
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Trust codes	
Stock exchange code	Sedol
BMPI	B2PP3J3

Top 10 holdings (%)		
	% of net assets	Sector
Secure Income REIT	3.6	Property Specialist
Law Debenture Corporation	3.6	Global
Murray International Trust	3.5	Global Equity Income
BB Healthcare	3.4	Biotechnology & Healthcare
BB Biotech	3.3	Biotechnology & Healthcare
NB Private Equity Partners	3.3	Private Equity
Henderson International Income Trust	3.3	Global Equity Income
3i Infrastructure	3.3	Infrastructure
Invesco Perpetual UK Smaller Companies Investment Trust	3.2	UK Smaller Companies
JPMorgan Global Growth & Income	3.1	Global Equity Income



The geographical breakdown of the Portfolio's investments is on a 'look-through' basis. Source: BMO and AIC.

Net dividend distributions pence per share (paid to date)

	2013	2014	2015	2016	2017	2018
January	1.10	1.10	1.15	1.20	1.25	1.30
April	1.10	1.10	1.15	1.20	1.25	1.30
July	1.30	1.50	1.55	1.60	1.70	1.80
July - special dividend	-	-	-	-	-	0.80
October	1.10	1.15	1.20	1.25	1.30	1.35
Total	4.60	4.85	5.05	5.25	5.50	6.55

Glossary

Bid price	Investment trust shares are sold via the stock exchange at the bid price. This price is determined by supply and demand.
Dividend	Income paid to shareholders by the company they invest in.
Net asset value	A key measure of the value of a company or trust – the total value of assets less liabilities, divided by the number of shares.

All data as at 31.12.2018 unless otherwise stated.

All information is sourced from BMO, unless otherwise stated. Except where noted, all percentages are based on gross assets. *Net gearing is total assets less cash and cash equivalents divided by shareholders' funds and expressed as a percentage. Net cash is net exposure to cash and cash equivalents expressed as a percentage of shareholders funds after any offset against gearing. **Please refer to the latest annual report as to how the management fee and performance fee is structured along with an explanation of the calculation. Please note ongoing charges of the Company's underlying investments have not been included. The share price may either be below (at a discount) or above (at a premium) the NAV. Discounts and premiums vary continuously. Performance information excludes any product charges which can be found in the Key Investor Document ("KID") for the relevant product. †Based on dividends at the expected minimum annual rate of 5.85 pence per Income share for the financial year 31 May 2019. The factsheet is issued and approved by BMO, a trading name of BMO Asset Management Limited. Authorised and regulated in the UK by the Financial Conduct Authority. Registered office: Exchange House, Primrose Street, London EC2A 2NY. Registered in England & Wales No 517895. (01/19)