

BMO Managed Portfolio Trust PLC Income Portfolio



June 2021

Manager Commentary
Peter Hewitt



Equity markets were a mixed bag over the month. The worst performers were Japan and many Asian markets, which can be put down to fear of rising Covid-19 infection rates and the possibility that these could slow down recovery. The US also sold off as a result of profit taking in the technology sector. This affected some of the global mega-tech names which had extended valuations. In contrast, the UK and most European bourses did better, achieving modest positive gains. More progress regarding vaccinations and a bias towards more cyclical sectors and stocks (which are perceived to be beneficiaries of economies re-opening) were key factors. UK and European indices have a much lower exposure to technology companies than the US and much higher weightings in energy, financials and industrials. All of these performed poorly last year, but are now beginning to recover as economies open up.

Against this background, the FTSE All Share Index rose by 1.1% while the FTSE Closed End Investment Company Index fell by 0.9% (both in total return terms).

The Net Asset Value of the Income Portfolio was 0.1% lower over the month (also in total return terms). The leading performer was Lowland Investment Company which rose by 6%. Lowland is in the UK Equity Income sector and has a significant exposure to mid- and small-cap companies in the UK, which have been the strongest performing segment both in the past month and over the calendar year to date.

Key facts as at 31.05.2021

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: £73.8 million

Total assets – company: £178.0 million

Share price: 143.50p

NAV: 142.22p

Discount/Premium(-/+): 0.9%

Dividend payment dates: Jan, Apr, Jul, Oct

Net dividend yield †: 4.3%

Net gearing/Net cash:** -7.4%/0.0%

Management fee rate:** 0.65%

Ongoing charges:** 1.10%

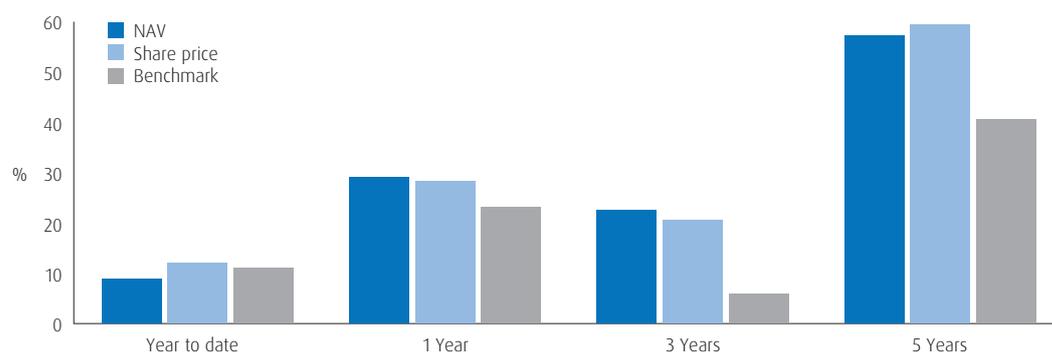
Year end: 31 May

Sector: Flexible Investment

Currency: Sterling

Website: bmomanagedportfolio.com

Fund performance as at 31.05.2021



Cumulative performance (%) as at 31.05.2021

| | 1 Month | Year to date | 1 Year | 3 Years | 5 Years |
|--------------------|---------|--------------|--------|---------|---------|
| NAV | -0.10 | 8.90 | 29.00 | 22.60 | 57.20 |
| Share price | -0.35 | 11.95 | 28.22 | 20.47 | 59.30 |
| Benchmark | 1.11 | 10.92 | 23.13 | 5.92 | 40.50 |

Discrete performance (%) as at 31.05.2021

| | 2021/2020 | 2020/2019 | 2019/2018 | 2018/2017 | 2017/2016 |
|--------------------|-----------|-----------|-----------|-----------|-----------|
| NAV | 29.00 | -7.30 | 2.50 | 3.00 | 24.50 |
| Share price | 28.22 | -8.27 | 2.43 | 2.63 | 28.84 |
| Benchmark | 23.13 | -11.16 | -3.17 | 6.53 | 24.52 |

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.

**Ongoing charges is calculated excluding performance fee and excluding charges of the Company's underlying investments. Please refer to the latest annual report.

Lines may be recorded

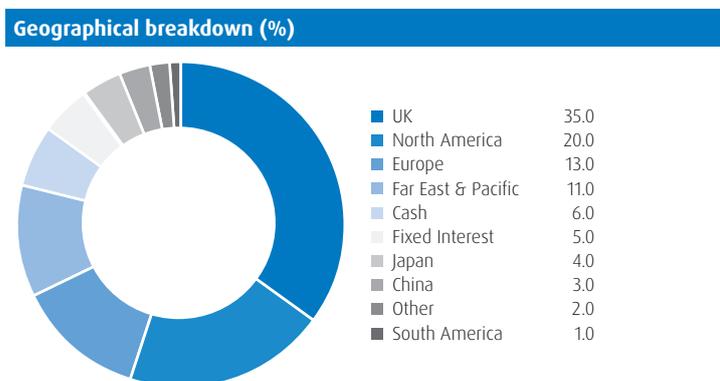
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| Trust codes | |
|---------------------|---------|
| Stock exchange code | Sedol |
| BMPI | B2PP3J3 |

| Top 10 holdings (%) | | |
|---|-----------------|----------------------------|
| | % of net assets | Sector |
| BB Healthcare Trust | 4.1 | Biotechnology & Healthcare |
| Law Debenture Corporation | 4.0 | Global |
| HBM Healthcare Investments | 4.0 | Biotechnology & Healthcare |
| JPMorgan Global Growth & Income | 3.7 | Global Equity Income |
| NB Private Equity Partners | 3.5 | Private Equity |
| Scottish American Investment Company | 3.4 | Global Equity Income |
| Invesco Perpetual UK Smaller Companies Investment Trust | 3.4 | UK Smaller Companies |
| Princess Private Equity Holding | 3.4 | Private Equity |
| Secure Income REIT | 3.1 | Property Specialist |
| Mercantile Investment Trust | 3.1 | UK All Companies |



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)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| January | 1.10 | 1.15 | 1.20 | 1.25 | 1.30 | 1.35 | 1.40 | 1.40 |
| April | 1.10 | 1.15 | 1.20 | 1.25 | 1.30 | 1.35 | 1.40 | 1.40 |
| July | 1.50 | 1.55 | 1.60 | 1.70 | 1.80 | 1.90 | 1.90 | |
| July - special dividend | - | - | - | - | 0.80 | | | |
| October | 1.15 | 1.20 | 1.25 | 1.30 | 1.35 | 1.40 | 1.4 | |
| Total | 4.85 | 5.05 | 5.25 | 5.50 | 6.55 | 6.00 | 6.10 | 2.80 |

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 31.05.2021 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. †In the absence of unforeseen circumstances, the Company intends that the aggregate dividends for the financial year to 31 May 2021 will be at least 6.10 pence per Income share and the yield is therefore based on this rate. Views and opinions have been arrived at by BMO Global Asset Management and should not be considered to be a recommendation or solicitation to buy or sell any funds that may be mentioned. 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. (06/21)