

BMO Managed Portfolio Trust PLC Income Portfolio



October 2021

Manager Commentary
Peter Hewitt



Over the month, equity markets depreciated across the board. A combination of factors were at work, with perhaps the most concerning being inflation. As supply shortages and rising demand forced gas and oil prices to climb sharply, fears grew that current inflation may become less transitory and stay higher for longer. The Chinese economy appears to be experiencing a pause in growth, and this is affecting other economies in the Asia Pacific region. In addition, recent comments from the Federal Reserve in the US are hinting that a tapering of bond purchases is likely to start before the end of this year. There are also more general concerns that growth rates, particularly in Europe and the US, are decelerating more quickly than anticipated. A combination of the above factors contributed to the fall in equity markets. The UK market relatively outperformed most other equity markets over the period and fell by less.

Against this background, the FTSE All Share Index declined by 1%. Meanwhile, the FTSE Closed End Investment Company Index fell by 1.9% (both indices in total return terms).

The Net Asset Value of the income portfolio fell by -3.2% (also in total returns). The top performer was CC Japan Income & Growth, which gained 7%. The Tokyo market was the only major stock market to post a gain during September.

Key facts as at 30.09.2021

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: £73.2 million

Total assets – company: £181.2 million

Share price: 143.00p

NAV: 139.86p

Discount/Premium(-/+): 2.2%

Dividend payment dates: Jan, Apr, Jul, Oct

Net dividend yield †: 4.3%

Net gearing/Net cash:** -7.8%/0.0%

Management fee rate:** 0.65%

Ongoing charges:** 1.08%

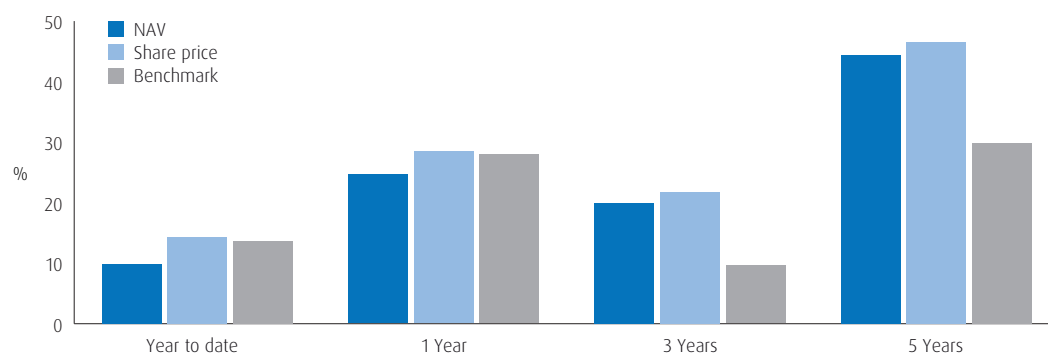
Year end: 31 May

Sector: Flexible Investment

Currency: Sterling

Website: bmomanagedportfolio.com

Fund performance as at 30.09.2021



Cumulative performance (%) as at 30.09.2021

| | 1 Month | Year to date | 1 Year | 3 Years | 5 Years |
|--------------------|---------|--------------|--------|---------|---------|
| NAV | -3.23 | 9.85 | 24.61 | 19.91 | 44.30 |
| Share price | -2.36 | 14.29 | 28.40 | 21.71 | 46.44 |
| Benchmark | -0.96 | 13.56 | 27.89 | 9.53 | 29.81 |

Discrete performance (%) as at 30.09.2021

| | 2021/2020 | 2020/2019 | 2019/2018 | 2018/2017 | 2017/2016 |
|--------------------|-----------|-----------|-----------|-----------|-----------|
| NAV | 24.61 | -6.82 | 3.27 | 5.22 | 14.38 |
| Share price | 28.40 | -8.05 | 3.09 | 2.60 | 17.27 |
| Benchmark | 27.89 | -16.59 | 2.68 | 5.87 | 11.94 |

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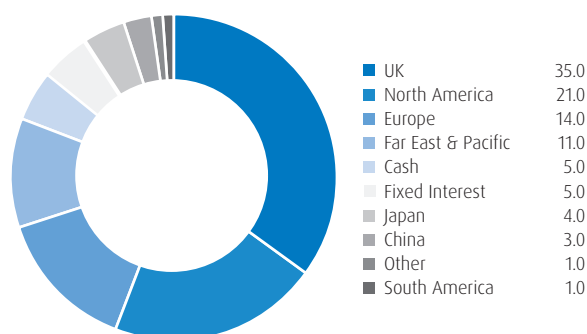
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| Trust codes | |
|----------------------------|---------|
| Stock exchange code | Sedol |
| BMPI | B2PP3J3 |

| Top 10 holdings (%) | | |
|--|-----------------|----------------------------|
| | % of net assets | Sector |
| BB Healthcare Trust | 4.3 | Biotechnology & Healthcare |
| NB Private Equity Partners | 4.3 | Private Equity |
| HBM Healthcare Investments | 4.1 | Biotechnology & Healthcare |
| Law Debenture Corporation | 4.1 | Global |
| JPMorgan Global Growth & Income | 3.8 | Global Equity Income |
| Scottish American Investment Company | 3.6 | Global Equity Income |
| Princess Private Equity Holding | 3.5 | Private Equity |
| Invesco Perpetual UK Smaller Companies Investment Trust | 3.5 | UK Smaller Companies |
| Secure Income REIT | 3.5 | Property Specialist |
| European Assets Trust | 3.1 | European Smaller Companies |

Geographical breakdown (%)



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)

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------------------------|------|------|------|------|------|
| January | 1.25 | 1.30 | 1.35 | 1.40 | 1.40 |
| April | 1.25 | 1.30 | 1.35 | 1.40 | 1.40 |
| July | 1.70 | 1.80 | 1.90 | 1.90 | 2.00 |
| July - special dividend | | 0.80 | | | |
| October | 1.30 | 1.35 | 1.40 | 1.40 | 1.55 |
| Total | 5.50 | 6.55 | 6.00 | 6.10 | 6.35 |

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 30.09.2021 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 first three quarterly interim dividends will each be 1.55 pence per Income share and the aggregate dividends for the financial year to 31 May 2022 will be at least 6.20 pence per Income share. The dividend yield is therefore based on a rate of 6.20 pence per Income share. 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. (10/21)