MGTS Downing Diversified Opportunities Fund

Downing

Fund Overview

A global opportunities fund with strong risk-adjusted returns, targeting attractive yield and defensive compounding growth using a hybrid of traditional and alternative assets. Seeking alternative sources of real return with low correlation to traditional equity and fixed income benchmarks.

Commentary

June witnessed material cross-asset turbulence. Equities were mixed with Europe outperforming the US as AI and chip stocks were marked by large price swings, and sector rotation reasserted itself. Global corporate bonds saw spread widening but showed resilience. Energy markets also sold off sharply after Iran-US agreed a formal MOU, and Gold fell below $4,000/oz, under pressure from a stronger USD and a hawkish repricing of Fed expectations.

The fund gave back 2.6% in performance on these exceptional cross asset moves, led by a sharp correction in Korean equities, a sell-off in gold miners, and weakness across energy and select growth names. Partially offset by strong gains in rebounding Defensive and Alternative holdings.

Korean equities were the single largest drag, led by Hyundai Mobis and HD Hyundai, as the Kospi suffered multiple circuit-breaker events driven by leveraged ETF unwinds and AI chip rotation. The fund actively repositioned, reducing Samsung C&T and rotating SK Square into SK Holdings, maintaining the 'value-up' tilt.

Gold miners detracted as the peace deal removed the geopolitical premium from bullion. The fund partially reduced AngloGold and Barrick ahead of the move.

The defensive alternatives book was the primary source of positive return. BH Macro, Tufton Oceanic, and BioPharma Credit all contributed positively, providing ballast against risk asset weakness. Tritax Big Box REIT and Bluefield Solar both contributed as wider bid activity confirmed our thesis that sector prices were too low.

We think the gold reset is nearly complete and further weakness in oil would be demonstrative of demand destruction, that could turn the market focus toward a wider economic slowdown. Against this backdrop, the defensive alternatives look well positioned, both thematic and systematic equities are attractively priced with strong potential catalysts and our bonds provide a solid base. From a tail-risk perspective we have added to our equity put protection providing tactical hedging in the event of a significant market correction over the summer.

Key facts

As at 30 June 2026

Managers: Jon Gumpel, Paul Adams, Renato Guerrieri

Launch date: 31 August 2022

Fund type: OEIC, UK Domicile

Fund size: £51.6M

Share classes:

I-class:
MGMTS fee: 0.70%
Capped OCF: 0.90%
NAV: 124.48p
Accumulation Shares GBP, ISIN: GB00BVR0B955
Income Shares GBP, ISIN: GB00BVR0BC84

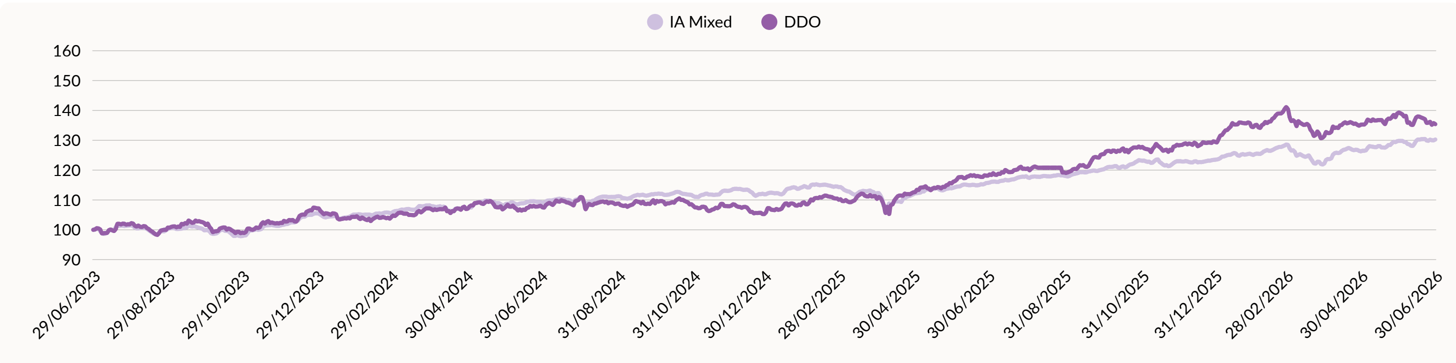
F-class:
MGMTS fee: 0.40%
Capped OCF: 0.60%
NAV: 124.54p
Accumulation Shares GBP, ISIN: GB00BVR0BB77
Income Shares GBP, ISIN: GB00BVR0BD91

IA sector: Mixed Investment 20-60% Shares

Currency: GBP

Authorised Corporate Director: Margetts Fund Management Limited

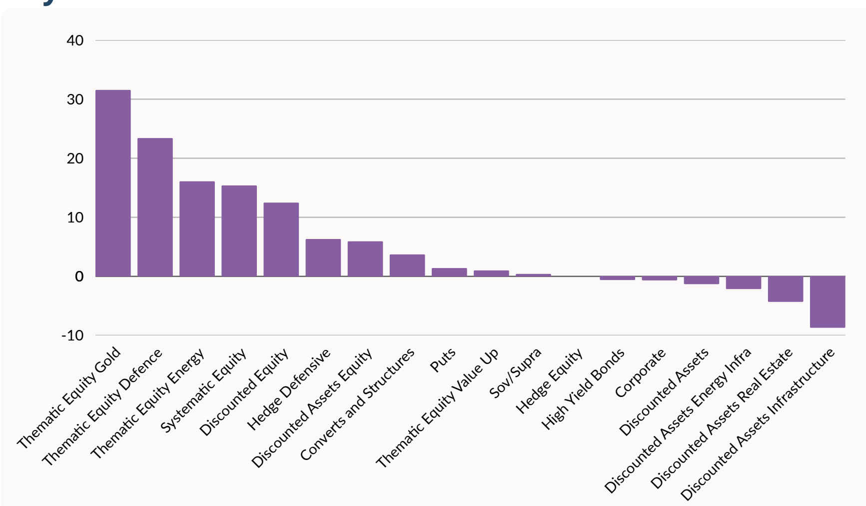
Performance vs IA Sector



Fund Performance

Cumulative %	1m	3m	1y	3y
Fund return	-2.57	2.96	14.52	35.19
IA Mixed 20-60 Equity	0.46	6.53	12.57	30.27
Calendar Year %	**2026**	**2025**	**2024**	**2023**
Fund return	4.52	22.29	-1.23	1.73
IA Mixed 20-60 Equity	5.50	10.31	6.07	6.81

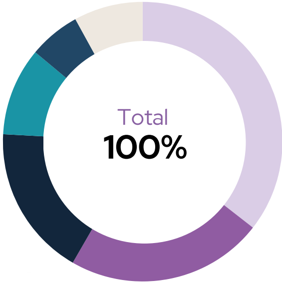
Key Return Drivers



Past performance is not a reliable indicator of future performance. Capital is at risk.

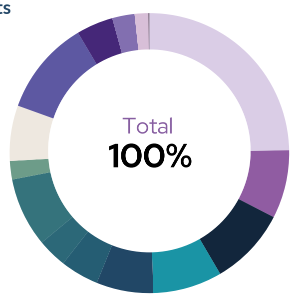
Asset Type

- Equities 35.54%
- Equity Alternatives 22.80%
- IG Bond 17.51%
- Hedge Assets 10.20%
- Debt Alternatives 5.95%
- Cash 8.00%



Geographical Allocations

- Global 24.67%
- United Kingdom 7.89%
- North America **8.99%**
- Europe 8.02%
- Korea 6.57%
- Japan 4.44%
- Asia 3.40%
- Cash GBP 8.00%
- Emerging Markets 2.13%
- GBP 6.40%
- USD 10.97%
- NOK 4.24%
- AUD 2.59%
- BRL 1.60%
- CHF 0.10%



Countries and regions denote the domiciles of positions held and currencies represent fixed income currency.

Diversification: Key Correlation Metrics

Global Equities		Fixed Income		Commodities		Risk
US Large Cap	Developed Large Cap ex US	Core US Agg	US 7-10yr T-bonds	Gold	Broad Commodity	Equity Volatility
0.36	0.34	0.09	0.04	0.17	0.09	-0.32

Correlation vs benchmarks: 2Y daily log returns, Pearson, information-time aligned, as of 30/06/2026

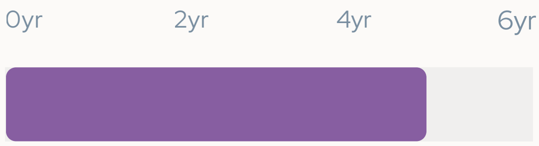
Top 5 Positions by Asset Class

Equity	Fixed Income	Alternatives
BLACKROCK WORLD MINING TRUST CF	UST 4.250 03/15/27	BH MACRO CF
JPMORGAN US SMALLER INVEST TRUST CF	UST 0.125 07/15/31	RUFFER INVESTMENT PRF
VUSION ORD	NOGV 3.000 08/15/33	HICL INFRASTRUCTURE ORD
ROYAL GOLD ORD	LLOY 6.500 09/17/40 MTN	BIOPHARMA CREDIT ORD
PERSHING ORD	AUGV 4.500 04/21/33	RIT CAPITAL PARTNERS ORD

Fixed Income Duration

Weighted Average:

5.01 **years**



Medium duration positioning

Future performance may also be subject to changes in taxation. The value of investments can go down as well as up, and you may not get back the full amount invested.

Source: Downing at 30/06/2026. The Fund's actual return may differ from the scenarios shown above and are subject to daily price and portfolio composition movements.

Important Information

For professional/informed investors only. This document has been produced for information only and represents the views of the fund managers at the time of writing. It should not be construed as Investment Advice and does not constitute or form part of any offer or invitation to buy or sell shares. It should be read in conjunction with the Prospectus and Key investor information document (KIID). An investment decision should not be contemplated until the risks are fully considered and we recommend that you take investment advice. Capital at risk. The value of investments can fall as well as rise. You may get back less than you invested. Downing LLP is authorised and regulated by the Financial Conduct Authority (Reference No. 545025). Registered in England and Wales (No. OC341575). Registered Office: 10 Lower Thames Street London EC3R 6AF.

Risk Considerations

The following risk factors are relevant to the overall risk profile of the Sub-fund. A full description of risk warnings is provided in the prospectus, which is available on our website, or by requesting a copy. Risks associated with the use of derivatives (FDI) for investment purposes are different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. The use of FDI requires an understanding of both the underlying reference instrument and the FDI itself. There is no assurance that any derivative strategy used by a Fund will succeed and derivatives can lead to significant losses.