

MI TwentyFour Investment Funds - Dynamic Bond Fund

This Commentary is a marketing communication for professional UK investors only

Market Commentary

- Market volatility spiked as US President Donald Trump's tariff announcements at the beginning of April led to a significant sell-off in risk assets. The worse-than-anticipated tariff levels resulted in sharp downward moves in equity markets and higher beta credit. With high tariff rates predicted to have a negative impact on global economic growth and reaccelerate inflation, investors became increasingly concerned about the US economy falling into stagflation, which resulted in choppy price action among sovereign bonds. Following President Trump's announcement, risk assets saw their worst two-day run since the COVID-19 shock in 2020, with the S&P 500 Index down by 4.8% and 6.0% on the Thursday and Friday following the announcement, respectively, while European and Asian stock market indices also slid. There was a material widening in higher beta credit – European high yield and Contingent Convertible spreads widened by 45 basis points (bps) in the first week of April, while US high yield spreads widened by 90bps.
- As the month progressed, President Trump softened his stance on tariffs, announcing a 90-day pause on the reciprocal rates he had planned to impose on all countries except China. He also declared that the tariff on Chinese goods would be increased to 125%, prompting concerns about a trade war if an agreement could not be reached. Treasuries underperformed in the second week of April as the 30-year yield posted its largest weekly increase since 1987. Several reasons for this price action were cited, most notably the unwinding of 'basis trades'. Credit spreads tightened given the more positive tone around tariffs and US equities recovered some ground throughout the remainder of the month.
- Primary markets were inactive for much of April given the elevated levels of volatility. However, new issues towards the end of April were well digested by the market while even new deals in the high yield space were many times oversubscribed. Spread moves were negatively skewed towards the US given the heightened volatility in the country, but ended the month only marginally wider following the tariff reprieve.

Portfolio Commentary

- The portfolio managers (PMs) made several changes during the month as they looked to respond quickly to the changing macroeconomic landscape. The PMs lowered the Fund's asset-backed security and collateralised loan obligation (CLO) allocation, replacing this with government bonds. The increased rates exposure came together with a slight change to the composition of the government bond bucket, with a larger skew towards US Treasuries relative to German bunds. The team also switched 1% of US high yield exposure for 1% of European high yield, given the preference for European credit amid the weakening macroeconomic landscape in the US relative to Europe.
- The Fund was well positioned to navigate the market uncertainty, posting a positive total return in April. Both corporate and government bonds performed strongly, despite the weakness in the macroeconomic environment and elevated spread volatility. CLOs were the only negative contributor to Fund performance as spreads widened noticeably.

Market Outlook and Strategy

- Market sentiment was dampened by President Trump's tariff announcement at the beginning of April and will likely continue to be negatively affected by his unpredictability in the coming months. Near-term fixed income performance is expected to be dictated by a combination of tariff developments and economic data, with investors keeping a close eye on April growth and inflation data when they are released in May. Any progress in tariff negotiations with China and other trading partners is expected to be met with positive equity market performance and increase market participants' risk appetite, providing further tailwinds for the strong technical in credit. US GDP forecasts for 2025 have been revised down noticeably as a result of the higher-than-expected tariff rates, and the team will continue to look to keep liquidity elevated given this uncertain backdrop.

Cumulative Performance	1m	3m	6m	1y	Annualised				Since Inception*
					3y	5y	10y		
Class I Acc (Gross)	0.19%	0.40%	2.42%	8.38%	3.94%	4.15%	3.34%	5.19%	
ICE BoAML Global Broad Market	0.84%	1.87%	2.30%	6.78%	1.33%	-0.82%	1.05%	2.29%	

Discrete Performance	YTD	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
ICE BoAML Global Broad Market	2.31%	2.02%	5.67%	-13.46%	-1.73%	5.30%	6.49%	0.02%	1.97%	3.64%	1.37%

Past performance is not a reliable indicator of future performance. The performance figures shown are in GBP on a mid-to-mid basis inclusive of net reinvested income and net of all fund expenses. Performance data does not take into account any commissions and costs charged when shares of the fund are issued and redeemed. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. *Inception date 26/04/2010. ICE Global Broad Market Index has been chosen as a proxy for the fixed income market overall and is used as reference index for illustration purposes only, there is no fund benchmark. Please see Important Information slides for further information on the index.

Key Risks

- Limited participation in the potential of single securities
- Investments in foreign currencies are subject to currency fluctuations
- Success of single security analysis and active management cannot be guaranteed
- It cannot be guaranteed that the investor will recover the capital invested
- Derivatives entail risks relating to liquidity, leverage and credit fluctuations, illiquidity and volatility
- Interest rates may vary, bonds suffer price declines on rising interest rates
- Investment universe may involve investments in countries where the local capital markets may not yet qualify as recognised capital markets
- Money market investments are associated with risks of a money market, such as interest rate fluctuations, inflation risk and economic instability
- The Fund's investments may be subject to sustainability risks. The sustainability risks that the Fund may be subject to are likely to have an immaterial impact on the value of the Funds' investments in the medium to long term due to the mitigating nature of the Fund's ESG approach
- The Funds' performance may be positively or negatively affected by its sustainability strategy
- The ability to meet social or environmental objectives might be affected by incomplete or inaccurate data from third-party providers
- Information on how environmental and social objectives are achieved and how sustainability risks are managed in this Fund may be obtained from twentyfouram.com/sustainability

Fund Managers



David Norris
Head of US Credit,
industry
experience
since 1988.



Eoin Walsh
Partner, Portfolio
Management,
industry
experience
since 1997.



Felipe Villarrol
Partner, Portfolio
Management,
industry
experience
since 2007.



George Curtis
Portfolio
Management,
industry
experience since
2012.

Further Information and Literature: TwentyFour Asset Management LLP

T. 020 7015 8900
E. sales@twentyfouram.com
W. twentyfouram.com

Further information on fund charges, costs and other important information pertaining to the fund can be found in English and free of charge on the fund pages of our website and/or in the relevant offering documents available at www.twentyfouram.com/document-library and/or www.fundrock.com/mi-funds/twentyfour-asset-management/

THIS COMMENTARY IS FOR FINANCIAL ADVISERS AND INSTITUTIONAL/PROFESSIONAL INVESTORS ONLY. NO OTHER PERSONS SHOULD RELY ON THE INFORMATION CONTAINED WITHIN THIS DOCUMENT. No recommendations to buy or sell investments are implied. The fund average rating is a weighted average calculation based on each bond's rating according to the fund's rating methodology. When calculating average credit rating, for non-rated bonds an internal rating is applied. Yield is shown gross of expenses. The yield figure is provided for illustration purposes only, should be regarded as an unaudited estimate that is subject to adjustment and therefore may not equal the realised income. The return of the securities may go down as well as up. The fund's volatility is calculated on a monthly (annualised) basis. If you invest indirectly through a third party provider you are advised to consult them directly as charges, performance and terms and conditions may differ materially. In making any investment into the Fund, investors should rely on the Prospectus and Key Investor Information Document (KIID) provided by the Authorised Corporate Director (ACD) of MI TwentyFour Investment Funds, and not the summary set out in this document. The Prospectus and KIID are also available from Apex Fundrock Ltd ("Apex"), Hamilton Centre, Rodney Way, Chelmsford, Essex, CM1 3BY and also available from their website as indicated above.

Past performance is not a reliable indicator of current or future performance. Performance data does not take into account any commissions and costs charged when shares of the fund are issued and redeemed, if applicable. The return of the fund may go down as well as up, e.g. due to changes in rates of exchange between currencies. The value of the money invested in the fund can increase or decrease and there is no guarantee that all or part of your invested capital can be redeemed. The Fund is not managed in reference to any benchmark index.

For definitions of the investment terminology used within this document please see glossary at: <https://twentyfouram.com/glossary>. TwentyFour Asset Management LLP is able to assist those institutional clients who require it with meeting their Solvency II (including its UK onboarding and onshoring legislation) obligations. The index data referenced herein is the property of Merrill Lynch, Pierce, Fenner & Smith Incorporated (BofAML) and/or its licensors and has been licensed for use by TwentyFour. BofAML and its licensors accept no liability in connection with its use. It is not possible to invest directly in an index and they will not be actively managed.

The index data referenced herein is the property of Merrill Lynch, Pierce, Fenner & Smith Incorporated (BofAML) and/or its licensors and has been licensed for use by TwentyFour. BofAML and its licensors accept no liability in connection with its use. It is not possible to invest directly in an index and they will not be actively managed.

ICE BofAML Global Broad Market Index - tracks the performance of investment grade debt publicly issued in the major domestic and eurobond markets, including sovereign, quasi-government, corporate, securitized and collateralized securities.

In particular, TwentyFour Asset Management LLP will make all reasonable endeavours to comply with the Solvency II Regulations 2015 Article 256. Neither the fund, nor TwentyFour Asset Management LLP nor Apex make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of an assessment of ESG research and the correct execution of the ESG strategy. As investors may have different views regarding what constitutes sustainable investing or a sustainable investment, the funds may invest in issuers that do not reflect the beliefs and values of any specific investor. Please contact the Compliance Department at compliance@twentyfouram.com for more information. TwentyFour Asset Management LLP is a Limited Liability Partnership incorporated in England under Partnership No. OC335015 with its registered office at 8th Floor, The Monument Building, 11 Monument Street, London, EC3R 8AF and is authorised and regulated in the UK by the Financial Conduct Authority, FRN No. 481888. Calls may be recorded for training and monitoring purposes. Copyright TwentyFour Asset Management LLP, 2025 (all rights reserved).