TwentyFour
a boutique of Vontobel

TwentyFour Select Monthly Income Fund

This Commentary is a marketing communication for professional UK investors only

Fund Commentary | 30 June 2026

Market Commentary

- Markets in June remained defined by developments in the Middle East, as the signing of a Memorandum of Understanding (MoU) between the US and Iran allowed the reopening of the Strait of Hormuz, leading oil supply to recover towards nine million barrels per day. Despite bouts of renewed tensions, the market saw this as a significant de-escalation, and oil prices fell sharply over the course of the month, with Brent Crude reaching around $73 per barrel by month end versus the peak of $118 per barrel in April.
- Inflation remained sticky, as core personal consumption expenditures (PCE) were up 3.4% year-on-year (YoY) in the US and 2.4% YoY in the Eurozone, reinforcing the hawkish central bank policy shift. New Fed chair Kevin Warsh's debut Federal Open Market Committee (FOMC) meeting held rates steady at 3.5%-3.75%, but struck a hawkish tone as he reiterated the 2% inflation target and reinforced the Fed's commitment to price stability. The European Central Bank (ECB) delivered its first rate hike since 2023, while the Bank of England (BoE) held rates unchanged at 3.75%.
- Risk assets had a strong month on the back of the fall in oil prices. The S&P 500 reached new highs, driven by continued momentum in artificial intelligence (AI). Meanwhile, the initial product offering (IPO) of Elon Musk's SpaceX marked the largest listing in financial history with a debut valuation of around $1.8tr. Spreads were volatile but remained tight versus historical levels, while yields were largely stable for investment grade (IG) and high yield (HY) credit.

Portfolio Commentary

- The Fund was in a strong position to deal with the geopolitical and macroeconomic uncertainty and generated solid returns for the month of June. Additional Tier 1s (AT1s) were once again the biggest contributor to Fund performance, benefitting from continued strong fundamentals and with June's ECB rate hike strengthening the outlook. There were no detractors to fund performance over the period.
- There were no major changes on the asset allocation front as the portfolio management team considers the portfolio well-positioned to navigate the ongoing market uncertainty and to take advantage of the strong technical tailwind in fixed income markets. The team continues to prefer higher quality credit, with Bank AT1s looking more attractive than Tier 2, while remaining selective in high yield given spread compression.

Market Outlook and Strategy

- The relief in oil prices on the back of the MoU and reopening of the Strait of Hormuz has tempered immediate fears of a stagflationary environment. While the market will continue to pay close attention to any further developments in the conflict, we expect performance to be buoyed by the improving sentiment and growth outlook.
- Fixed income markets demonstrated a high level of resilience through the conflict in the Middle East, supported by strong technical demand and robust fundamentals. Based on these factors, in conjunction with elevated all-in yields, we expect fixed income markets to continue to deliver healthy returns.
- Given the dispersion we have seen in high yield markets along with the volatile macroeconomic backdrop, careful credit analysis and selectivity remains key. We continue to favour higher quality credit and a neutral duration exposure, and maintain the liquidity to take advantage of any periods of volatility, should they arise.

Cumulative Performance	1m	3m	6m	1y	Annualised 3y	5y	10y	Since Inception*
NAV per share inc. dividends	0.94%	4.58%	2.88%	8.30%	14.41%	6.81%	8.02%	6.58%

Discrete Performance	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
NAV per share inc. dividends	2.88%	10.70%	17.69%	17.60%	-12.92%	7.48%	5.73%	11.94%	-1.41%	14.56%	8.20%

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: 10/03/2014.

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
- Typically, sub-investment grade securities will have a higher risk of issuer default, and are generally considered to be more illiquid than investment grade securities
- 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 Fund's investments in the medium to long term due to the mitigating nature of the Fund's ESG approach
- The Fund's 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

Further Information

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Important information

Further information on fund charges and costs are included on our website at www.twentyfouram.com/view/GG00BJVDZ946/twentyfour-select-monthly-income-fund

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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/purchased and redeemed/disposed of, 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. 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 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, 2026 (all rights reserved).