progeny

Encore 40 Portfolio Factsheet

As of 31/10/2026

Risk Profile Description

This portfolio is likely to contain lower, medium and higher risk investments, including cash, government bonds, UK corporate bonds and other higher-income types of global bonds as well as UK commercial property. It will also be expected to contain some higher-risk investments such as shares, but held mainly in UK and other developed markets, and a small amount in other higher-risk investments such as shares in emerging markets.

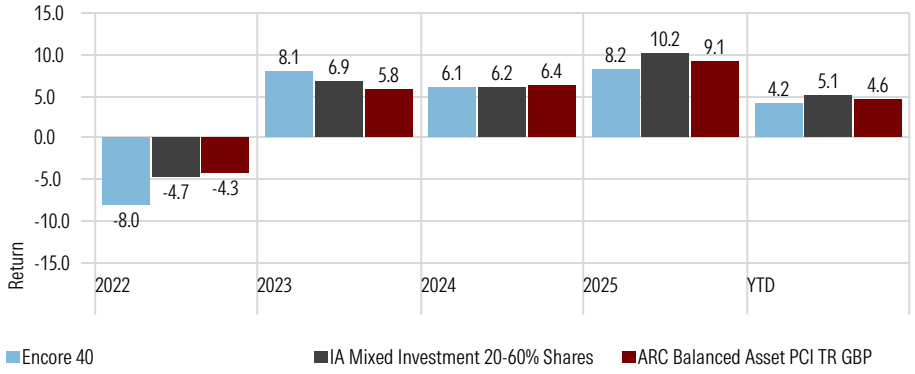
Cumulative Encore 40 returns of £100k invested

Time Period: 01/05/2015 to 31/10/2026



Calendar Year Returns

Calculation Benchmark: IA Mixed Investment 20-60% Shares



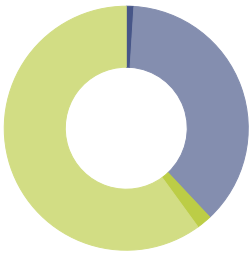
Display Benchmark 1: IA Mixed Investment 20-60% Shares Display Benchmark 2: ARC Balanced Asset PCI TR GBP

Encore 40 Performance Metrics	Portfolio	Benchmark (IA)	Benchmark (ARC)
Max Drawdown	-18.69	-18.13	-11.13
Best Month %	4.43	5.86	4.94
Worst Month %	-6.14	-10.09	-7.24
Best Quarter	8.03	10.13	9.43
Worst Quarter %	-7.61	-13.02	-11.01

Encore 40 - Portfolio Information

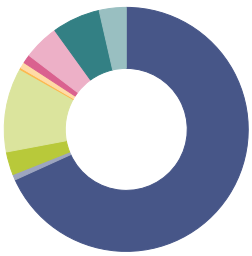
Yield	2.21%
OCF	0.10%
Transaction Charge	0.03%
Investment Management Fee	0.10%
Rebalance	Quarterly
Benchmarks	IA Mixed Investment 20-60% Shares ARC Balanced Asset PCI TR GBP

Asset Allocation - Encore 40



	%
UK Equity	1.0
International Equity	37.0
Commercial Property	2.0
Fixed Interest / Bonds	60.0
Total	**100.0**

Equity Regional Exposure - Encore 40



	%
North America	68.2
Latin America	0.7
United Kingdom	3.1
Europe dev	11.2
Europe emrg	0.2
Africa/Middle East	0.8
Australasia	1.1
Japan	4.7
Asia dev	6.4
Asia emrg	3.6
Total	**100.0**

Equity Sectors (Morningstar) - Encore 40



	%
Basic Materials	2.8
Consumer Cyclical	8.1
Financial Services	14.6
Real Estate	6.8
Consumer Defensive	4.5
Healthcare	8.8
Utilities	2.2
Communication Services	7.2
Energy	3.6
Industrials	9.6
Technology	32.0
Total	**100.0**

Portfolio Comments

Markets delivered a mixed picture in October. UK equities performed positively, while some overseas markets experienced a more challenging month, particularly areas with greater exposure to large technology companies. Bond markets, meanwhile, strengthened as yields eased from recent highs.

In the UK, the Budget attracted considerable attention but had a relatively limited impact on financial markets. Measures included higher taxation on banks, although the increase was less significant than some investors had anticipated. Banking shares initially reacted to the announcement, but there were no substantial movements across the wider UK equity market. Investors also appeared reassured by the government's commitment to its fiscal rules.

Bond markets had a more positive month following periods of volatility earlier in the year. Government bond yields fell modestly, supporting bond prices. Yields nevertheless remain relatively high compared with much of the past few decades, potentially making government bonds more attractive to investors seeking income.

Inflation and interest rate expectations remain important influences. Higher oil prices have added to inflationary pressures, while investors continue to assess how central banks could respond. However, markets are forward-looking, and some of these expectations had already been reflected in bond prices following the rise in yields during previous months.

Artificial intelligence (AI) also remained an important influence on equity markets. Attention is increasingly turning from how much the largest technology companies are investing in AI to whether that expenditure can ultimately generate sufficient returns.

Some of the world's largest technology businesses continue to invest substantial amounts in data centres, computing power and other AI infrastructure. October's company results highlighted growing scrutiny of this spending. While some businesses reported positive underlying results, their share prices still came under pressure as investors considered whether future revenues and profits would justify the scale of investment.

This demonstrates how market expectations can influence share prices. A company may continue to grow and deliver healthy profits, but its shares can still fall if its results or outlook do not meet expectations already reflected in its valuation.

Importantly, the picture outside the largest technology companies remained relatively positive. Corporate earnings across other areas of the market were encouraging, supported by resilient economic conditions in the US and UK. This reinforces the importance of diversification across different companies, sectors, regions and asset classes rather than relying on a single area of the market to drive returns.

Looking ahead, the US midterm elections are another area of focus. Changes in control of the House of Representatives or Senate could make it more difficult for the administration to pass significant legislation. However, history provides limited evidence that any particular political configuration is consistently better for markets.

As we move through November, corporate earnings, AI investment, inflation, oil prices, interest rate expectations and political developments are likely to remain in focus. For long-term investors, October highlighted the importance of looking beyond short-term headlines and remaining focused on the objectives their portfolios are designed to achieve.

Top Holdings - Encore 40

Portfolio Date: 31/10/2026

	Equity Style Box	Portfolio Weighting %
Vanguard Glb Corp Bd Idx Ins Pl £ H Acc		22.66
Fidelity Index Global Govt Bd S Acc		19.17
iShares Ovrs Govt Bd Idx (UK) D Acc £Hdg		19.17
HSBC American Index C Acc		8.36
Vanguard U.S. Eq Idx Ins Pl £ Acc		8.34
Fidelity Index US P Acc		8.31
Fidelity Index Europe ex UK P Acc		4.24
Vanguard Em Mkts Stk Idx Ins Pl £ Acc		4.22
L&G Global Real Estate Div Index C Acc		2.02
Fidelity Index Japan P Acc		1.73
Fidelity Index UK P Acc		1.23
Vanguard Pac exJpn Stk Idx Ins Pl £ Acc		0.55

Benchmark Disclaimers

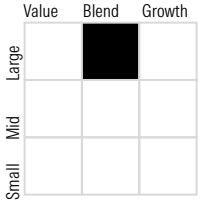
The IA (Investment Association) sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is made up of funds with a similar asset allocation as defined by the IA. The sector is not constructed as an index, therefore as funds enter or leave, the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

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Morningstar Style Box - Encore 40

Portfolio Date: 31/10/2026

Morningstar Equity Style Box™



Market Cap	%
Market Cap Giant %	45.0
Market Cap Large %	32.9
Market Cap Mid %	17.6
Market Cap Small %	3.6
Market Cap Micro %	0.8

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