progeny

# Encore 40 Portfolio Factsheet

As of 30/09/2026

**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.

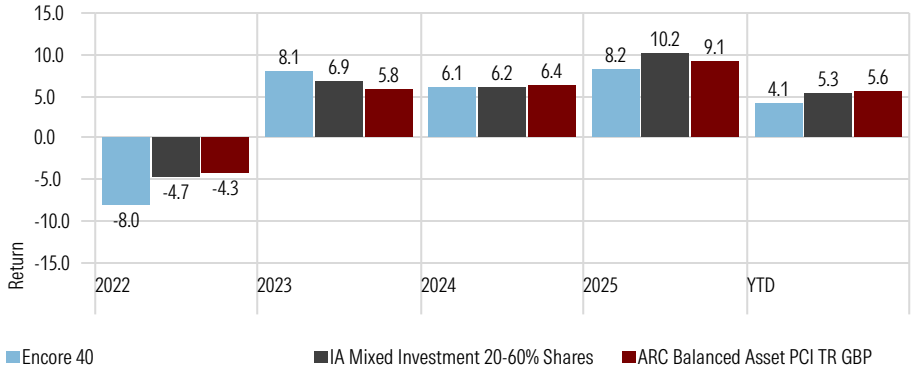
## Cumulative Encore 40 returns of £100k invested

Time Period: 01/05/2015 to 30/09/2026




## Calendar Year Returns

Calculation Benchmark: IA Mixed Investment 20-60% Shares



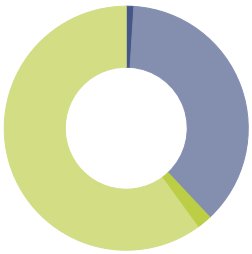

Display Benchmark 1: IA Mixed Investment 20-60% Shares  Display Benchmark 2: ARC Balanced Asset PCI TR GBP

| 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

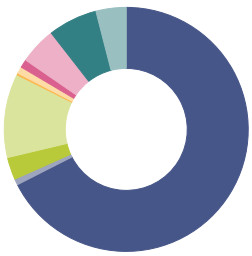
| | |
|---|---|
| Yield | 2.21% |
| OCF | 0.10% |
| Transaction Charge | 0.03% |
| Investment Management Fee | 0.10% |
| Rebalance | Quarterly |
| Benchmarks | IA Mixed Investment 20-60% Shares<br>ARC Balanced Asset PCI TR GBP |

## 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 | 67.5 |
| Latin America | 0.8 |
| United Kingdom | 3.0 |
| Europe dev | 11.1 |
| Europe emrg | 0.2 |
| Africa/Middle East | 0.9 |
| Australasia | 1.1 |
| Japan | 4.9 |
| Asia dev | 6.5 |
| Asia emrg | 4.0 |
| **Total** | **100.0** |

## Equity Sectors (Morningstar) - Encore 40



| | % |
|---|---|
| Basic Materials | 2.9 |
| Consumer Cyclical | 8.0 |
| Financial Services | 14.4 |
| Real Estate | 6.5 |
| Consumer Defensive | 4.3 |
| Healthcare | 8.4 |
| Utilities | 2.1 |
| Communication Services | 7.8 |
| Energy | 3.4 |
| Industrials | 9.6 |
| Technology | 32.6 |
| **Total** | **100.0** |

## Portfolio Comments

**Market Review: Q3 and the outlook ahead**

Global equity markets continued to show resilience during the third quarter, supported by positive corporate earnings and continued optimism around artificial intelligence (AI). However, the backdrop remained challenging for bond markets, as higher oil prices added to inflationary pressures and investors reassessed the outlook for interest rates.

**Equity markets remain resilient**

Equity markets performed positively across a range of regions, with technology and AI-related companies remaining important drivers of sentiment. Encouragingly, the influence of AI is beginning to extend beyond the companies developing chips, data centres and supporting technology. Businesses across a wider range of industries are increasingly using AI to improve efficiency, reduce costs and support profitability, creating opportunities beyond the largest technology companies.

The UK was among the stronger-performing equity markets during the quarter, with mid-sized companies attracting particular attention. These businesses tend to have greater exposure to the domestic economy than many of the UK's largest companies, meaning expectations around the forthcoming Budget and potential policy changes have influenced sentiment.

**Inflation puts pressure on bonds**

While equities proved resilient, it was a more challenging quarter for government bonds. Rising oil prices following conflict in the Middle East contributed to renewed inflation concerns, adding uncertainty around the future path of interest rates.

Higher inflation expectations can put pressure on bond prices and push yields higher as investors reassess the returns required from government debt. The outlook is also becoming increasingly differentiated between countries, with the US and UK facing different economic conditions and inflationary pressures.

**Politics comes into focus**

Political developments are likely to remain an important part of the backdrop during the final months of 2026. In the UK, attention is turning towards the forthcoming Budget and its potential implications for households, businesses and financial plans. In the US, the midterm elections will also be closely watched, as changes to the balance of power in Congress could affect the administration's ability to pass new legislation.

While these events may influence markets in the short term, their significance should be considered alongside the wider range of factors affecting global investments.

**Looking ahead**

Corporate earnings, the broadening influence of AI, oil prices, geopolitical tensions and interest rate expectations are all likely to remain important as we move towards 2027. The forthcoming earnings season should provide further insight into corporate health and the resilience of the global economy.

For investors, it is important not to confuse short-term headlines with long-term investment signals. Political announcements, elections and market movements can influence sentiment over days or months, while investment goals often extend over many years. Maintaining a diversified portfolio and keeping long-term objectives firmly in mind can help investors navigate periods of uncertainty without being distracted by short-term market noise.

## Top Holdings - Encore 40

Portfolio Date: 30/09/2026

| | Equity Style Box | Portfolio Weighting % |
|---|---|---|
| Vanguard Glb Corp Bd Idx Ins Pl £ H Acc | | 22.28 |
| Fidelity Index Global Govt Bd S Acc | | 18.86 |
| iShares Ovrs Govt Bd Idx (UK) D Acc £Hdg | | 18.86 |
| Fidelity Index US P Acc | ▦ | 8.48 |
| HSBC American Index C Acc | ▦ | 8.48 |
| Vanguard U.S. Eq Idx Ins Pl £ Acc | ▦ | 8.48 |
| Vanguard Em Mkts Stk Idx Ins Pl £ Acc | ▦ | 4.62 |
| Fidelity Index Europe ex UK P Acc | ▦ | 4.31 |
| L&G Global Real Estate Div Index C Acc | ▦ | 2.00 |
| Fidelity Index Japan P Acc | ▦ | 1.85 |
| Fidelity Index UK P Acc | ▦ | 1.22 |
| Vanguard Pac exJpn Stk Idx Ins Pl £ Acc | ▦ | 0.55 |

**Benchmark Disclaimers**

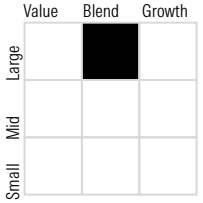
The IA (Investment Association) sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is made up of funds with a similar asset allocation as defined by the IA. The sector is not constructed as an index, therefore as funds enter 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: 30/09/2026

**Morningstar Equity Style Box™**




| Market Cap | % |
|---|---|
| Market Cap Giant % | 45.5 |
| Market Cap Large % | 32.6 |
| Market Cap Mid % | 17.7 |
| Market Cap Small % | 3.5 |
| Market Cap Micro % | 0.7 |

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