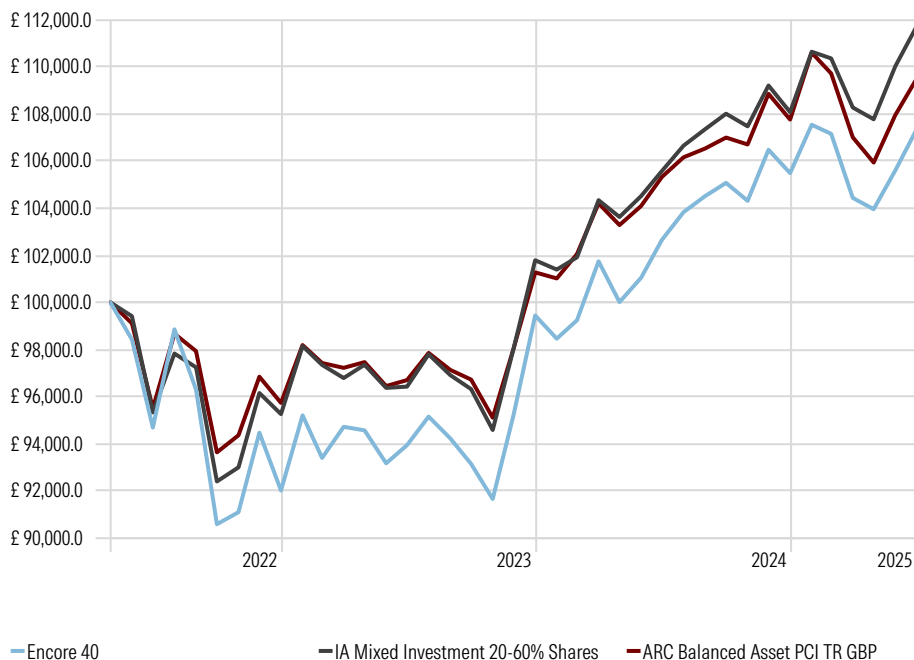


### Risk Profile Description

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.

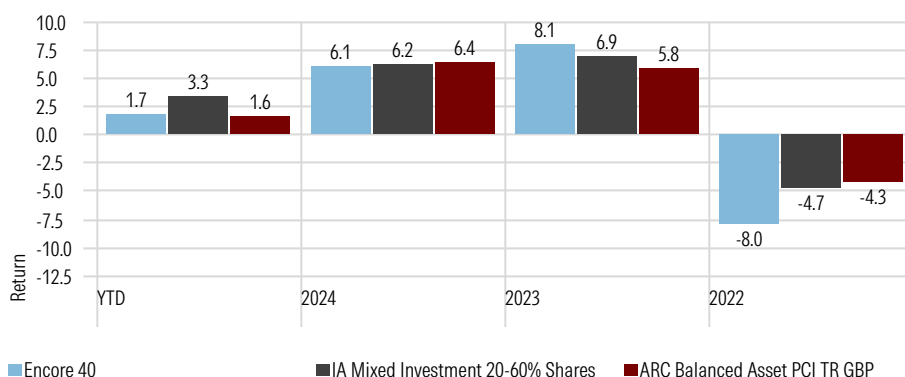
### Cumulative Encore 40 returns of £100k invested

Time Period: 29/04/2022 to 30/06/2025



### Calendar Year Returns

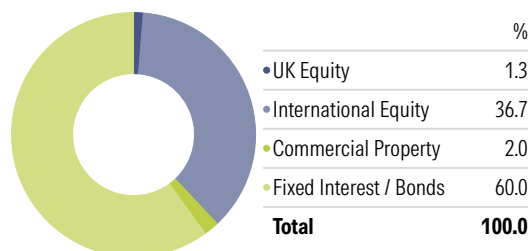
Calculation Benchmark: IA Mixed Investment 20-60% Shares



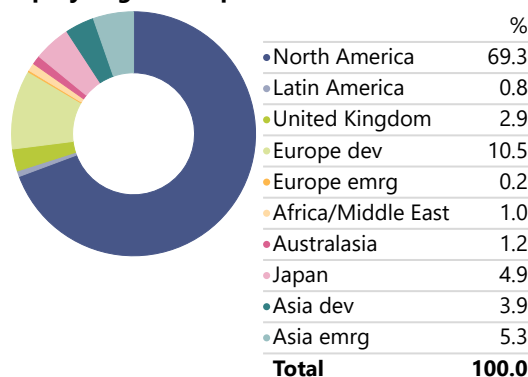
### Encore 40 - Portfolio Information

Yield	2.61%
OCF	0.10%
Transaction Charge	0.03%
Investment Management Fee	0.10% + VAT
Rebalance	Quarterly
Benchmarks	IA Mixed Investment 20-60% Shares ARC Balanced Asset PCI TR GBP

### Asset Allocation - Encore 40



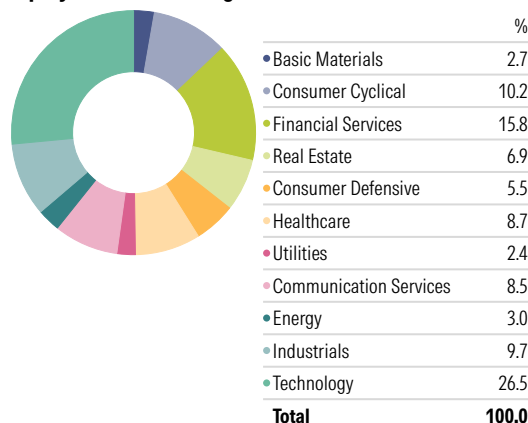
### Equity Regional Exposure - Encore 40



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	-13.22	-9.06	-6.37
Best Month %	4.43	3.82	3.32
Worst Month %	-5.94	-4.98	-4.39
Best Quarter	6.77	5.68	4.71
Worst Quarter %	-4.33	-3.07	-1.96

### Equity Sectors (Morningstar) - Encore 40



Portfolio Comments

The second quarter of 2025 has been marked by significant political, economic, and financial turbulence. From rising tariffs and ballooning debt issuance to mounting geopolitical risks and shifts in global economic power, investors are navigating a landscape that feels increasingly unstable.

Although a full-blown recession has been avoided, economic risks remain high. The U.S. economy faces headwinds from policy uncertainty and a sharp uptick in tariffs, while Europe and Asia present their own challenges. Despite these pressures, markets have shown resilience amid continued volatility.

The recent Iran-Israel conflict triggered a brief spike in geopolitical tensions, though market impacts were contained. Increased OPEC production exerted downward pressure on oil, and despite a short-lived price rally (Brent crude hit \$80 intra-day on June 22nd), prices closed the quarter at \$68 per barrel. While precious metals performed well, broad commodities underperformed other risk assets.

Global Economic Outlook

Global economic momentum has moderated. Major institutions - the IMF, OECD, and World Bank - have lowered their 2025 growth forecasts to the 2.0–2.3% range, below historical averages.

Inflation trends remain mixed. In the U.S., consumer prices have yet to fully reflect tariff increases, though producer prices and inflation expectations are edging higher. Globally, inflation is being tugged between tariff-induced cost increases and disinflationary forces stemming from slower growth and weaker commodity prices. Central banks must now balance these opposing pressures.

Growth Assets

Q2 was a reminder of the enduring dominance of the U.S. tech giants, particularly the “Magnificent 7,” who rebounded strongly after a volatile start to the year. Despite early fears of a bear market, the U.S. market hit a new all-time high by quarter-end, illustrating the strength of large-cap U.S. equities even amid political noise.

European and UK equities outperformed the U.S. year-to-date, though Q2 returns lagged other developed markets. Stronger-than-expected earnings in sectors like industrials and financials, coupled with ongoing fiscal support, have helped sustain performance. Valuations remain attractive, and investor capital is rotating toward non-U.S. markets.

Asia and emerging markets benefited from policy easing and shifting trade patterns. Still, geopolitical tensions and reliance on Chinese demand pose ongoing risks. These regions continue to offer valuable diversification, but with caution warranted.

Overall, equities remain supported by buybacks and modest earnings growth, although policy uncertainty and macroeconomic headwinds are limiting upside potential.

Factor and Style Performance

Investor sentiment rebounded in Q2, driving strong gains in growth stocks. The “Magnificent 7” delivered returns of 18.6%, helping growth as a factor post a 17.7% quarterly return - making it the best-performing asset class.

Value stocks lagged significantly, while small-cap equities drew interest through buyback activity and takeover speculation. This rotation underscores continued investor focus on quality and size during uncertain times.

Defensive Assets

Fixed income and currency markets were rattled by the introduction of tariffs on “Liberation Day,” which reverberated beyond equities to affect bond yields and FX rates. Investor confidence in the U.S. as a traditional safe haven has been shaken, largely due to erratic policy moves under the Trump administration.

Yields on U.S. 10-year Treasuries fluctuated between 4.0% and 4.8%, with 30-year yields rising above 5%-a reflection of growing concern over debt levels and reduced international appetite for U.S. debt.

Central banks are in a holding pattern. The Federal Reserve is expected to make modest rate cuts later in the year, depending on how inflation and employment data evolve. The European Central Bank and Bank of England have already started easing or indicated they will soon. Meanwhile, China continues targeted stimulus efforts to bolster growth. The direction of future policy will largely hinge on the persistence of inflation and unfolding geopolitical developments.

Outlook

The first half of 2025 has been anything but smooth, and the remainder of the year is unlikely to bring greater clarity. The Trump tariffs, in particular, remain a wildcard with potential to drive further market volatility as the 90-day pause period ends. Inflation and interest rate updates from central banks will be key events to watch.

Amid this uncertainty, the quarter offered a clear reminder of the benefits of diversification. As market leadership broadens beyond U.S. mega caps, opportunities are appearing across regions, styles, and sectors. Investors would do well to keep a long-term perspective and brace for more twists ahead.

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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Top Holdings - Encore 40

Portfolio Date: 30/06/2025		
	Equity Style Box	Portfolio Weighting %
Vanguard Glb Corp Bd Idx Ins Pl £ H Acc		20.40
Fidelity Index Global Govt Bd S Acc		19.80
iShares Ovrs Govt Bd Idx (UK) D Acc £Hdg		19.80
Fidelity Index US P Acc		8.76
Vanguard U.S. Eq Idx Ins Pl £ Acc		8.76
HSBC American Index C Acc		8.75
Vanguard Em Mkts Stk Idx Ins Pl £ Acc		4.13
Fidelity Index Europe ex UK P Acc		4.00
L&G Global Real Estate Div Index C Acc		2.00
Fidelity Index Japan P Acc		1.84
Fidelity Index UK P Acc		1.18
Vanguard Pac exJpn Stk Idx Ins Pl £ Acc		0.59

Morningstar Style Box - Encore 40

Portfolio Date: 30/06/2025

Morningstar Equity Style Box™				Market Cap	%
	Value	Blend	Growth		
Large				Market Cap Giant %	45.7
				Market Cap Large %	33.6
				Market Cap Mid %	17.1
Mid				Market Cap Small %	2.9
Small				Market Cap Micro %	0.7