progeny

Dynamic 40 Portfolio Factsheet

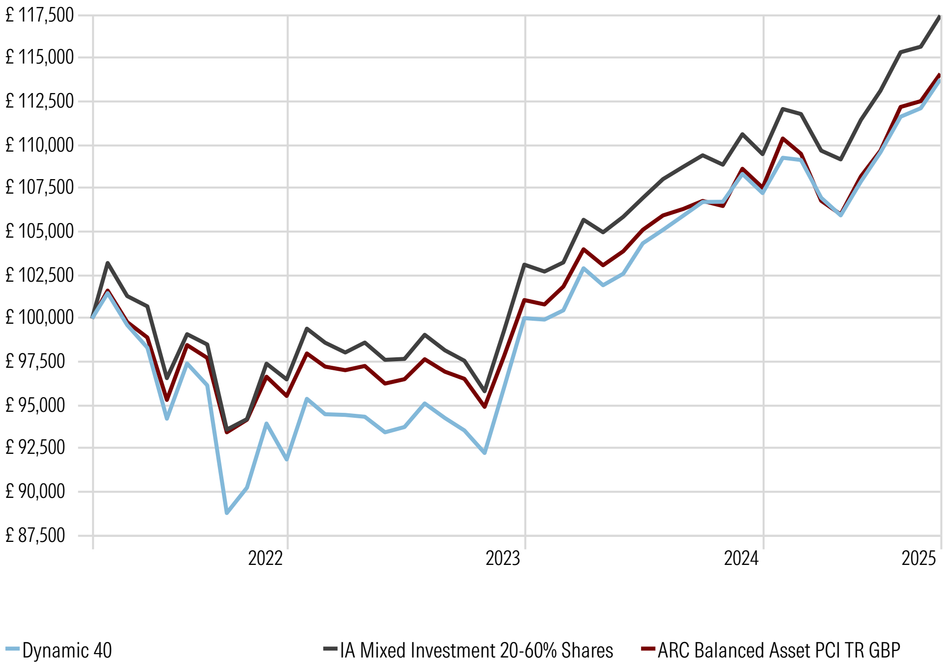
As of 30/09/2025

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.

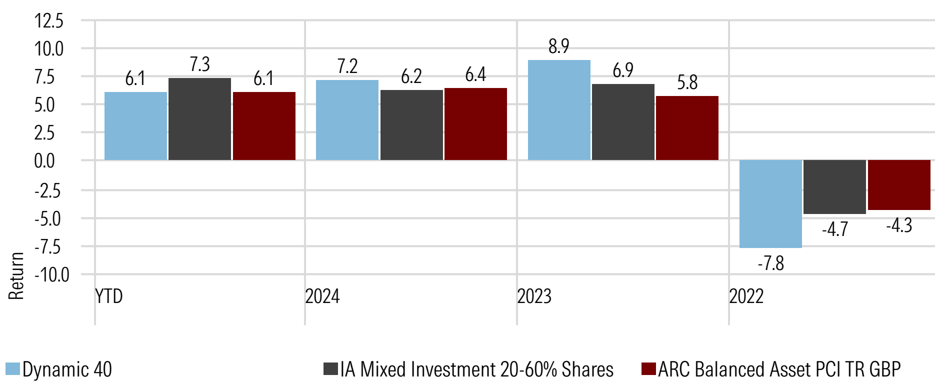
Cumulative Dynamic 40 returns of £100k invested

Time Period: 08/03/2022 to 30/09/2025



Calendar Year Returns

Calculation Benchmark: IA Mixed Investment 20-60% Shares



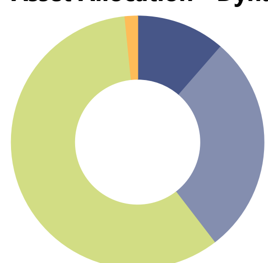
Display Benchmark 1: IA Mixed Investment 20-60% Shares   Display Benchmark 2: ARC Balanced Asset PCI TR GBP

Dynamic 40 Performance Metrics	Portfolio	Benchmark (IA)	Benchmark (ARC)
Max Drawdown	-20.11	-18.13	-11.13
Best Month %	5.63	5.86	4.94
Worst Month %	-7.66	-10.09	-7.24
Best Quarter	9.97	10.13	9.43
Worst Quarter %	-8.39	-13.02	-11.01

Dynamic 40 - Portfolio Information

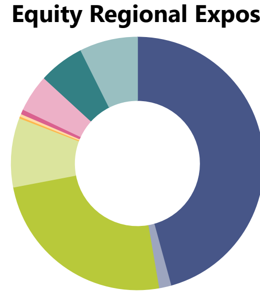
Yield	2.64%
OCF	0.65%
Transaction Charge	0.14%
Investment Management Fee	0.05% + VAT
Rebalance	Quarterly
Benchmarks	IA Mixed Investment 20-60% Shares ARC Balanced Asset PCI TR GBP

Asset Allocation - Dynamic 40



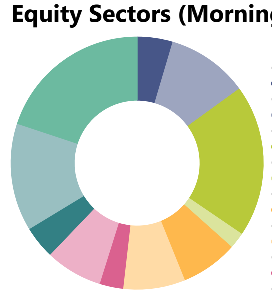
	%
UK Equity	11.4
International Equity	28.2
Fixed Interest / Bonds	58.8
Cash	1.6
Total	**100.0**

Equity Regional Exposure - Dynamic 40



	%
North America	45.7
Latin America	1.6
United Kingdom	24.7
Europe dev	8.9
Europe emrg	0.2
Africa/Middle East	0.3
Australasia	0.6
Japan	4.8
Asia dev	5.8
Asia emrg	7.4
Total	**100.0**

Equity Sectors (Morningstar) - Dynamic 40



	%
Basic Materials	4.6
Consumer Cyclical	10.4
Financial Services	19.5
Real Estate	2.1
Consumer Defensive	7.3
Healthcare	7.9
Utilities	3.0
Communication Services	7.3
Energy	4.2
Industrials	13.8
Technology	19.9
Total	**100.0**

Portfolio Comments

Resilient Markets Amid Mixed Signals
The third quarter of 2025 was another strong period for global markets, as equities continued to rise despite persistent economic and political headwinds. Investor enthusiasm for Artificial Intelligence (AI) continues to fuel optimism, while the Federal Reserve's (Fed) first interest rate cut in over a year provided an additional boost. However, not all indicators are positive: slowing job growth in the US, mounting political pressure on central banks, and stretched valuations underscore that risks persist alongside opportunities.

Global Growth Loses Momentum
The world economy is slowing, with growth projected at around 2.5% this year – the weakest since the pandemic downturn. The US has shown resilience in consumer spending, especially among wealthier households, but job creation is weakening, and manufacturing has been contracting for several months. Inflation has eased but remains above target, prompting the Fed to cut rates to 4% and signal further reductions later this year.

Uneven Growth Across Major Economies
In Europe, growth is flat, and new US tariffs are weighing on exporters, particularly in industrial and healthcare sectors. The UK economy has been stronger than expected, growing 1.1% in the first half of the year, but concerns about government borrowing have unsettled the gilt market. China continues to target 5% growth, but activity remains patchy. India is showing strong momentum with record manufacturing and services activity.

Equities Rally on AI Optimism
Equities drove markets higher in Q3, with many global indices reaching new all-time highs. Global equities gained more than 7.5% in the third quarter, led by Japan's markets, which surged 13.0%. US stocks rose more than 8%, driven by technology mega-caps that are investing heavily in AI. Emerging markets surged, with China benefiting from state support for its tech sector and India from robust domestic demand. Europe gained more modestly, constrained by tariffs and weakness in healthcare. UK equities continue to lag longer-term, reflecting weaker corporate profit growth compared to US peers. AI remains the dominant theme, but much of the performance has been concentrated in a small group of large companies, leaving markets vulnerable if earnings fail to meet expectations.

Mixed Performance Across Bonds and Commodities
Government bonds had a mixed quarter. US Treasuries rallied as rate cuts took hold, but UK gilts fell sharply on fiscal worries. Credit markets remain expensive, with spreads near historic lows, offering limited protection if growth slows. Commodities diverged; oil prices slipped on weaker demand expectations, while gold surged on safe-haven demand and concerns about central bank independence.

Balancing Opportunity and Risk in a Shifting Market Landscape
Markets remain supported by optimism around AI and looser monetary policy, but vulnerabilities are clear. Slower global growth, political risk, and stretched valuations could trigger bouts of volatility. We continue to believe that the best approach is disciplined diversification - balancing exposure to long-term growth opportunities such as AI with defensive assets and alternative sources of return. This helps protect portfolios while still capturing the upside from innovation and economic recovery.

Top Holdings - Dynamic 40

Portfolio Date: 30/09/2025

	Equity Style Box	Position Market Value	Portfolio Weighting %
MGTS Progeny Dynamic Bond GBP Acc		0.01	60.00
MGTS Progeny Dynamic Equity GBP Acc		0.00	40.00

Dynamic 40 - Underlying Holdings

Underlying Holdings	Equity Style Box	Portfolio Weighting %
Fidelity Index UK Gilt S GBP Acc		9.50
Vanguard Glb Bd Idx Ins Pl £ H Acc		9.44
Fidelity Index US P Acc		7.05
PIMCO GIS Low Avrg Dur Instl GBPH Acc		6.94
Vanguard U.S. Eq Idx Ins Pl £ Acc		6.08
Royal London Shrt Dur Glb Idx Lnkd Z Inc		5.37
Fidelity Index Global Govt Bd S Acc		4.92
M&G Strategic Corporate Bond GBP M Acc		4.76
Man Sterling Corp Bd Instl Acc F		4.75
Vanguard Glb Corp Bd Idx Ins Pl £ H Acc		4.17
Royal London Inv Grade SD Credit Z Acc		3.47
Invesco UK Opports (UK) M (Acc)		3.23
Invesco Global Emerg Mkts (UK) M Acc		3.20
Invesco UK Enhanced Index UK M Acc		2.68
Royal London Global Index Linked Z Inc		2.39
Vanguard UK S/T Gilt Idx Ins Pl GBP Acc		2.39
JOHCM UK Equity Income A GBP Acc		2.16
HSBC US Multi-Factor Eq Instl A Acc		2.14
Jupiter Merian Asia Pacific I GBP Acc		1.99
Fidelity Index Japan P Acc		1.97
GBP Cash		1.90
L&G S&P 500 US Equal Wght Idx C GBP Acc		1.77
BlackRock European Dynamic FX Acc		1.76
L&G Eurp ex-UK Qual Divs EqlWgtETFEURDis		1.75
IFSL Evenlode Income C Acc		1.60
Polar Capital Em Mkts Stars SX Acc		1.34
T. Rowe Price US Smlr Coms Eq C Acc		1.18
FTF ClearBridge UK Rising Div W Acc		1.07
GBP Cash		0.00
GBP Cash		-0.97

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 - Dynamic 40

Portfolio Date: 30/09/2025

Morningstar Equity Style Box™

Not Available

Market Cap	%
Market Cap Giant %	-
Market Cap Large %	-
Market Cap Mid %	-
Market Cap Small %	-
Market Cap Micro %	-

The model was rebalanced into the MGTS Progeny funds on the 07/03/22 and re-brand at the same time. The risk and objectives of the model have been preserved throughout. Last rebalance date was 01/05/25

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