The value of investments and income from them is not guaranteed, can fall, and you may get back less than you invested. Your capital is therefore always at risk. Past performance is not a guide to future performance. Any specific investments mentioned are for illustrative purposes only and this is not intended as investment advice. If you are unsure as to the suitability of the service, please contact your IFA or Progeny Asset Management to discuss.

**Discretionary IHT service based on business property relief**

**IHT PORTFOLIO SERVICE**

\*The Portfolio Benchmark has rebranded from what was previously the ‘Numis Alternative Markets Including’ to the ‘Deutsche Alternative Markets Including’. There has been no formal change of benchmark.

Top 10 Portfolio Holdings

Performance is calculated based on a typical Progeny AIM portfolio, with standard allocations from our AIM stock universe and provided for illustrative purposes only and should not be viewed as the performance of a specific client account. As a Bespoke service, individual portfolio allocations will vary depending on client objectives.

|  |  |
| --- | --- |
| Gamma Communications PLC | 4.50 |
| Yougov PLC | 4.50 |
| Big Technologies PLC | 4.17 |
| Tristel PLC | 4.17 |
| Cerillion PLC | 4.10 |
| GlobalData PLC | 4.10 |
| Next 15 PLC | 4.10 |
| Tracsis PLC | 4.10 |
| Ashtead Technology Holdings PLC | 4.05 |
| Judges Scientific PLC | 4.05 |
| **Top Ten holdings** | **41.82** |

As was expected by economists’ forecasts, the end of the month saw the delivery of UK inflation figures of 2%, returning to the Bank of England’s target level for the first time in three years. However, while the headline figure returned to target, services and core inflation figures remained high at 5.7% and 3.5% respectively. This prompted the Bank of England’s Monetary Policy Committee to keep interest rates at 5.25%, citing that more evidence is needed for cuts to materialise. As and when rate cuts materialise, we anticipate that this should be especially welcomed by the AIM market. This is due to the fact that the debt profiles of smaller companies typically lead them to be impacted by higher rates more than larger companies.

In what was a difficult month for AIM stocks, the Progeny Asset Management AIM portfolio delivered a return of -7.26% after fees, against the benchmark which returned -4.29%. 8 of the underlying stocks held in our AIM portfolio were positive for the month, with the standout performers being RWS (9.32%), Tristel (8.93%) and Cerillion (3.90%).

Shares in RWS saw positive returns over the month following the release of their interim results, which prompted the share price to jump by 21.37% on the day they were announced. The announcement noted new business wins, a higher dividend, and confidence in meeting full-year expectations, providing a positive outlook for the rest of the year. This highlights the margin of safety that was baked into their share price, the results merely reiterated confidence in meeting expectations that have been set fairly low and their share price jumped so much.

Recently introduced holding Tristel was another top performer for June, as the company announced the appointment of new CEO Matt Sassone. Matt has over 27 years of experience in the medical industry and is keen on expanding Tristel’s global presence and maximising the businesses opportunities, while ensuring the delivery of value to both stakeholders and customers.

The worst performer in June was market research and data analytics company YouGov, which returned -58.66% for the month. This came off the back of an unexpected announcement towards the end of the month that prompted downgrades to their revenue expectations for the year. Our conviction remains strong in YouGov, and we continue to hold them as they are a high quality business.

|  |  |
| --- | --- |
| Portfolio Benchmark | Deutsche Alternative Markets Including\* |
| Investment Management fee (p.a) | 0.80% + VAT |
| Yield | 2.02% |
| Reporting | Quarterly |
| Portfolio Inception Date | 1st July 2016 |

AIM Commentary

Portfolio Information

**Investment Objective**

The portfolio invests in securities traded on the Alternative Investment Market and is therefore considered as high risk. Invested securities will be those which, in our view, qualify for Business Property Relief. This means that an individual investor in a portfolio of qualifying AIM securities can mitigate Inheritance Tax after 2 years under current tax legislation. Tax treatment depends on an individual’s specific circumstances and maybe subject to change in the future.

**IHT Portfolio Service**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | 3m | 6m | 1y | 3y | 5y |
| IHT Portfolio |  | 2.07 | -3.84 | -3.27 | -28.24 | -6.94 |
| Benchmark |  | 3.29 | 1.03 | 2.17 | -36.37 | -12.50 |

A graph showing the stock market

Description automatically generated

Performance calculation: all income reinvested. Performance is shown inclusive of underlying fund charges but gross of Progeny Asset Management investment management fees. Deduction of this charge will have the result of reducing the illustrated performance.

With an experienced team. We all share the same vision and are aligned to the same purpose. Because we like to practise what we preach, every member of our senior team is personally invested in Progeny. We believe in accountability and personal commitment, just as you do. Wealth creation is the hard part and it doesn’t come without risk. In growing your wealth and passing it on, you want to avoid false economies. But managing it can often attract large fees, and we don’t believe that it should.

Progeny is a trading style of Progeny Asset Management Limited and is used by various companies within the Progeny group of companies. Progeny Asset Management Limited is a limited company registered in England and Wales with number 09415365. The company’s registered address is 1A Tower Square, Leeds, LS1 4DL. Progeny Asset Management Limited is authorised and regulated by the Financial Conduct Authority (No. 740528). VAT Number: 238579267.

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The value of investments and the income from them can fall as well as rise, and you may not recover the amount of your original investment. Your capital is therefore always at risk.

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Past performance is not a guide to future performance. The value of investments can fall, and you may get back less then you invested, therefore your capital is always at risk. If you invest in currencies other than your own, fluctuations in currency value will mean that the value of your investment will move independently of the underlying asset. This information is for illustrative purposes only and is not intended as investment advice. The information contained in this document has been taken from sources stated and is believed to be reliable and accurate, but without further investigation cannot be warranted as to accuracy or completeness. Partners, staff and clients may have a position or engage in transactions in any of the securities mentioned. The promised payment of income and the return of capital could be in jeopardy in the event that the parent company has problems meeting its financial obligations.

The management of the portfolio is achieved through the utilisation of Progeny Asset Management’s investment process. This process has been agreed by the internal Investment Committee, which determines the stock universe available to the Investment Managers. Quantitative filters are overlaid with fundamental analysis and Manager meetings, a process which is regularly repeated as part of our ongoing due diligence. Lastly, we engage independent specialists to validate the Qualifying status of our AIM universe.

Process