progeny

Tempo 70 Portfolio Factsheet

01/11/2022

Risk Profile Description

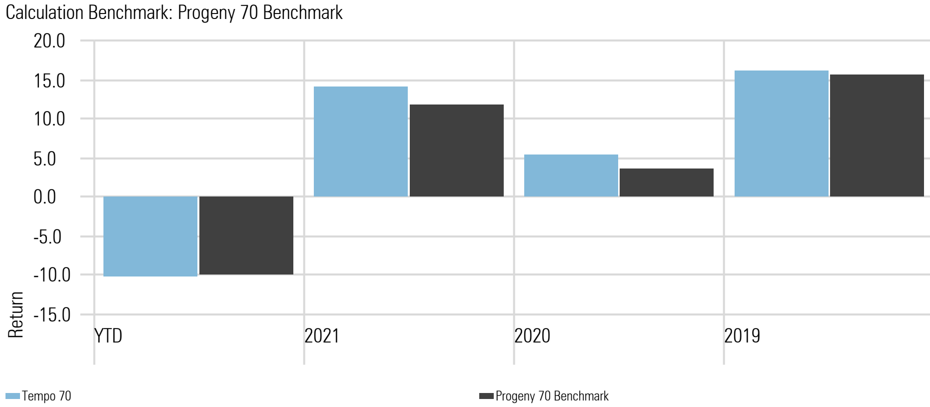
The portfolio aims to have 70% exposure to equity and property assets and 30% exposure to Fixed Interest securities. Over the medium to longer term, the 70% exposure to risks and expected rewards of equity ownership should help to deliver moderate, inflation-plus returns. The equity exposure is invested in both UK equities and overseas equity in both developed and emerging markets. The equity risk is balanced by a 30% allocation to high-quality bonds and investment grade bonds.

Cumulative Tempo 70 returns of £100k invested

Time Period: Since Common Inception (01/10/2016) to 31/10/2022

Calendar Year Returns

Calculation Benchmark: Progeny 70 Benchmark



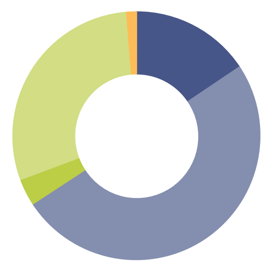
Tempo 70 Performance Metrics	Portfolio	Bmark
Max Drawdown	-21.28	-21.57
Best Month %	7.38	7.35
Worst Month %	-9.57	-9.95
Best Quarter	12.58	11.46
Worst Quarter %	-13.97	-14.39

Tempo 70 - Portfolio Information

Yield	1.42%
OCF	0.39%
Transaction Charge	0.06%
Investment Management Fee	0.05% + VAT
Rebalance	Quarterly
Benchmark	Progeny 70 Benchmark*

*Constructed from MSCI and ICE BofA indices

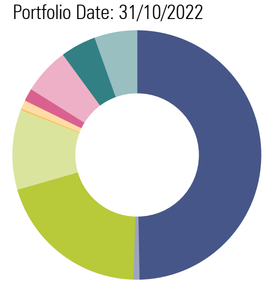
Asset Allocation - Tempo 70



	%
UK Equity	15.6
International Equity	50.2
Commercial Property	3.5
Fixed Interest / Bonds	29.4
Cash	1.3
Total	**100.0**

Equity Regional Exposure - Tempo 70

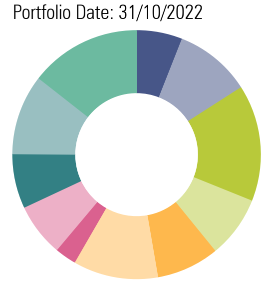
Portfolio Date: 31/10/2022



	%
North America	49.7
Latin America	0.8
United Kingdom	20.1
Europe dev	10.4
Europe emrg	0.1
Africa/Middle East	1.2
Australasia	1.6
Japan	6.0
Asia dev	4.6
Asia emrg	5.5
Total	**100.0**

Equity Sectors (Morningstar) - Tempo 70

Portfolio Date: 31/10/2022



	%
Basic Materials	6.0
Consumer Cyclical	9.9
Financial Services	15.1
Real Estate	8.0
Consumer Defensive	8.2
Healthcare	11.1
Utilities	2.8
Communication Services	6.9
Energy	7.1
Industrials	10.5
Technology	14.4
Total	**100.0**

Portfolio Comments

October was another eventful month for global financial markets. In the UK this was dominated by political uncertainty, which has added to the recent noise impacting stock markets. However, in broad terms, it was a positive month for growth assets despite the volatility.

Starting with the UK political landscape, Liz Truss resigned and lasted just 45 days as Prime Minister. She has been replaced by Rishi Sunak, who makes history as the UK's first British Asian PM and is just 42 years old. Financial markets welcomed the news with sterling gaining ground and 10-year UK government bond yields falling below 4%. This indicated investors are optimistic that the appointment of Sunak will provide some solidity for markets and help reinstate credibility to economic policymaking.

However, the new PM has warned the country still faces economic challenges and has cautioned of spending cuts. Importantly, financial markets will be looking for re-assurance on how the government plans to fund the £40bn hole in the public finances.

In economic news, the European Central Bank has just announced a 75-basis-point interest rate hike — its third consecutive uplift this year — while also scaling back support for European banks, on the back of rising inflation.

In the US, the Fed funds rate is currently targeted between 3%-3.25%, but Federal Open Market Committee policymakers have intimated that additional hikes will be needed, with U.S. inflation still running at an annual 8.2% in September, with UK inflation hitting 10.1%. This means further interest rate pressure in the near term.

On the corporate front, in the US, Google, Amazon and Microsoft earnings disappointed and this ends a period of increasing growth during the coronavirus epidemic and puts paid to hopes that they would withstand the challenges of inflation and deteriorating growth that are hitting the wider global and US economy. However, these results may strengthen claims that the Fed may soon start decreasing the magnitude of its rate hikes.

Turning to factor performance, momentum and value were some of the best performers over the month, with growth and quality continuing to struggle.

Moving to defensive assets, the UK 10-year gilt had another volatile month, continuing the dysfunctional pricing we have seen in recent weeks. Yields have seesawed between 4.4% to around 3.5% towards month end. The wider bond markets, however, lost ground once again as markets try to find a peak in this current bout of interest rate hikes.

Looking ahead into the rest of Q4, political and economic uncertainty in the UK may add to the current challenges and should we see recession bite this year, then growth assets may remain under pressure. However, historically as investors de-risk this means bonds become more favourable and explains why we continue to focus on owning well diversified portfolios.

Tempo 70 - Holdings

Holdings	Equity Style Box	Portfolio Weighting %
MGTS Progeny Systematic Equity GBP Acc		70.00
MGTS Progeny Systematic Bond GBP Acc		30.00

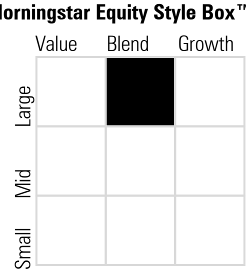
Tempo 70 - Underlying Holdings

Holdings	Equity Style Box	Portfolio Weighting %
HSBC US Multi-Factor Eq Instl A Acc		10.54
Vanguard Glb Bd Idx Ins Pl £ H Acc		9.33
Vanguard Glb Small-Cp Idx Ins Pl £ Acc		6.20
Dimensional Global Value GBP Acc		6.11
HSBC American Index C Acc		6.09
Fidelity Index US P Acc		6.04
Vanguard FTSE UKAllShrIdxUnitTrInsPl£Acc		5.80
Invesco UK Enhanced Index UK Y Acc		5.18
Dimensional £InflLnkdIntermDurFI GBP Acc		5.16
abrdn Global Corporate Bond Trckr N Acc		4.82
Vanguard UK Govt Bd Idx Ins Pl £ Acc		4.57
Fidelity Idx Sterling Corp Bd P GBP Acc		3.66
iShares Glb Prpty Secs Eq Idx (UK) D Acc		3.28
Vanguard Em Mkts Stk Idx Ins Pl £ Acc		3.10
Dimensional EM Core Equity Acc		2.82
HSBC European Index Accumulation C		2.45
abrdn European Equity Enhanced Idx NAcc		2.15
Dimensional UK Value GBP Acc		1.80
Dimensional UK Smlr Coms Acc		1.70
Gbp Cash		1.70
Vanguard Glb Corp Bd Idx Ins Pl £ H Acc		1.55
Fidelity Index Japan P Acc		1.43
abrdn Japan Equity Enhanced Index N Acc		1.26
HSBC Pacific Index S Acc		1.20
Gbp Cash		1.07

Morningstar Style Box - Tempo 70

Portfolio Date: 31/10/2022

Morningstar Equity Style Box™



Market Cap	%
Market Cap Giant %	36.3
Market Cap Large %	29.4
Market Cap Mid %	24.7
Market Cap Small %	7.9
Market Cap Micro %	1.7

Composite Benchmark Disclaimer

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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).

The model was rebalanced into the MGTS Progeny funds on the 07/03/22 and re-branded at the same time. The risk and objectives of the model have been preserved throughout.

Leeds
1A Tower Square, Leeds, LS1 4DL
Tel: +44 113 467 1596

London
Egyptian House, 170-173 Piccadilly, London, W1J 9EJ
Tel: +44 20 3284 5071