

AJBell.



HAMMOND RAGGETT
& COMPANY LIMITED

HR – Balanced Income MPS

As at 30/09/26

Market commentary:

Geopolitical risk remained central to markets during the third quarter, particularly developments in the Middle East. Disruption to energy flows through the Strait of Hormuz kept oil and gas markets under pressure and raised concerns about the reliability of other strategically important trade routes.

Bond markets

Higher energy prices complicated the inflation outlook. Government bond yields rose across major developed markets as investors reassessed how quickly inflation might fall, and whether interest rates would need to remain higher for longer. Pressure was evident across the yield curve, reflecting a combination of changing policy expectations, inflation uncertainty and concerns about government borrowing.

Central bank expectations consequently became more hawkish, although the policy picture was not uniform. Rates remained unchanged in the UK over the period, while the US, Europe and Japan recorded increases. This divergence reflected the difficult balance between responding to energy-driven inflation and avoiding unnecessary damage to economic growth. Economic activity nevertheless remained resilient. Leading indicators continued to suggest expansion across most major developed and emerging economies, while stronger energy prices accounted for much of the increase in headline inflation. Other components, including services inflation in the US and UK, remained comparatively contained during the period.

Equity markets

Artificial intelligence also remained a major influence on equity markets, although leadership became less straightforward. Semiconductor and hardware companies experienced periods of volatility as investors reassessed valuations, capital expenditure and the durability of demand. Earnings remained supportive in many areas, but performance increasingly depended on where companies and markets sat within the AI supply chain.

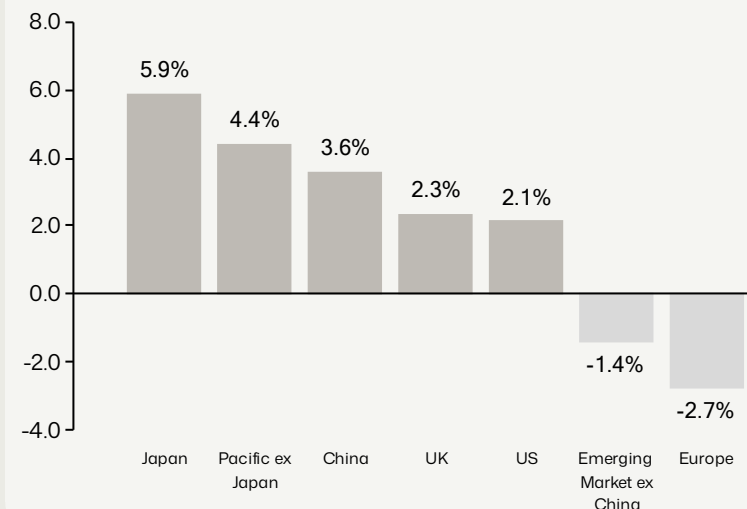
This produced greater variation between regions and sectors rather than a simple divide between developed and emerging markets. Economies with substantial semiconductor exposure remained sensitive to shifts in AI sentiment, while energy companies benefited from stronger commodity prices. The quarter therefore underlined the limitations of relying on a single regional or thematic source of returns.

Outlook

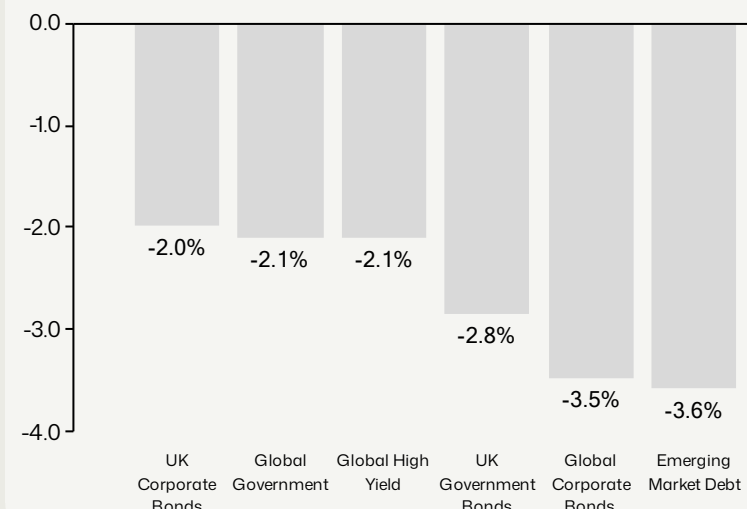
Looking ahead, energy supply, inflation and monetary policy are likely to remain closely connected. Further disruption to critical shipping routes could place renewed pressure on prices and reduce the scope for central banks to ease policy. At the same time, resilient economic activity and company earnings provide support for risk assets.

The quarter reinforced the case for diversification across asset classes, regions and sectors. With interest rate expectations and equity market leadership capable of changing quickly, portfolios should be constructed for a range of outcomes rather than positioned around a single forecast.

Equity performance - last quarter



Fixed income performance - last quarter



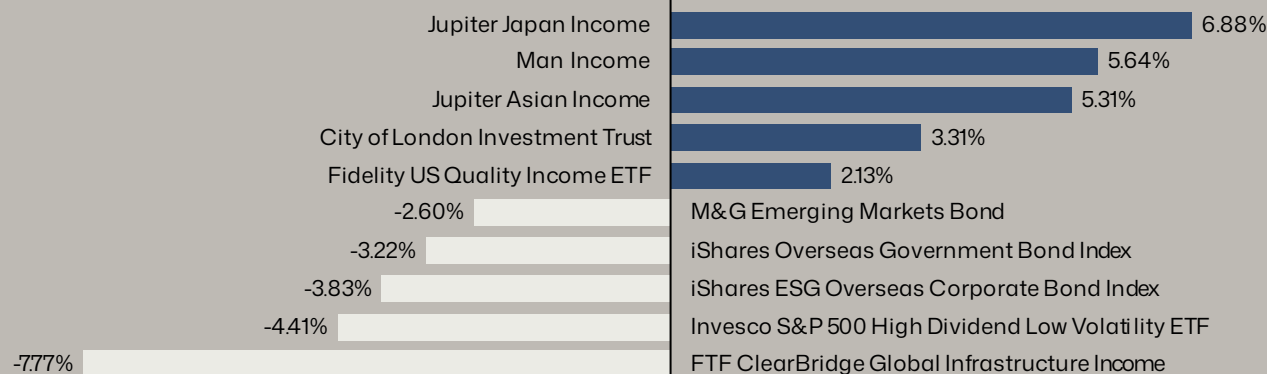
Portfolio commentary

Markets faced a more challenging backdrop during the third quarter as geopolitical tensions and higher energy prices raised inflation concerns and pushed bond yields higher. Central banks in several major economies responded with further rate increases, while investors reassessed the outlook for monetary policy. Despite these headwinds, economic activity remained resilient and corporate earnings broadly supportive, highlighting the benefits of maintaining a diversified portfolio across both equities and fixed income.

Jupiter Japan Income and Man Income were among the strongest contributors over the quarter. Japanese equities performed well, while energy exposure within UK equity income holdings benefited from rising oil prices. Broader Asian income strategies such as Jupiter Asian Income also generated positive returns and helped support portfolio performance.

Infrastructure and bond markets were the main sources of weakness. FTF ClearBridge Global Infrastructure Income detracted as rising interest rates created headwinds for the asset class, while M&G Emerging Markets Bond declined as higher US Treasury yields weighed on emerging market debt. The more challenging backdrop for defensive income-producing assets also affected the Invesco S&P 500 High Dividend Low Volatility ETF.

Q3 2026 best/worst performers



Performance

Cumulative	3 months	6 months	1 year	Since inception
HR – Balanced Income MPS	-0.86%	6.22%	11.15%	18.91%

The above table displays the total return of the fund on a cumulative basis. This is taken from the most recent month end.



Portfolio snapshot

Number of holdings	19
Inception date	01 Aug 2024
Underlying OCF	0.41%
Annual Investment Management Charge	0.13%
Indicative Total OCF	0.54%
Historic Yield	4.05%

Top 10 holdings

Holding	Weight
Fidelity Emerging Markets Quality Income ETF	8.00%
FTF ClearBridge Global Infrastructure Income	8.00%
iShares Core UK Gilts ETF	8.00%
Invesco High Yield	7.00%
Fidelity US Quality Income ETF	6.50%
Invesco S&P 500 High Dividend Low Volatility ETF	6.50%
BlackRock UK Income	6.00%
Artemis Corporate Bond	5.50%
City of London Investment Trust	5.50%
Man Income	5.50%

Lower risk

3

4

5

6

7

Typically lower rewards

Higher risk

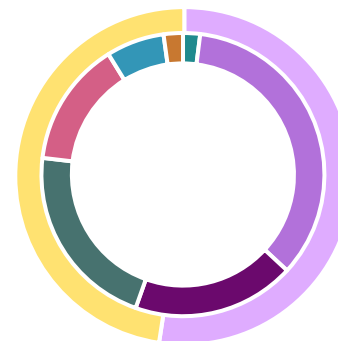
Typically higher rewards

Asset allocation (%)



Equity	46.00%
UK equity	17.00%
North America equity	13.00%
Emerging markets equity	8.00%
Asia Pacific ex-Japan equity	3.00%
Europe ex-UK equity	3.00%
Japan equity	2.00%
Fixed Income	42.00%
UK corporate bonds	10.00%
UK government bonds	8.00%
Global high yield bonds (GBP hedged)	7.00%
Emerging market debt	5.00%
Global corporate bonds (GBP hedged)	5.00%
Global government bonds	5.00%
UK index-linked gilts	2.00%
Alternatives	8.00%
Infrastructure	8.00%
Cash	4.00%

Fixed income breakdown (%)



Issuer	
Corporate	52.38%
Government	47.62%
Quality	
AAA	1.97%
AA	34.87%
A	18.58%
BBB	21.46%
BB	14.32%
B	6.62%
Below B	2.19%

Equity breakdown (%)



Sector	
Financial Services	22.28%
Technology	18.83%
Industrials	9.66%
Consumer Cyclical	8.20%
Consumer Defensive	7.90%
Energy	6.43%
Basic Materials	6.30%
Healthcare	6.19%
Real Estate	5.09%
Utilities	4.61%
Communication Services	4.50%

Underlying OCF is the ongoing charges of the underlying positions of the portfolio and excludes the annual investment management charge. Transaction costs reflect the aggregated transaction costs reported by underlying products and may vary each month. Additional costs will be incurred while using the MPS. These include (where applicable) platform costs and adviser fees. Therefore, the actual performance of your portfolio might differ from the stated past performance. There is no set minimum investment into the MPS, however, the structure of the underlying investments means that the portfolios work more efficiently for investments above a certain size. For this MPS, this is around £15,000. This portfolio is managed by AJ Bell Asset Management Limited. For further details of all applicable costs, please speak to your financial adviser or visit www.hammondraggett.co.uk.

Performance reflects the headline model and includes the underlying costs of the holdings and the annual investment management charge. The portfolios are rebalanced on a quarterly basis. This model was launched on 1 August 2024. Cash performance is measured using the AJ Bell Investcentre platform interest rates.

Based on target weights at portfolio rebalance. Totals may not sum to 100% due to rounding.

The assigned risk profiles do not indicate a promise, forecast or illustration of future volatility or returns nor represents investment advice or a recommendation to buy or sell units/shares in a fund or portfolio.

©2026 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/ or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

AJ Bell Management Limited (company number 03948391), AJ Bell Securities Limited (company number 02723420) and AJ Bell Asset Management Limited (company number 09742568) are authorised and regulated by the Financial Conduct Authority. All companies are registered in England and Wales at 4 Exchange Quay, Salford Quays, Manchester M5 3EE. See website for full details.

HRInc/HR - Balanced Income MPS/20260930/369323



Past performance is not indicative of future performance. The value of investments may go down as well as up and the income generated by investments is not guaranteed and may fluctuate. You may receive back less than the amount that you invested.

This information is for indicative purposes only and is not intended, and should not be construed, as investment advice. The information contained in this document has been taken from the sources stated and is believed to be reliable and accurate, but without further investigation cannot be warranted or guaranteed to be wholly correct. The views and opinions expressed in this document are not forecasts or recommendations in relation to investment decisions. The information and data presented in this document were believed to be correct at the time of writing and we are not liable for any subsequent changes.