

Managed Portfolio Service

Passive MPS 5

As at 31 March 2026

Market commentary:

March was dominated by the outbreak of conflict in Iran, which caused significant market upheaval and brought an abrupt end to what had been a broadly positive start to the year. Rising geopolitical risk had already been a defining feature of the early months of 2026 – first with the US intervention in Venezuela, and then with President Trump’s posturing towards Greenland – but the escalation in Iran swiftly eclipsed both to command global attention.

The principal channel through which the conflict has affected markets and the wider global economy is oil prices. Initial market reaction centred on the implications for inflation; however, as the conflict has dragged on, the consequences for economic growth have increasingly been reflected in forecasts.

Bond markets have faced a challenging reversal in 2026. Expectations of inflation returning to 2% targets have required meaningful upward revision in light of sharply rising oil prices, and central banks have responded with a notably hawkish tone – moving swiftly to convince markets of their willingness to raise interest rates decisively. This has prompted a broad repricing across fixed income. Whilst the most pronounced volatility and yield rises have been concentrated at the shorter end of the yield curve, it is longer-dated bonds that have delivered the weakest total returns.

Equity markets have been volatile throughout the quarter, responding to an unpredictable flow of news regarding the trajectory and potential escalation of the conflict. Whilst most markets have felt its effects, first-quarter returns have also been shaped by how individual markets were positioned heading into the crisis.

In the US, a softer start to the year somewhat obscures what has been a degree of relative resilience since the conflict began. Japanese equities delivered strong gains after a decisive election result provided a clear mandate for the continuation of economic reform. Within emerging markets,

South Korea has been a standout performer, benefiting from growing appreciation of its role within the AI supply chain. Closer to home, UK equities have outperformed, supported by the market’s heavyweight exposure to the energy sector, with the major oil companies buoyed by rising crude prices.

As with any event that dominates market attention, the range of potential outcomes is wide and largely contingent on political decisions that are, by their nature, difficult to forecast. Scenarios span from a relatively swift de-escalation – which would provide immediate relief to risk assets and take pressure off energy prices – through to a prolonged conflict that continues to weigh on growth expectations and keeps central banks in a difficult position. The latter would present the more challenging environment to navigate: one in which policymakers face the unenviable task of responding to inflation driven by factors largely outside their influence, whilst simultaneously managing the risk of tipping economies into recession.

In the near term, oil prices are likely to remain the key variable for both inflation dynamics and market sentiment. Beyond energy, however, the conflict has reinforced a broader reassessment of supply chain vulnerabilities, defence spending trajectories, and energy security – themes that are likely to shape investment narratives well beyond the immediate volatility.

Ultimately, against a backdrop of elevated geopolitical and event risk, ensuring that portfolios are resilient across a range of scenarios – and positioned to deliver an appropriate journey for clients – feels more important than ever.

Equity performance - last quarter



Fixed income performance - last quarter



Portfolio commentary

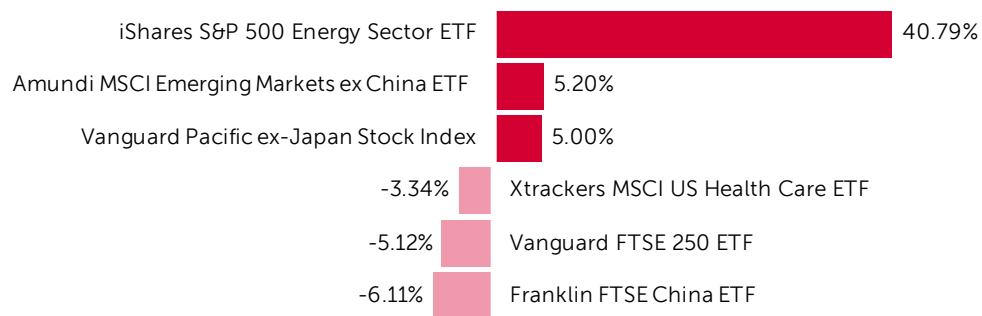
Equity markets faced a turbulent first quarter in 2026, as the outbreak of conflict in Iran injected volatility across global indices. Despite the challenging backdrop, the portfolio held up relatively well, with advances in UK and Japanese equities offsetting declines in the US and Europe.

UK equities were a standout performer over the quarter, supported by the market's heavyweight exposure to the energy sector. In the US, equities were volatile, though the rotation into an equal-weighted index alongside a dedicated Energy position meaningfully cushioned the drawdown relative to the broader market cap allocation as a result of the higher oil prices caused by the supply shock from the closure of the Strait of Hormuz.

Emerging markets presented a mixed picture. The EM ex-China allocation performed well, with strong contributions from South Korea and Brazil offsetting weakness elsewhere. In contrast, the allocation to China struggled as double-digit declines in major technology companies such as Tencent and Alibaba weighed heavily on returns.

Overall, AJ Bell Passive MPS 5 returned 1.44% over the quarter.

Q1 2026 best/worst performers



Performance

| Cumulative (%) | 3 months | 6 months | 1 year | 3 years | 5 years | Since inception |
|------------------------|----------|----------|--------|---------|---------|-----------------|
| Passive MPS 5 | 1.44 | 6.27 | 20.52 | 42.63 | 60.77 | 125.36 |
| IA Flexible Investment | -1.49 | 1.68 | 12.13 | 26.99 | 28.06 | 73.90 |

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



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.

Passive MPS 5

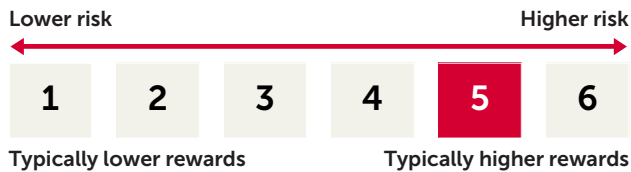
As at 31 March 2026

Portfolio snapshot

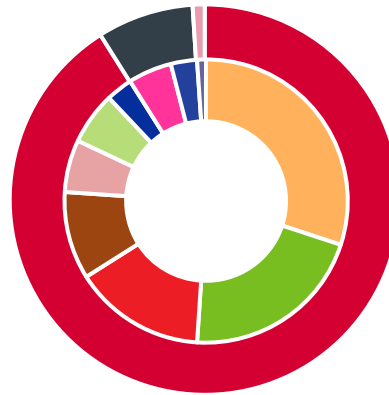
| | |
|-------------------------------------|-------------|
| Number of holdings | 14 |
| Inception date | 18 Aug 2016 |
| Underlying OCF | 0.11% |
| Annual Investment Management Charge | 0.15% |
| Indicative Total OCF | 0.26% |

Top 10 holdings

| Holding | Weight (%) |
|---|------------|
| iShares Core FTSE 100 ETF | 19.00 |
| SPDR S&P 500 ETF | 18.00 |
| Amundi MSCI Emerging Markets ex China ETF | 15.00 |
| Vanguard FTSE Developed Europe ex UK Equity Index Plus | 10.00 |
| Amundi Prime Japan ETF | 6.00 |
| Franklin FTSE China ETF | 6.00 |
| Invesco Global High Yield Corporate Bond ESG Climate Transition UCITS ETF | 5.00 |
| Xtrackers MSCI US Health Care ETF | 3.50 |
| iShares S&P 500 Energy Sector ETF | 3.00 |
| iShares S&P 500 Equal Weight ETF | 3.00 |

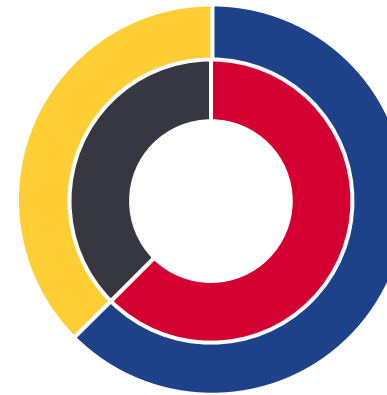


Asset allocation (%)



| | |
|--------------------------------------|--------------|
| Equity | 91.00 |
| North America equity | 30.00 |
| UK equity | 21.00 |
| Emerging markets ex-China equity | 15.00 |
| Europe ex-UK equity | 10.00 |
| China equity | 6.00 |
| Japan equity | 6.00 |
| Asia Pacific ex-Japan equity | 3.00 |
| Fixed Income | 8.00 |
| Global high yield bonds (GBP hedged) | 5.00 |
| Emerging market debt | 3.00 |
| Cash | 1.00 |
| Cash | 1.00 |

Fixed income breakdown (%)



| | |
|--------------------------------------|--------------|
| GBP Bonds | 62.50 |
| Global high yield bonds (GBP hedged) | 62.50 |
| International Bonds | 37.50 |
| Emerging market debt | 37.50 |

Equity breakdown (%)



| Sector | Weight (%) |
|------------------------|------------|
| Financial Services | 18.44 |
| Technology | 17.50 |
| Healthcare | 12.44 |
| Industrials | 12.04 |
| Energy | 8.44 |
| Consumer Cyclical | 8.42 |
| Consumer Defensive | 6.21 |
| Communication Services | 5.70 |
| Basic Materials | 5.49 |
| Utilities | 3.26 |
| Real Estate | 2.05 |

Indicative Total Ongoing Charges Figure (OCF) is inclusive of the AJ Bell Investments Annual Management Charge (fee of 0.15%) and the ongoing charges of underlying investments. MPS transaction costs reflect the aggregated transaction costs reported by underlying products. In some instances products may deploy pricing mechanisms which can result in negative costs. Additional costs will be incurred while using the MPS. These include (where applicable) platform costs and dealing costs. Any charges payable to your financial adviser will apply in addition. 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 £25,000.

Due to its multi-asset nature, no financial instrument or index represents a fair benchmark for the portfolio. However, to give context and enable an objective assessment of the portfolio's performance, the IA Flexible Investment is included for reference. The portfolio does not aim to track the IA sector as a benchmark. Performance is calculated on a net of fees basis.

Performance reflects the headline model and includes the underlying costs of the holdings and the annual investment management charge. It does not include any transaction costs that would have been incurred through rebalancing or changing any underlying holdings. This model was launched on 18 August 2016. Cash performance is measured using the AJ Bell Investcentre platform interest rates.

Allocation and performance information contained in this document is representative of the standard Passive MPS 5 model held on AJ Bell Investcentre. The implementation of this model may vary when held via other platforms, for example, where access to certain share classes is restricted. This may lead to differences in allocation, performance and cost.

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



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