AJBell Investcentre

Managed Portfolio Service

Pactive MPS 1

As at 30 September 2025

AJBell Investments

Pactive MPS 1

As at 30 September 2025

Market commentary:

As summer arrived, markets started to become more relaxed about the trade war and political theatre in Washington. Instead, investors turned their attention back to fundamentals and the dominant AI theme. There was little change in the economic backdrop with respect to growth across most regions, however, greater concern arose in the US after a significant downward revision to payroll data and weakness through the summer months. Whilst the US dollar is weaker in 2025, it stabilised versus major peers during the quarter and made some ground back versus the pound.

The risks to inflation that we have been flagging for some time started to emerge in earnest in the UK, with inflation now expected to reach double the Bank of England target before year end. In the US, inflation pressures also arose, although there were signs that companies absorbed some price pressures through margins rather than passing them on to consumers amidst economic uncertainty.

Bond markets started to price in greater inflation uncertainty, with longer-dated bond yields moving higher throughout the quarter in many markets. Fiscal uncertainty also loomed over the UK and US bond markets, however, in the US this was counteracted by the Fed quickly responding to weaker employment statistics via a "risk management" rate cut in September. At a time of political pressure on the central bank, significant dispersion arose amongst the Fed's voting members, with one suggesting interest rates should fall to below 3% by year end.

Back in the UK, inflation pressures similarly complicated the Bank of England's path. Sticky price increases in core goods, housing, and services make calibration difficult. The UK yield curve steepened slightly as markets struggled to pin down the inflation and growth trade-off.

The leadership rotation in global equities gained traction again this quarter. While the US market continued to deliver gains and be powered by the AI theme, its returns stood amongst some other good performances. China stole the show as AI technology continued to emerge and attract investors to the offshore market, where tech sector valuations are much lower than those seen in the US. Broader emerging markets also performed well. Strong returns from TSMC in Taiwan and a continued rally in Korea were however weighed down by weakness in Indian equities.

Europe and the UK also advanced, particularly large caps in the UK. However, returns fell short of other regions. In Japan, the equity market picked up after a hard-fought trade deal with the US and the reassertion of good company fundamentals, not least that they continue to undertake large-scale buybacks.

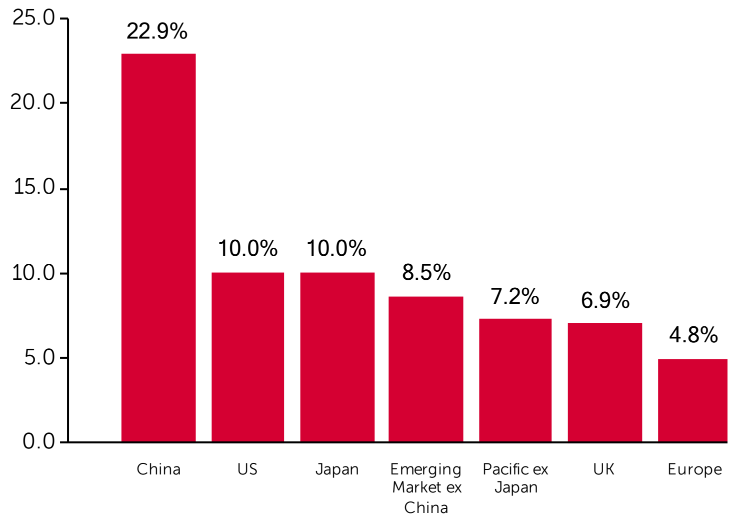
Outlook

The improving mood through the summer brings year- to-date returns in many equity markets into double-digit territory. However, the weaker dollar over the course of the year has eroded returns for UK investors significantly.

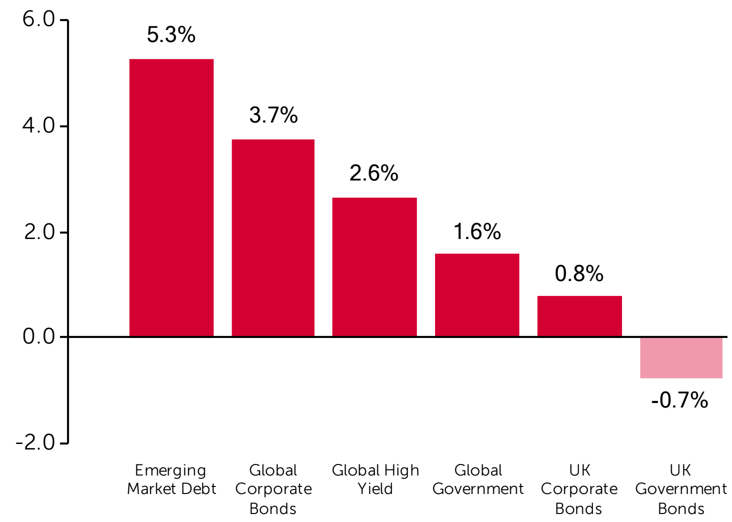
The contrast between the equity and bond markets is becoming interesting, particularly in the US where bond yields are increasingly displaying fears over the economic growth trajectory, whilst equities remain squarely focused on AI, the associated capex and signs of strong sentiment in M&A activity. Bond markets are often early to point out cracks in the economy that may worry equities later, however they can also cry wolf. Meanwhile, gilt investors in the UK have other issues to worry about, namely inflation and how it can be tamed without causing economic damage. Plenty of headlines regarding these problems stand between us and the end of the year, however, as we often see, they may just prove to be noise best avoided by those managing portfolios.

The value of investments can go down as well as up and your client may not get back their original investment. Past performance is not a guide to future performance and some investments need to be held for the long term.

Equity performance - last quarter



Fixed income performance - last quarter



Pactive MPS 1

As at 30 September 2025

AJBell Investcentre

Portfolio commentary

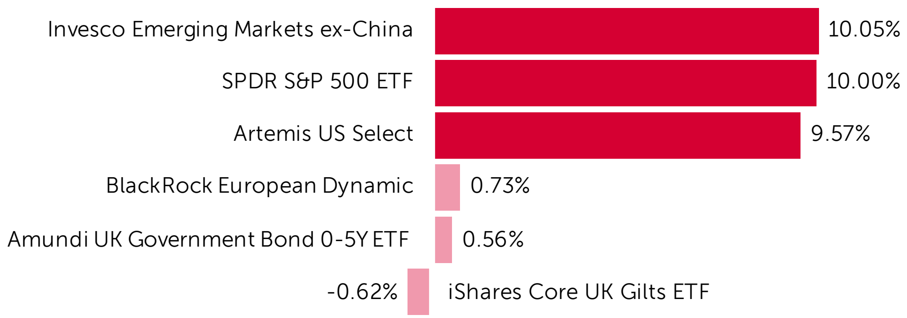
AJ Bell Pactive MPS 1 has a 26% allocation to cash and equivalents. These holdings have benefitted from cash rates that remain over 4%, despite recent cuts by the Bank of England.

The quarter saw investors moving away from government bonds due to concerns around fiscal policy and deficits, however the portfolio has an allocation to corporate bonds which benefitted from a tightening of credit spreads. Lingering fears over tariff-led inflation and a shift lower in the US yield curve helped the positioning towards US TIPS over the quarter.

Within broader fixed income markets, emerging market debt had a good quarter, with credit spreads compressing in the face of developed market investors looking beyond developed market government bonds. Global high yield bonds continued their positive momentum as they experienced further tightening of credit spreads.

Overall, the AJ Bell Pactive MPS 1 returned 3.07% over Q3.

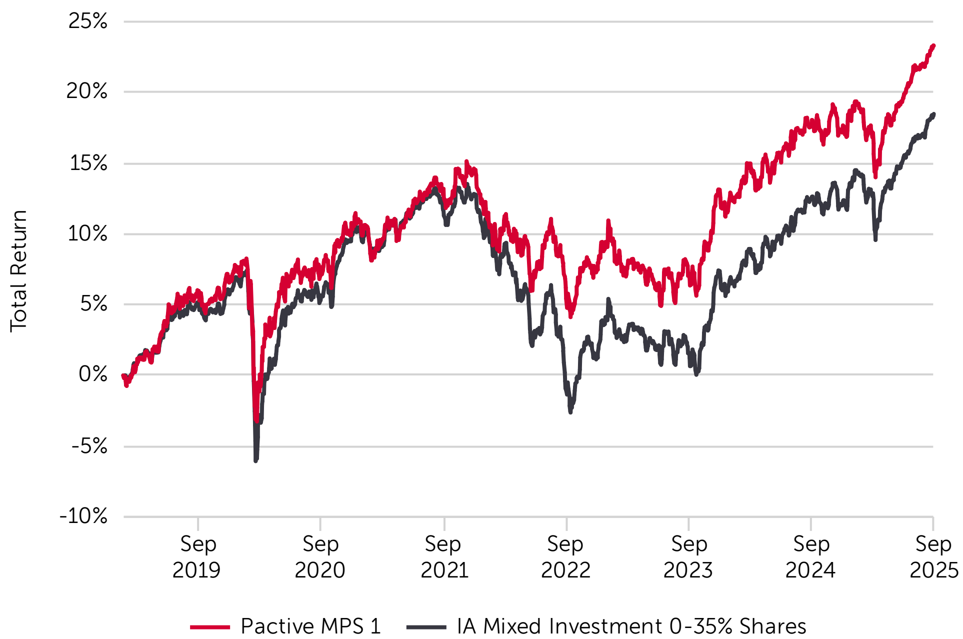
Q3 2025 best/worst performers



Performance

Cumulative (%)	3 months	6 months	1 year	3 years	5 years	Since inception
Pactive MPS 1	3.07	5.54	4.87	16.94	15.11	23.30
IA Mixed Investment 0-35% Shares	2.81	5.17	5.37	19.74	12.24	18.50

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.

Pactive MPS 1

As at 30 September 2025

AJBell Investcentre

Portfolio snapshot

Number of holdings	18
Inception date	18 Feb 2019
Underlying OCF	0.30%
Annual Investment Management Charge	0.15%
Indicative Total OCF	0.45%

Top 10 holdings

Holding	Weight (%)
BlackRock Institutional Sterling Liquidity	12.38
iShares £ Ultrashort Bond ETF	9.90
SPDR S&P 500 ETF	7.03
Vanguard UK Investment Grade Bond Index	6.16
Artemis Corporate Bond	5.00
Cash	4.47
State Street Emerging Markets Hard Currency Government Bond Index	3.00
Amundi UK Government Bond 0-5Y ETF	3.00
iShares Core UK Gilts ETF	3.00
iShares US TIPS 0-5yr (GBP hedged)	3.00

Lower risk **Higher risk**

1 2 3 4 5 6

Typically lower rewards **Typically higher rewards**

Asset allocation (%)

Fixed Income	**47.41**
UK corporate bonds	15.83
UK government bonds	11.86
Emerging market debt	6.00
International government bonds (GBP hedged)	5.87
Global high yield bonds (GBP hedged)	4.94
International government bonds	2.89
Equity	**25.85**
North America equity	12.01
UK equity	5.93
Emerging markets ex-China equity	3.98
Europe ex-UK equity	3.93
Cash	**26.74**
Cash equivalent	22.28
Cash	4.47

Fixed income breakdown (%)

GBP Bonds	**81.25**
UK corporate bonds	33.33
UK government bonds	25.00
International government bonds (GBP hedged)	12.50
Global high yield bonds (GBP hedged)	10.42
International Bonds	**18.75**
Emerging market debt	12.50
International government bonds	6.25

Equity breakdown (%)

Sector	
Technology	19.93
Financial Services	19.37
Industrials	12.86
Healthcare	10.40
Consumer Cyclical	8.77
Consumer Defensive	7.95
Communication Services	6.85
Energy	4.81
Basic Materials	4.65
Utilities	2.79
Real Estate	1.61

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 £35,000.

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 Mixed Investment 0-35% Shares 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 Feb 2019. 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 Pactive MPS 1 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.

Asset allocation is based on the target active holdings combined with the underlying holdings of the VT AJ Bell Cautious Fund. Totals may not sum to 100% due to rounding

!

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.