Fairstone Pure Passive 4

Investment Aim

The Portfolio is designed to provide risk adjusted returns. It aims to achieve capital appreciation and reduce investment risk through diversification across asset classes and geographies.

This Portfolio is managed to maximise risk adjusted returns within a target volatility range of 6.5-10.0%over rolling 10-year time periods. This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

Ranking the risk on a scale of between 1 and 10, where 1 is the lowest, Fairstone place this portfolio as 4.

The Portfolio is likely to be predominantly invested in fixed income and equities.

Investment Growth



Simulated Performance

Please note performance prior to 1 October 2021 is based in simulated past performance. In order to provide an indication of how the portfolio would have performed in the past, we have produced simulated past performance from 1 October 2020 to 30 September 2021. The simulated performance is based on the actual performance history of the funds within the portfolios using our historical tactical asset allocation, rebalanced to quarterly and adjusted annually. Full details are available on request. The simulated past performance is not a reliable indicator of future performance.

Cumulative Performance

	1 Year	3 Years	5 Years
Fairstone Pure Passive 4	5.71%	34.77%	26.82%
IA Mixed Investment 20-60% Shares	5.35%	32.36%	20.22%

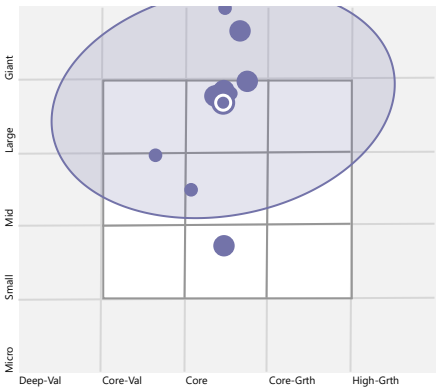
Calendar Year Returns

	YTD	2025	2024	2023	2022	2021
Fairstone Pure Passive 4	5.93	9.76	7.76	7.89	-7.62	6.46
IA Mixed Investment 20-60% Shares	5.08	10.24	6.18	6.86	-9.67	6.31

Portfolio Overview

Portfolio Manager	Imogen Hambly
Investment Universe	Open Ended Funds
Yield	0.99%
Portfolio Start Date	01/10/2021
Ongoing Fund Costs	0.09%
DFM Fee	0.15%
Total Portfolio Charge	0.24%

Investment Style Map



Risk Scale

4

Target 10 Year Volatility

This portfolio is managed to maximise risk adjusted return within a target volatility range of between 6.5% and 10.0% over a rolling 10-year time periods.
This is not guaranteed, and actual volatility may fluctuate outside of these boundaries.

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Portfolio Manager
Imogen Hambly

Imogen is a CFA Charterholder and also holds the Investment Management Certificate along with the Diploma in Regulated Financial Planning. She has worked in the industry since 2014 with an emphasis on investment research & analysis.

Portfolio Managers Market Commentary

At first glance, October looked like a month of unsettling reversals. Technology shares sold off sharply, oil and gas prices stayed high amid Middle East tensions, and investors questioned the vast sums being spent on artificial intelligence. Beneath the surface, however, the picture was more balanced. The economy stayed resilient and corporate earnings largely held up. Global equities fell, but global bonds posted gains.

Equities
The story of the month was divergence. Currency movements weighed on sterling returns across every major region. Markets weighted towards traditional industries held firm, while those most exposed to technology bore the brunt of the sell-off.

The FTSE 100 was the standout performer, gaining 1.2% as its exposure to energy and financials came into its own. European equities excluding the UK held up better than most regions, falling 1.1% in sterling terms, helped by limited technology exposure. However, energy costs and political uncertainty, particularly in France, continue to weigh on sentiment.

In the US, the S 500 fell 1.8% and the Nasdaq lost 6.2% as attention turned to the hundreds of billions of dollars Alphabet, Amazon, Microsoft and Meta are investing in AI infrastructure. Despite strong earnings reports, investors want clearer evidence of how this spending will translate into returns.
Asia was hit harder still. Japan fell 4.9%, Asia Pacific ex-Japan 7.8% and emerging markets 8.9%. South Korea suffered most, as Samsung Electronics and SK Hynix fell 18% and 23% respectively. Their heavy index weighting shows how concentration is weakening emerging markets' role as a diversifier.

Bonds

Higher energy prices and stubborn inflation kept central banks cautious. The Federal Reserve held rates, though two policymakers voted for an increase. The European Central Bank also held rates as eurozone growth slowed to 0.4% in the third quarter.
Early in the month, these pressures pushed yields to multi-year highs in some markets. As equity sentiment worsened, however, investors sought safety and government bonds resumed their traditional role as a counterweight to equities. US Treasuries led, with the US government bond index gaining 2.3% as ten-year yields retreated towards 5%. UK gilts also performed well, ending the month up 1.6%.
In credit markets, investment-grade bonds held up relatively well, while high-yield bonds came under greater pressure. Yield curves flattened across major regions as longer-dated bonds outperformed, and inflation-linked bonds delivered positive returns.

Outlook
October showed how quickly sentiment can shift and refocused attention on market concentration and the scale of AI investment. Still, the underlying picture is more reassuring than the headlines suggest. Earnings have been resilient, US economic activity remains strong, and valuations in many markets have fallen despite this year's gains.
Against this resilient backdrop, we continue to believe the opportunities ahead remain attractive. October has reinforced the value of genuine diversification, a focus on quality and a disciplined approach as conditions evolve.
Portfolios delivered mixed returns over the month, with lower-risk models outperforming their higher-risk counterparts. Reflecting moves in wider markets, our overweight positions in Asian and emerging-market equities detracted, while US allocations offered little support. Our overweight position in the UK, however, proved beneficial.
Among our diversifiers, falling bond yields supported property and infrastructure allocations, both of which posted gains over the month.
Fixed income holdings also added value. Inflation-linked bonds led the way, while broader government bond exposure supported portfolios as bonds resumed their traditional role as a counterweight to equities.
Despite a challenging backdrop for equities, the portfolios' diversified structure, disciplined risk management and focus on long-term valuation opportunities helped limit drawdowns.

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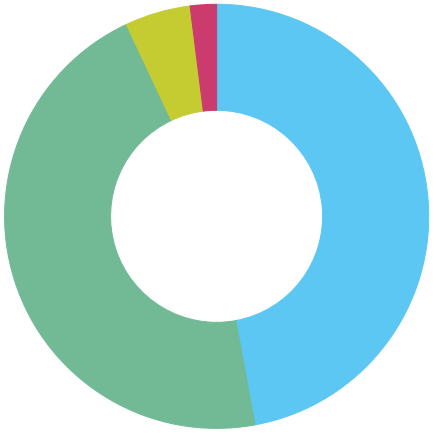
Asset Allocation

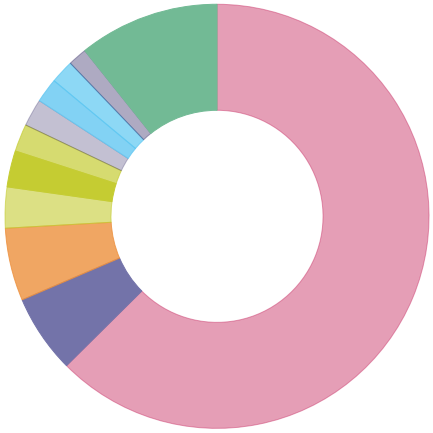
Portfolio Date: 23/10/2026



	%
Fixed Income	47.1
Equities	45.9
Alternatives	5.0
Cash	2.0
Total	**100.0**

Equity Breakdown

Portfolio Date: 31/10/2026



	%
United States	62.6
United Kingdom	6.0
Japan	5.5
Taiwan	3.1
South Korea	2.8
Switzerland	2.1
China	2.1
France	1.9
Germany	1.8
Canada	1.4
Other	10.7
Total	**100.0**

Portfolio Breakdown

	Sub Asset Class	Portfolio Weighting %
Fixed Income	—	**47.1**
HSBC Global Corporate Bond ETF S2CHGBP	Global Fixed Income	14.7
Vanguard Glb Bd Idx Ins Pl £ H Acc	Global Fixed Income	10.5
Vanguard Glb S/T Bd Idx Ins Pl £ H Acc	Global Fixed Income	10.5
Vanguard Glb S/T Corp Bd Idx Ins Pl£HAcc	Global Fixed Income	4.0
HSBC Global Government Bond ETFS2CHGBP	Global Fixed Income	3.2
Vanguard UK S/T Gilt Idx Ins Pl GBP Acc	UK Gilts	3.2
abrdn Global Inflat-Link Bond Trkr N Acc	Index Linked Bonds	1.0
Equities	—	**45.9**
HSBC American Index C Acc	US Equity	17.0
Vanguard FTSE Dev Wld exUKEqIdxInsPl£Acc	Global Equity	7.3
HSBC American Index Institutional A Acc	US Equity	4.6
HSBC MSCI Emerging Mkts Eq Idx Acc S	Emerging Markets Equity	4.1
HSBC European Index Accumulation S	European Equity	3.7
Vanguard Glb Small-Cp Idx Ins Pl £ Acc	Global Equity	3.2
Vanguard FTSE UKAllShrIdxUnitTrInsPl£Acc	UK Equity	3.0
HSBC Japan Index S Acc	Japanese Equity	1.6
abrdn Asia Pacific ex-Japan TrkrN£Acc	Asia Pacific Equity	1.4
Alternatives	—	**5.0**
abrdn Global Infras Eq Trkr N Acc	Real Assets	2.5
abrdn Global REIT Tracker N	Real Assets	2.5
Cash	—	**2.0**
BlackRock ICS Stlg Liq Premier Acc	Cash & Money Market	1.8
CASH	Cash & Money Market	0.3

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Target Market

Access to the portfolios is only available to investors on the recommendation of a financial adviser and it is the role of the adviser to determine the appropriateness and suitability of the portfolio to each investor's own personal needs, objectives and preferences.

Type of investors: Given the nature of non-complex UCITS funds the service is suitable for retail investors, professional clients and eligible counterparties. The service is predominantly designed for the use of retail investors.

Investors' knowledge and experience: Investors with basic, informed or advanced knowledge and experience of capital markets and investment risks and of funds and their characteristics.

Clients' financial situation with a focus on the ability to bear losses: Investors have a tolerance to fluctuations in capital invested and potential capital loss.

Clients' risk tolerance and compatibility of the risk/reward profile of the product with the target market: Due to the volatility of the markets in which the service may invest e.g. equity, bond and property markets the service has a risk and reward profile that is compatible with clients who have a risk tolerance aligned to the Investment Aim of the portfolio. Investors should be willing to accept price fluctuations in exchange for the opportunity of possible higher returns.

Clients' objectives and needs: Depending on the duration of the investment the portfolio may be suitable for clients who have a medium-term investment horizon (at least 5 years).

Clients who should not invest (the 'negative-target market'): This portfolio is deemed incompatible for clients who require full capital protection and/or are seeking on-demand full repayment of the amounts invested or who are fully risk averse/have no risk tolerance.

Important Notices

This factsheet is for illustrative purposes only. Investments linked to this model portfolio may not exactly replicate the model portfolio described due to differences in timing of the initial investment or rebalancing differences resulting from minimum transaction size limits or fund availability on the platform or provider.

Please note that platform and financial advice fees are not included.

Where we have provided commentary on specific companies, this commentary is not investment research as defined by the Financial Conduct Authority and has not been prepared in accordance with legal requirements designed to promote the independence of research

Nothing in this document should be deemed to constitute the provision of financial, investment or other profession advice. Responsibility for assessing the suitability of financial products remains solely with the financial adviser.

The information in this document was prepared on the date shown below and is believed to be correct but cannot be guaranteed. The value of investments and the income from them can go down as well as up and investors may not recover the amount of their original investment. The sterling value of overseas investments, and the income from them, will fluctuate as a result of currency movements. Past performance is not a guide to future performance.

Fairstone Private Wealth does not offer tax advice; the tax treatment of investments depends on each investor's individual circumstances and is subject to changes in tax legislation.

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As of 31/10/2026