Fairstone Multi Instrument 5

Investment Aim

The Fairstone Multi-Instrument Portfolio 5 is a diversified multi asset portfolio, investing in a broad range of direct equities, ETFs, investment trusts and open-ended funds. By blending our direct investment capabilities and asset allocation skills we look to optimise returns within a predetermined risk management range.

The portfolio aims to grow wealth by delivering returns well in excess of inflation over every rolling 5-year period while a relatively balanced approach maintains risk to capital at levels considerably lower than that of global stock markets and commodities.

The portfolio is managed to remain within Defaqto risk rating 5 (Balanced) at all times. For a full explanation of the Defaqto risk rating system please consult your financial adviser.

THIS PORTFOLIO IS NOT SUITABLE FOR USE WITHIN OFFSHORE BOND WRAPPERS, DUE TO UNDERLYING HOLDINGS IN EXCHANGE TRADED FUNDS.

Investment Growth

Time Period: 01/11/2021 to 31/10/2026



Fairstone Multi Instrument 5 25.8% IA Mixed Investment 20-60% Shares 20.2%

Cumulative Performance

	1 Year	3 Years	5 Years
Fairstone Multi Instrument 5	5.89%	36.03%	25.82%
IA Mixed Investment 20-60% Shares	5.35%	32.36%	20.22%

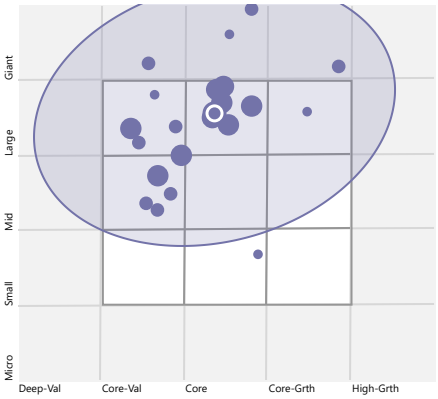
Calendar Year Returns

	YTD	2025	2024	2023	2022	2021
Fairstone Multi Instrument 5	5.23	9.44	9.16	4.83	-6.25	9.40
IA Mixed Investment 20-60% Shares	5.08	10.24	6.18	6.86	-9.67	6.31

Portfolio Overview

Portfolio Manager	Harry Scargill
Investment Universe	Multi-Instrument
Yield	1.73%
Portfolio Start Date	01/01/2017
Ongoing Fund Costs	0.48%
DFM Fee	0.30%
Total Portfolio Charge	0.78%

Investment Style Map



Risk Scale

5

Target 10 Year Volatility

This portfolio is managed to maximise risk adjusted return within a target volatility range of between 8.3% and 11.8% 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

Harry Scargill



Harry joined Fairstone in August of 2021 from Brown Shipley where he worked as a portfolio manager and collectives analyst with a focus on closed-ended vehicles.

Harry holds the CISI Chartered Wealth Manager qualification.

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.

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.

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.

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.

The Multi-Instrument portfolios declined between -0.5% and -1.9% over October and finished behind their benchmarks at every risk level. Precious metals were the main source of weakness relative to benchmark, extending September's falls, with WisdomTree Physical Gold (-7.1%) and WisdomTree Physical Silver (-18.2%) both declining sharply. Scottish Mortgage (-6.0%) gave back almost all of September's gain as growth stocks led the market lower and was the largest single detractor at the higher risk levels, while AVI Global (-2.9%) also trailed the -2.5% return from the global index. Emerging markets and Asia were the weakest regions, with JPMorgan Emerging Markets Growth & Income (-9.4%), JPM Asia ex-Japan Research Enhanced Index ETF (-7.4%) and Invesco RAFI Emerging Markets (-6.7%) all falling, alongside Japan through JPMorgan Japanese (-5.3%) and Man Japan Core Alpha (-5.2%). Our core US and global holdings declined but held up better than the index, with JPMorgan American (-1.5%), JPM Global Research Enhanced Index ETF (-1.6%), JPM US Research Enhanced Index ETF (-1.9%) and Alliance Witan (-2.2%). Against this, Brown Advisory US Smaller Companies (5.6%) was the standout performer, with value-orientated holdings also helping, including Lightman European (3.6%), Dodge & Cox US Stock (3.3%) and Invesco RAFI US (2.1%). HgCapital Trust (2.5%) recovered some ground after a weak September, and our property holdings stabilised, with LondonMetric Property (2.9%) and TR Property (0.9%) rising. Infrastructure trusts were little changed, with HICL (0.0%) and International Public Partnerships (-0.1%) broadly flat. Our defensive trusts were mixed, with Personal Assets (1.7%) rising and Capital Gearing (-0.8%) and Ruffer Investment Company (-0.2%) slipping, while the MGTS Fairstone Fixed Income Fund (1.0%) was the largest positive contributor at the lower risk levels as bonds rallied.

Fund In Focus

Scottish Mortgage Trust

Scottish Mortgage is managed by Baillie Gifford and is one of the UK's best-known and largest investment trusts. Lead managers Tom Slater and Lawrence Burns take a high-conviction, long-term approach, typically investing with a horizon of at least ten years, seeking out a relatively small number of exceptional companies that they believe have the potential to transform industries and deliver extraordinary growth. The portfolio invests in both listed companies and private businesses (currently around a third of assets), giving investors access to some of the world's most innovative firms before they reach public markets. Key themes include artificial intelligence, autonomous transport, digital platforms, and the energy transition, with holdings spanning companies such as SpaceX, Nvidia, TSMC, and Anthropic.

Within our Multi Instrument portfolios, Scottish Mortgage provides exposure to high-growth companies at the frontier of technological and structural change – including opportunities in private markets that are otherwise difficult to access. In return for this potential, clients should be aware that the trust is more volatile than a standard equity fund and this is reflected in our position sizing.

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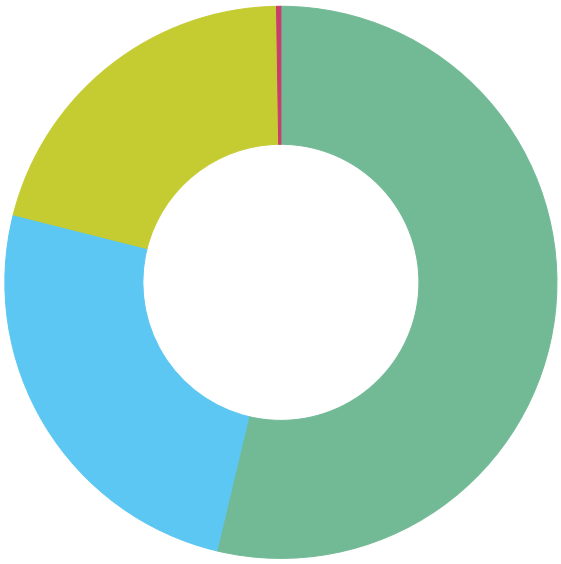
Asset Allocation

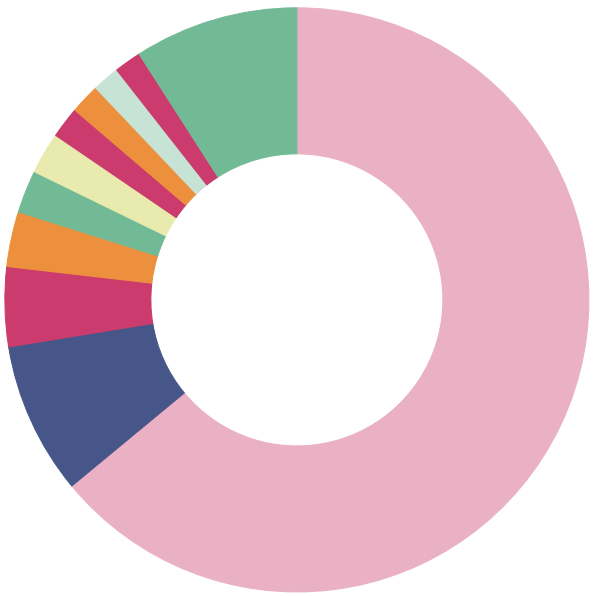
Portfolio Date: 31/10/2026



	%
Equities	53.7
Fixed Income	25.2
Alternatives	20.8
Cash	0.3
Total	**100.0**

Equity Breakdown

Portfolio Date: 31/10/2026



	%
United States	64.0
United Kingdom	8.4
Japan	4.4
Taiwan	3.0
South Korea	2.4
China	2.3
Switzerland	1.7
Germany	1.7
Canada	1.5
France	1.5
Other	9.1
Total	**100.0**

Portfolio Breakdown (Top 50)

	Portfolio Weighting %
Equities	**53.7**
JPMorgan American Ord	8.0
Alliance Witan Ord	7.4
JPM US Research Enh Eq Act ETF USD Acc	7.4
AVI Global Trust Ord	4.8
JPM Global Rsrch Enh Eq Act ETF USD Acc	4.5
Invesco RAFI US Fundamental Value ETF	4.0
Scottish Mortgage Ord	2.8
Brown Advisory US Smaller Companies Ord	2.8
HgCapital Trust Ord	1.6
Fidelity Special Values Ord	1.6
Invesco RAFI Emerging Mkts Fdml Val ETF	1.5
JPMorgan Emerging Markets Growth & Inc	1.4
Dodge & Cox Worldwide US Stock A GBP	1.3
WS Lightman European I Acc	1.1
Tritax Big Box Ord	1.0
JPM AC APAC exJPRshEnhIdxEqActETF$Acc	1.0
The European Smaller Companies Trust PLC	0.5
Man Japan CoreAlpha Profl Acc C	0.5
JPMorgan Japanese Ord	0.5
Fixed Income	**25.2**
MGTS Fairstone Fixed Income GBP Acc	25.2
Alternatives	**20.8**
Ruffer Investment Company	3.4
Capital Gearing Ord	3.3
WisdomTree Core Physical Gold	3.3
Personal Assets Ord	3.2
3i Infrastructure Ord	2.5
HICL Infrastructure PLC Ord	1.5
International Public Partnerships Ord	1.5
LondonMetric Property PLC	1.0
TR Property Ord	1.0
Cash	**0.3**
CASH	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