

## Fairstone Charles Stanley 5 Income

### 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 8.3% and 11.8% 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, we place this portfolio as 5.

### Investment Growth

Time Period: 01/02/2021 to 31/01/2026



— Fairstone Charles Stanley 5 Income

37.5% — IA Mixed Investment 20-60% Shares

22.3%

#### Cumulative Performance

1 Year 3 Years 5 Years

Fairstone Charles Stanley 5 Income	10.13%	28.80%	37.54%
IA Mixed Investment 20-60% Shares	9.23%	23.15%	22.27%

#### Calendar Year Returns

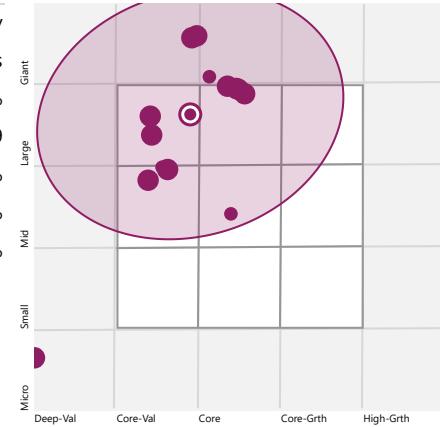
YTD 2025 2024 2023 2022 2021

Fairstone Charles Stanley 5 Income	1.69	11.45	8.72	7.71	-6.89	10.42
IA Mixed Investment 20-60% Shares	1.44	10.24	6.18	6.86	-9.67	6.31

#### Portfolio Overview

Portfolio Manager	Charles Stanley
Investment Universe	Open Ended Funds
Yield	3.41%
Portfolio Start Date	20/05/2019
Ongoing Fund Costs	0.40%
DFM Fee	0.25%
Total Portfolio Charge	0.65%

#### Investment Style Map



#### Risk Scale

5

Target 10 Year Volatility

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## Investment Adviser's Market Commentary



Chris Ainscough

Global markets entered 2026 with strong momentum but heightened uncertainty, as record breaking equity performance collided with shifting monetary policy and rising geopolitical risk. US equity benchmarks continued setting fresh highs throughout January, supported by renewed Big Tech strength and optimism ahead of fourth quarter earnings. Earlier in the month, the S&P 500 and Dow had already pushed into record territory, driven by investor appetite for AI exposed companies and resilient macroeconomic data.

Bond markets told a different story. A sharp early January sell off in US Treasuries triggered a "yield shock", sending the 10 year yield towards 4.35%, its highest level in months, as investors reassessed fiscal sustainability, labour market firmness and the likelihood of further Federal Reserve easing. That reassessment was reinforced at the central bank's January meeting, where policymakers paused their sequence of late 2025 rate cuts and held the federal funds rate at 3.5–3.75%. They indicated a shift to a more cautious, data dependent stance amid persistent inflation and stabilising employment.



Peter Brookes

### Investment Advisers

Chris and Peter are members of the Charles Stanley Asset Management team and are responsible for a range of our fund, MPS and segregated mandates. They work closely with our Strategic Partners to build bespoke mandates catered to their clients' needs.

Emerging market equities also delivered a strong performance, buoyed by one of the fastest starts to a year in more than two decades as global investors rotated back into the asset class. A weaker US dollar and stabilising earnings expectations helped drive renewed risk appetite. Supportive macro factors - including stronger local currencies, easing inflation and policy divergence favouring earlier rate cuts relative to developed markets - created a favourable backdrop. January's emerging market performance reinforced expectations that emerging markets could remain key beneficiaries of the global rotation away from US equities in 2026.

Fourth quarter earnings supported sentiment. By late January, around one third of S&P 500 companies had reported, with roughly 75% beating expectations - slightly below long term averages but delivering stronger than normal upside. Early results from major technology firms strengthened the market's AI driven narrative.

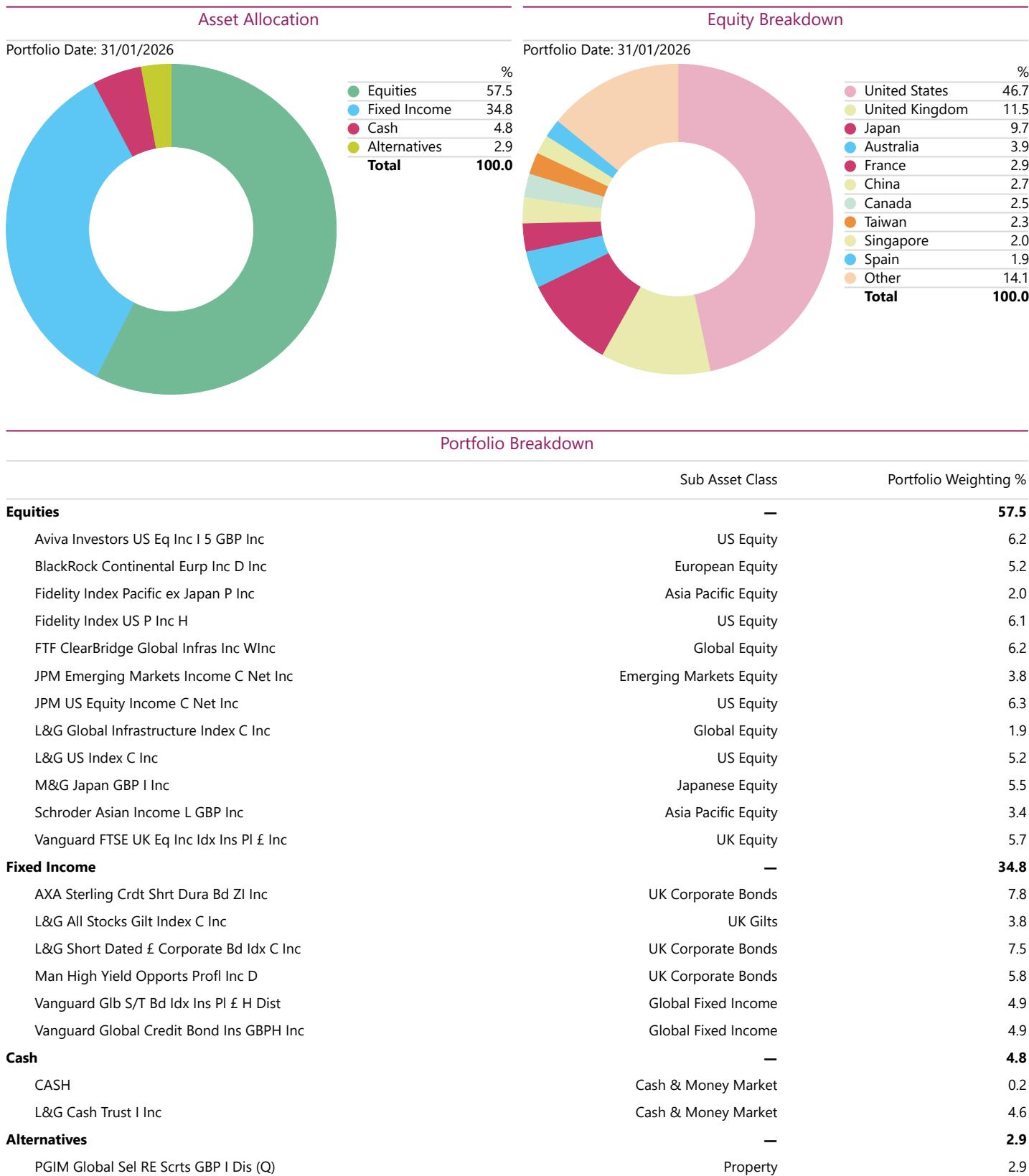
Geopolitical developments added volatility. The US capture of Venezuela's president and a diplomatic clash with Denmark over Greenland signalled a more assertive US posture, while escalating tariff threats against Canada, South Korea and Mexico underscored Washington's increasingly confrontational trade stance heading into 2026.

## Fund In Focus

**PGIM Global Select Real Estate Securities** is a high-conviction global REIT strategy built around disciplined stock selection and deep fundamental research. The concentrated portfolio of 30–45 names keeps country weights close to the benchmark - naturally tilting toward the US - while giving the managers freedom to express strong company-level views. A distinctive advantage of the strategy is its access to PGIM's extensive private real-estate platform, providing real-time insight into rents, occupancy trends and asset values that enhance the team's analysis of listed markets.

The managers focus on identifying mispriced opportunities across an increasingly diverse global REIT universe, where fast-growing segments such as data centres, logistics and self-storage sit alongside more traditional property types. Their approach is valuation-sensitive, with careful factor control to avoid unintended macro risks, and turnover reflects the team's willingness to rotate across sub-sectors as conditions evolve. With its blend of high-conviction stock picking and unique private-market intelligence, the fund offers an effective way to access global property markets and diversify beyond the UK.

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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

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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.

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Information within this document is correct As of 31/01/2026

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