

Troy UK Income Strategy

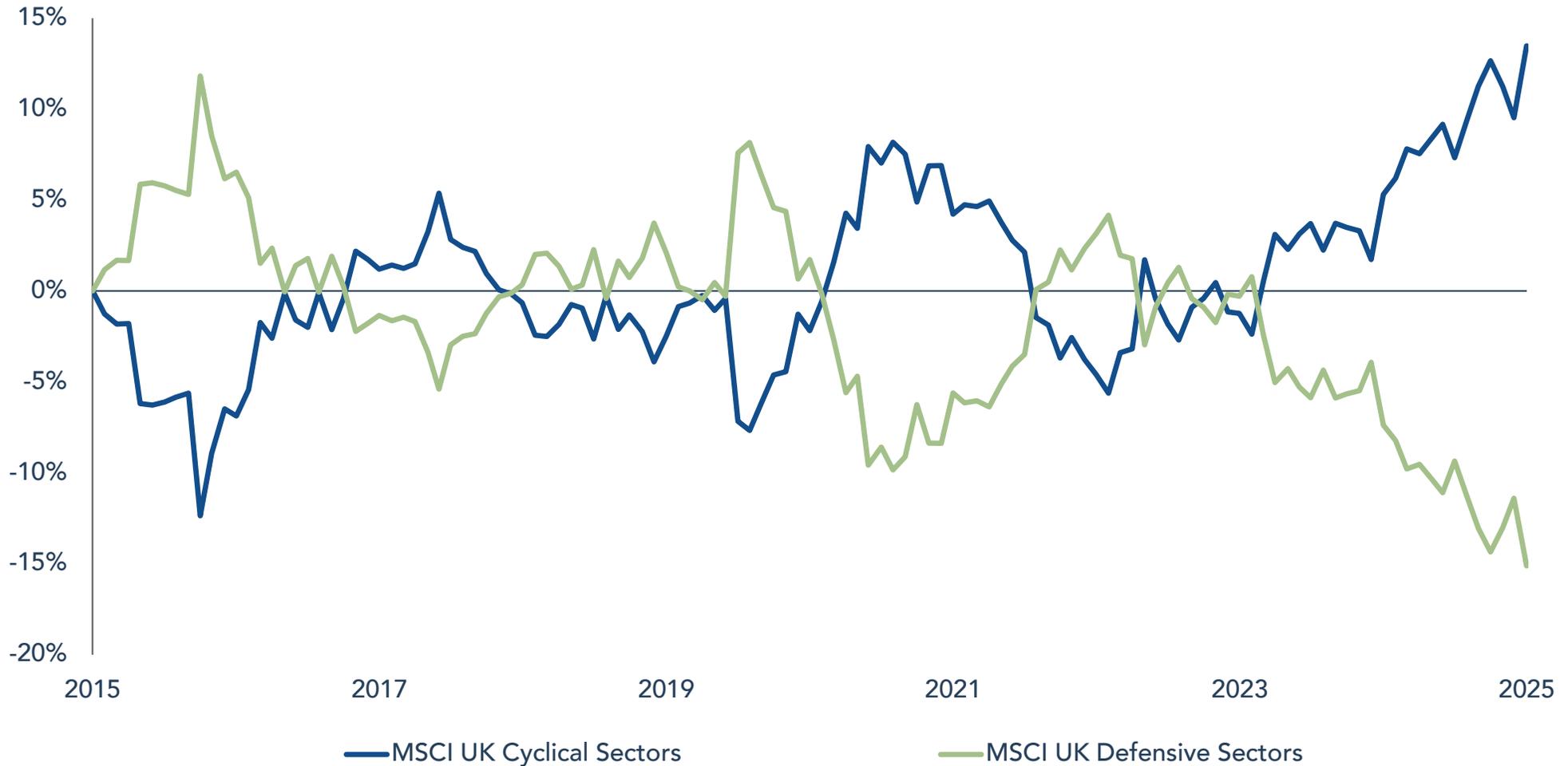
21st October 2025



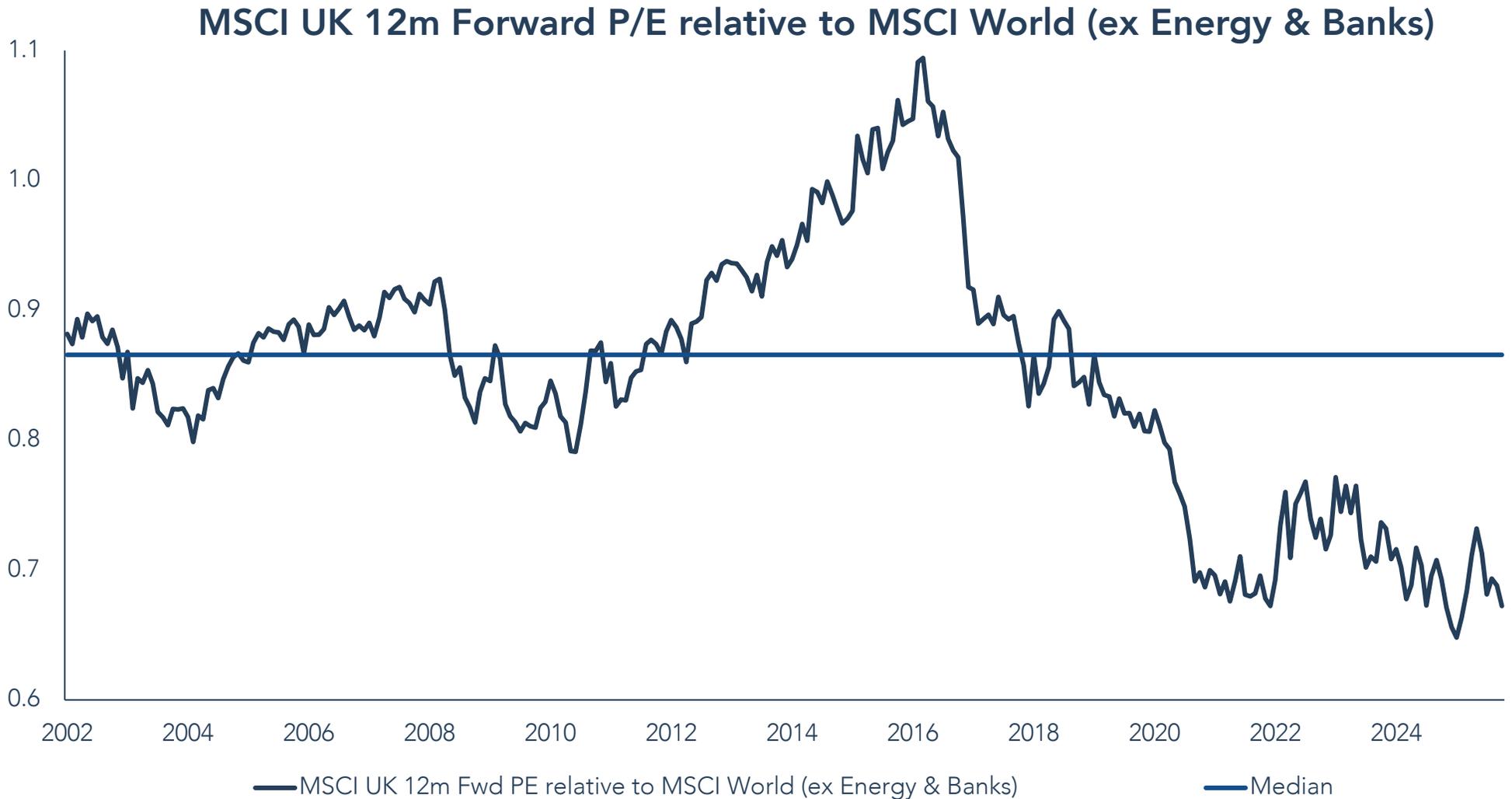
UK cyclicals vs. UK defensives



UK Defensive, Quality & Growth stocks have recently underperformed relative to the index
Cumulative performance relative to MSCI UK



The UK discount remains

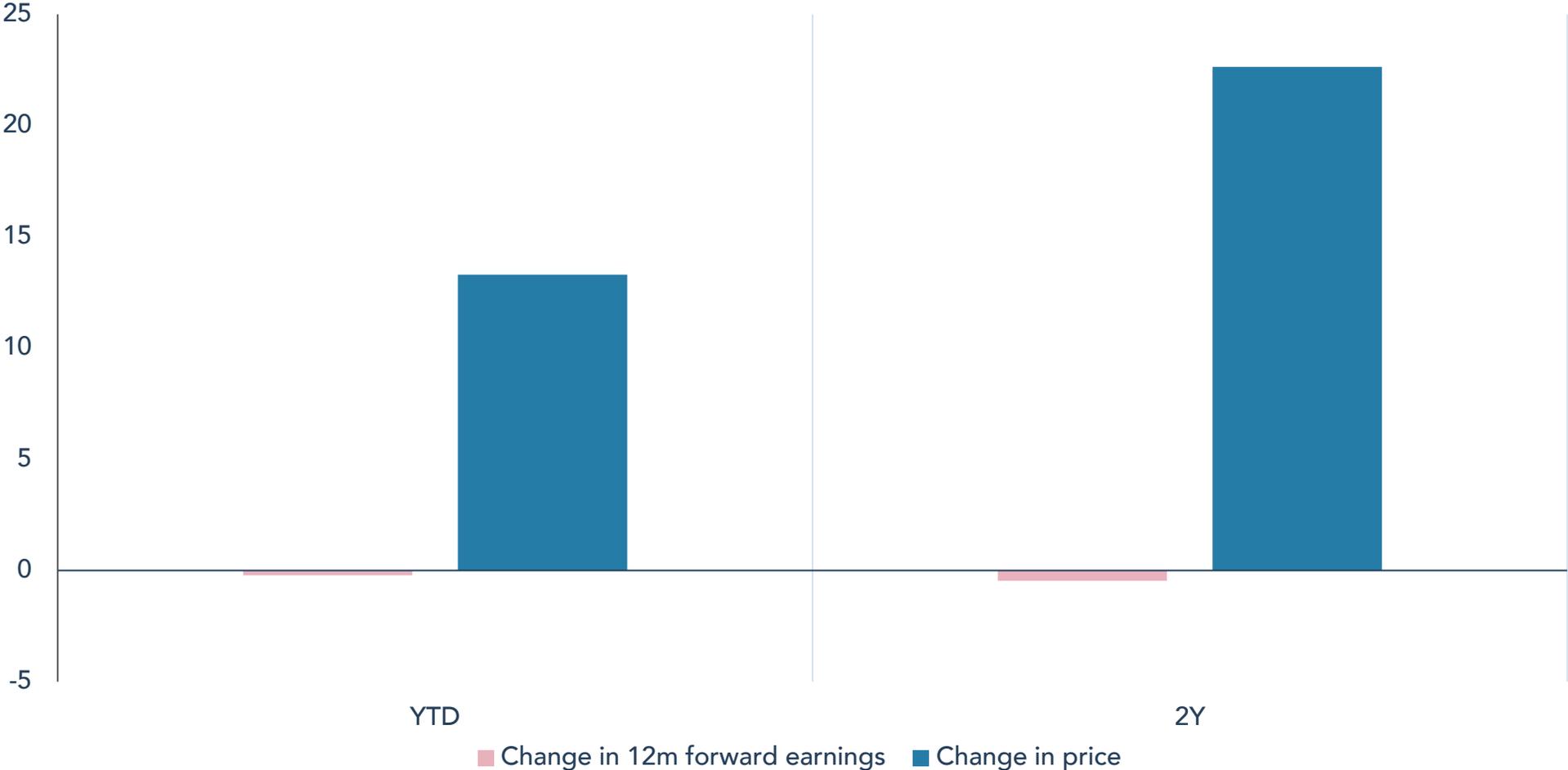


Source: The FT, The Guardian, Peel Hunt, Berenberg, FactSet and Troy Asset Management Limited, 30 September 2025. Past performance is not a guide to future performance. All references to benchmarks are for comparative purposes only. P/E is Price-to-Earnings ratio which is a valuation metric that compares a firm's stock price to its earnings per share.

Rerating, not earnings, is driving the market higher



UK equity market change in earnings and price



Source: FTSE All-Share Index and FactSet, 30 September 2025. Past performance is not a guide to future performance. Rerating refers to an increase in a company's valuation. For instance, a stock that traded on a price -to-earnings multiple of 15x but now trades on 20x is said to have re-rated. Please refer to Troy's Glossary of Investment terms [here](#).

Troy UK Income Strategy - growth and valuation



7%

3-year forward
annual consensus
earnings per share
growth

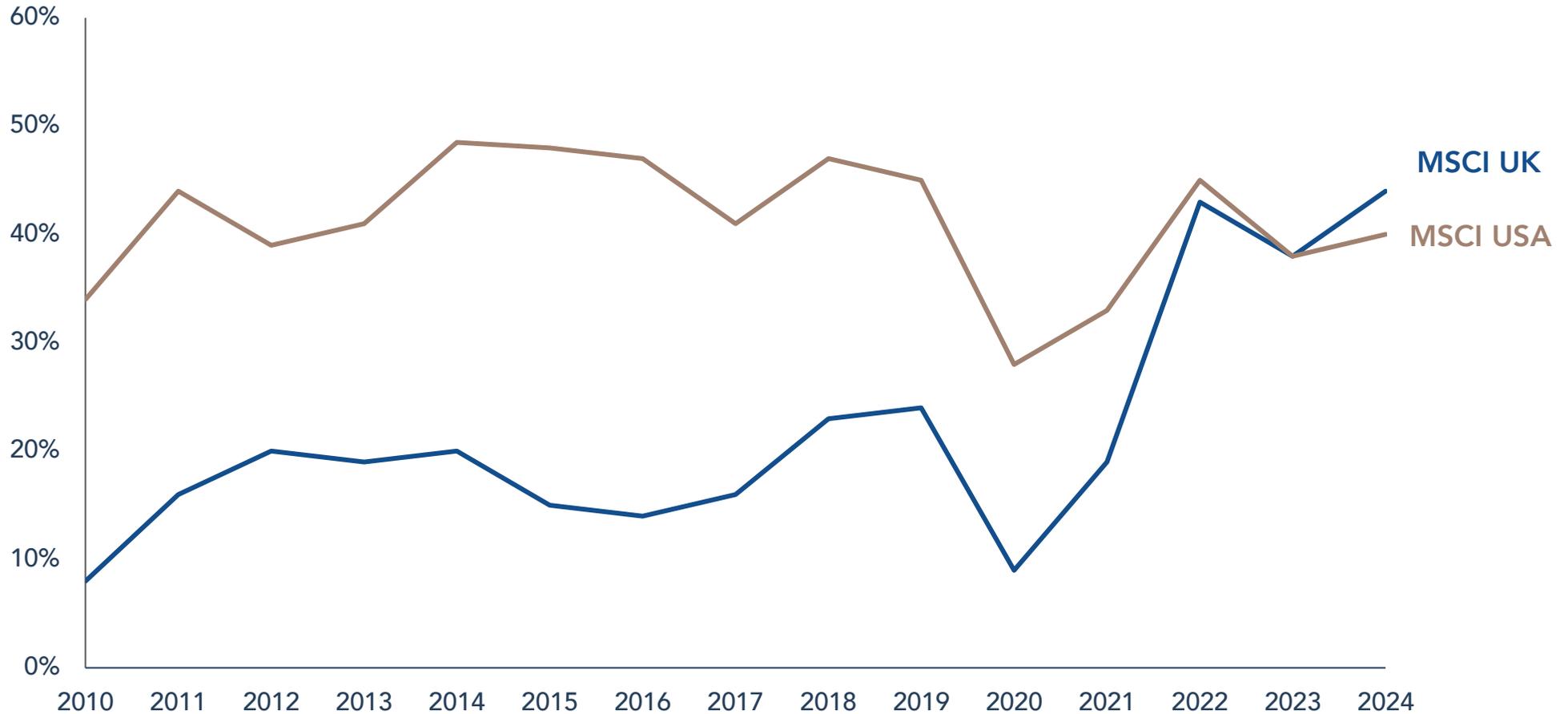
70%

of holdings are
trading below their
10Y average price to
earnings

Share buybacks – a material support



Proportion of large cap companies reducing their number of shares in issue by at least 1%



Source: MSCI and Schroders, 31 August 2025. Past performance is not a guide to future performance. A share buyback is when a company uses its own cash to buy back its shares from the stock market.

New holdings - balancing quality and valuation



2024

 Halma

 informa

amADEUS

Rentokil
Initial

2025

 Spirax
Group

 AutoTrader

New holding

Disclaimer



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