JARROVIAN WEALTH

YOUR TWO-PAGE SUMMARY

# The Jarrovian Newsletter

October 2026 · Reviewing September · Correct at 30 September 2026

**Page 1:** September in markets, and the Budget · **Page 2:** what's changing for you, and the next six months

A difficult month for government bonds, a softer one for shares, and a Budget on 28 October that is now four weeks away. Here is what matters, in two pages.

## MARKETS: SEPTEMBER 2026

### SEPTEMBER IN THREE LINES

**Government bonds had one of their weakest months in years.** Oil above $100 revived inflation worries, the US Federal Reserve raised rates, and the UK 10-year gilt yield reached 5.4%, its highest since 2007.

**Shares fell everywhere, but by very different amounts.** Technology and energy companies rose while rate-sensitive businesses fell, so markets dominated by large technology firms (the US and Asia) fell 1% or less, while the UK and Europe fell 2–3%.

**Gold fell 6.3%,** giving back most of August's gain. The pound fell about 2% against the dollar, which cushioned overseas returns for UK investors.

### How we're thinking about it

The portfolios we use hold mostly short- and medium-dated bonds, which are less sensitive to rising yields, and spread their shares across regions including Japan and Asia, which held up better. Higher yields hurt bond prices in the short term, but they also mean bonds now pay a much better income. Portfolios are built to cope with more than one outcome rather than bet on the most likely.

### SEPTEMBER, AND 2026 SO FAR

| INDEX | SEP | 2026 |
|---|---|---|
| US shares | −0.5% | +11.8% |
| UK shares | −2.0% | +7.1% |
| Europe ex UK | −2.7% | +6.8% |
| Japan | −1.1% | +20.5% |
| Emerging markets | −0.8% | +21.4% |
| UK gilts | −1.2% | −2.4% |
| US Treasuries | −2.2% | −2.8% |
| Global high yield bonds | −0.9% | +1.3% |
| Gold | −6.3% | −4.4% |
| UK cash | +0.3% | +2.8% |

Total returns in local currency, for September and for 2026 to 30 September. Source: Collidr and Bloomberg. The pound's fall meant overseas returns were higher in sterling: global shares rose about 0.9% for UK investors. Past performance is not a reliable indicator of future results; overseas returns are also affected by exchange rates.

## WHAT HAPPENED

### United Kingdom

UK shares fell 2%, and the FTSE 100 had its biggest monthly fall since March. Inflation rose to 3.1% in August, driven by motor fuel. The Bank of England held Bank Rate at 3.75% on 17 September, but three of nine members voted for a rise. Borrowing for April to August ran £8.1bn above forecast.

### United States

The Fed raised rates by 0.25 percentage points to 3.75–4.00%, its first rise since July 2023, and sounded tougher than expected. Strong economic data pushed the 10-year Treasury yield above 5%, its highest since 2007. Large technology companies held up best.

### Europe, Japan and Asia

The European Central Bank raised rates for the second time this year, and European shares fell 2.7% as energy costs bit. The Bank of Japan raised rates to 1.25%, the highest since 1995. Demand for AI chips kept supporting Asian technology companies.

### Bonds, oil and gold

Yields rose across every developed market, and high yield bonds had their worst month since March. Brent crude rose above $100 a barrel as the Strait of Hormuz stayed closed. Gold fell 6.3% as yields and the dollar rose; the pound ended the month around $1.33.

## BUDGET WATCH

### Autumn Budget: Wednesday 28 October

- **Confirmed:** no rises in the *rates* of income tax, employee National Insurance or VAT. The triple lock stays for this Parliament, with a "double lock" proposed from 2030. A new first-time buyer scheme will be set out on the day.
- **Speculation only:** capital gains tax and property taxes are the most-discussed areas. There is no credible sign that pension tax-free cash is being targeted.
- **Acting on rumour is expensive.** AJ Bell estimates around £22bn of tax-free cash was taken in 2025/26 (FCA data), against a long-run average near £7.9bn, largely on changes that never came. A lump sum can't be undone once paid, so talk to us first.

### Are bond yields now high enough?

A bond's yield today is a fair guide to its return if held to maturity, and yields are the highest in many years:

**5.4%**

10-year gilt yield at end of September, against 3.1% inflation

**£8,000+**

best level annuity a year at 65 from a £100,000 pot, September

Bonds now pay an income above current inflation and can cushion a portfolio if growth slows, but yields could rise further if inflation sticks.



Continued overleaf: what's changing for you →

WHAT'S CHANGING FOR YOU

# News for your stage of life

The changes most likely to affect you or your family. The online newsletter has more detail and official sources for every point.

## 18–25

### Starting out

- **Savings rates are up:** one-year fixed bonds averaged 4.28% in September. Don't leave your emergency fund in a current account paying little or nothing.
- **First homes:** a new scheme, "Your First Home", is expected to allow a 2.5% deposit on new-build homes in England, with details at the Budget. A Lifetime ISA still pays a 25% bonus today.
- **Rents:** the UK average reached £1,400 a month in August, up 3.8% in a year.
- **Pay:** next April's minimum wage rates are due to be recommended by the end of October.

**ONE THING TO DO NOW**
Move your emergency fund to a better-paying account, and check you're in your workplace pension.

## 25–40

### Building foundations

- **Mortgages:** the average five-year fix reached 6.00% on 5 October, and deals below 5% almost disappeared. Most lenders let you secure a rate up to six months before your deal ends.
- **House prices** have flattened, up 1.6% in a year to August (Nationwide), and mortgage approvals are the lowest since late 2023.
- **The £100,000 cliff edge:** above it you lose funded childcare. Pension contributions can bring income back under the line.
- **Old pensions:** schemes must join the dashboards system by 31 October. The free Pension Tracing Service works today.

**ONE THING TO DO NOW**
Diarise your mortgage end date, and check how a further rate rise would affect you.

## 40–60

### Peak years

- **State Pension:** the Prime Minister proposes replacing the triple lock with a "double lock" from 2030, if re-elected. Rises would track prices but no longer earnings, so plan cautiously.
- **Care:** a proposed National Care Service would make personal care free in the next Parliament, but not care home accommodation.
- **Pensions and inheritance tax:** from April 2027 most unused pensions count towards your estate. Review your expression-of-wish forms.
- **Retiring at 55?** The minimum pension age rises to 57 in April 2028. The outcome of HMRC's consultation on protection is awaited.

**ONE THING TO DO NOW**
Get your State Pension forecast, and put Lasting Powers of Attorney in place for you and your parents.

## 60+

### Retirement & legacy

- **State Pension:** earnings growth of 3.9% points to about £250.70 a week from April, unless September's inflation figure on 21 October is higher. Confirmed at the Budget.
- **Triple lock** stays for this Parliament.
- **Winter Fuel Payment:** letters go out in October and November, and payments follow in November and December. Ignore texts asking you to apply: they are scams.
- **Income:** the best annuity at 65 pays a little over £8,000 a year per £100,000. Don't rush tax-free cash because of Budget rumours.

**ONE THING TO DO NOW**
Check Pension Credit for yourself or a relative, and keep a record of regular gifts from income.

## DATES FOR YOUR DIARY: THE NEXT SIX MONTHS

| | |
|---|---|
| **14 Oct** | IFS Green Budget, the main independent Budget preview |
| **21 Oct** | September inflation figure: the other half of the triple lock 60+ |
| **28 Oct** | Autumn Budget and OBR forecast |
| **31 Oct** | Paper tax return deadline; pensions dashboards connection deadline |
| **5 Nov** | Bank of England decision and Monetary Policy Report |
| **17 Nov** | Small pension pots consultation closes 25–60 |
| **By 25 Nov** | Ofgem announces the January price cap; Winter Fuel Payments made Nov–Dec 60+ |
| **17 Dec** | Bank of England decision, the last of 2026 |
| **1 Jan 2027** | Unfair dismissal protection after six months in a job |
| **31 Jan 2027** | Online tax return and payment deadline for 2025/26 |
| **4 Feb, 18 Mar** | Bank of England interest rate decisions (provisional) |
| **5–6 Apr 2027** | Tax year end: last use of this year's ISA, pension and gift allowances. Then pensions enter the inheritance tax net, the cash ISA limit falls for under-65s, savings tax rises and new State Pension rates begin |

### Read the full newsletter

More detail on every point, with links to official sources: jarrovian.co.uk/news-room

### Talk to us

Contact your adviser before you act. 0330 058 5000 · hello@jarrovian.co.uk

**Important information.** This summary is for general information only and is not personal advice or a recommendation. The value of investments and any income from them can fall as well as rise, and you may get back less than you invested. Past performance is not a reliable indicator of future results. Tax treatment depends on your circumstances and may change. Figures reflect rules in England for 2026/27 unless stated otherwise. Announced policies may change before becoming law, proposals for a future Parliament may never happen, and anything described as speculation is not confirmed. Annuity rates change frequently and depend on age, health and the options chosen. Your home may be repossessed if you do not keep up repayments on your mortgage. The Financial Conduct Authority does not regulate tax advice, trusts, will writing or Lasting Powers of Attorney. The market review covers September 2026. Sources: Bank of England, ONS, HMRC, GOV.UK, DWP, FCA, Federal Reserve, Ofgem, Moneyfacts, Nationwide, Hargreaves Lansdown (annuity rates), Collidr Asset Management and Morningstar Wealth. Information correct at 30 September 2026, except average mortgage rates, which are dated 5 October 2026.

Jarrovian Wealth Limited is an appointed representative (reference number 1011870) of Best Practice IFA Group Limited (reference number 223112), which is authorised and regulated by the Financial Conduct Authority. Registered in England, company number 10433059. Registered office: Viewpoint Accountants Ltd, Saxon House, 27 Duke Street, Chelmsford CM1 1HT. Head office: Fountain Court, 2 Victoria Square, St Albans, Hertfordshire AL1 3TF · hello@jarrovian.co.uk · 0330 058 5000