JARROVIAN WEALTH

YOUR TWO-PAGE SUMMARY

The Jarrovian Newsletter

September 2026 · Reviewing August · Correct at 16 September 2026

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

A good month for shares, a harder one for government bonds, and a Budget on 28 October that will set the tone for the tax year ahead. Here is what matters, in two pages.

MARKETS: AUGUST 2026

AUGUST IN THREE LINES

Shares rose broadly. US and Japanese technology led after a strong earnings season, and emerging markets recovered the ground lost in the summer sell-off.

Government bonds fell. Yields climbed after a hawkish speech from the new US Federal Reserve Chair at Jackson Hole. The UK 10-year gilt yield touched 5.2%, its highest since 2007.

Gold had a very strong month, up 9.5%, as investors weighed inflation and the scale of government borrowing. Copper reached a record high.

How we're thinking about it

Diversification earned its keep in August. Gold-related holdings and trend-following strategies helped while government bonds fell, and holding only modest amounts of long-dated gilts limited the damage. Inflation, energy prices and the Budget could each go several ways, so portfolios are built to cope with more than one outcome rather than bet on the most likely.

AUGUST, AND 2026 SO FAR

INDEX	AUG	2026
US shares	+2.6%	+12.3%
UK shares	+0.1%	+9.2%
Europe ex UK	+0.6%	+9.7%
Japan	+3.8%	+21.9%
Emerging markets	+3.2%	+22.4%
UK gilts	+0.2%	−1.3%
Global high yield bonds	+0.5%	+2.2%
Gold	+9.5%	+2.0%
UK cash	+0.3%	+2.5%

Total returns in local currency, for August and for 2026 to 31 August. Source: Collidr and Bloomberg. Past performance is not a reliable indicator of future results; overseas returns are also affected by exchange rates.

WHAT HAPPENED

United Kingdom

UK shares were broadly flat: the FTSE 100 was held back by having little technology, while the FTSE 250 did better as bids for UK companies kept coming. Inflation rose to 2.9% on energy bills, the Bank of England held rates at 3.75% with three of nine voting for a rise, and gilt yields kept climbing, adding to the pressure on the public finances.

United States

Shares rallied broadly, with the Nasdaq up 3.9% on strong results from Nvidia. At Jackson Hole the new Fed Chair, Kevin Warsh, said the Fed's focus "should be on prices", which markets read as rates staying higher for longer. Tariffs returned too, with 50% US duties on a range of Canadian goods from 22 August.

Europe, Japan and Asia

European shares edged higher on better economic data, though French bonds were unsettled by politics. Japan's Topix rose 3.8% despite a weak yen, after a rare joint intervention by Japan and the US faded within weeks. Taiwan and South Korea rebounded strongly on better technology news.

Bonds, gold and energy

Government bonds sold off across developed markets, while corporate and high yield bonds held up. Higher yields push up mortgage rates, but also improve annuity rates and the income from new bonds. Gold rose 9.5% and copper hit a record; sterling ended August around $1.36.

BUDGET WATCH

Autumn Budget: Wednesday 28 October

- **Confirmed:** no rises in the *rates* of income tax, National Insurance, VAT or corporation tax; thresholds frozen to April 2031. Next April's State Pension and benefit rates are usually confirmed on the day.
- **Speculation only:** capital gains tax is the most-discussed area, along with property and wealth taxes. There has been no official signal on pension tax-free cash.
- **Acting on rumour is expensive.** Tax-free cash withdrawals hit £18.3bn in 2024/25 against a long-run average near £7.9bn, on a change that never came. A lump sum can't be undone once paid, so talk to us first.

What higher gilt yields mean for you

A gilt is a loan to the government. When the return investors demand rises, everything priced off it moves too:

5.63%

average two-year fixed mortgage rate in August, and still rising

£8,000+

best annuity income at 65 from a £100,000 pot, level and single life

The same move that makes borrowing dearer makes secure retirement income cheaper to buy — and it squeezes the Chancellor before the Budget.

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

- **Money you may already own:** 760,000 Child Trust Funds are unclaimed, averaging about £2,000. Tracing yours through HMRC is free.
- **Student loans:** Plan 2 interest is capped at 6% until next August. What you repay depends on what you earn, not your balance.
- **Workplace pension:** opting out means giving up your employer's contribution and tax relief — effectively a pay cut.
- **AI isn't regulated advice:** 44% of young investors think AI-generated financial information is regulated, and 32% think compensation would apply. Neither is true.

ONE THING TO DO NOW

Check whether you have an unclaimed Child Trust Fund, and that you're in your workplace pension.

25–40

Building foundations

- **Mortgages:** the average two-year fix rose to 5.63% in August and lenders keep repricing. If your deal ends within six months, secure a rate now: you can usually switch if rates fall.
- **The £100,000 cliff edge:** above it you lose funded childcare and Tax-Free Childcare. Pension contributions can bring income back under the line.
- **Old pensions:** schemes must join the pensions dashboards system by 31 October. The free Pension Tracing Service works today.
- **Savings tax:** rates on savings interest and rental income rise in April 2027, and the cash ISA limit for under-65s falls to £12,000.

ONE THING TO DO NOW

Diarise your mortgage end date, six months ahead, and check your income against the £60,000 and £100,000 thresholds.

40–60

Peak years

- **Pensions and inheritance tax:** from 6 April 2027 most unused pensions count towards your estate, and HMRC has set out how it will work. Review your expression-of-wish forms and the order you draw on savings.
- **Allowances:** up to £60,000 a year into pensions, plus unused allowance from the last three years.
- **State Pension:** nearly 7 million adults have never checked their forecast. It takes minutes on GOV.UK, and gaps can often be filled.
- **Retiring at 55?** The minimum pension age rises to 57 in April 2028, with a consultation on protection for those aged 55 or 56 closing on 28 September.

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:** the 15 September earnings figure of 3.9% points to a rise from £241.30 to about £250.70 a week next April, confirmed at the Budget.
- **Winter Fuel Payment:** £200, or £300 if you're over 80, clawed back if your income tops £35,000. Opt out by 6pm on 18 September by phone, or 11:59pm on the 20th online.
- **Passing wealth on:** pensions count for inheritance tax from April 2027, and regular gifts from surplus income can be exempt straight away.
- **Income:** the best annuity at 65 pays a little over £8,000 a year per £100,000, the best for over a decade. Don't rush tax-free cash because of Budget rumours.

ONE THING TO DO NOW

Deal with the Winter Fuel Payment decision this week, and check Pension Credit for yourself or a relative.

DATES FOR YOUR DIARY: THE NEXT SIX MONTHS

17 Sep	Bank of England interest rate decision
18 & 20 Sep	Winter Fuel Payment opt-out deadlines; qualifying week 21–27 Sep 60+
28 Sep	HMRC consultation closes on minimum pension age protection 40–60
1 Oct	Energy price cap rises to £1,723; VAT off electricity until 31 Mar
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
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
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, and anything described as speculation is not confirmed. Annuity rates change frequently and depend on age, health and the options chosen. The Financial Conduct Authority does not regulate tax advice, trusts, will writing or Lasting Powers of Attorney. The market review covers August 2026. Sources: Bank of England, ONS, HMRC, GOV.UK, DWP, FCA, Ofgem, IFS, Moneyfacts, Which? (annuity rates using MoneyHelper data), Collidr Asset Management and Morningstar Wealth. Information correct at 16 September 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