

# Portfolio Update

The information contained in this release was correct as at 31 March 2026. Information on the Company's up to date net asset values can be found on the London Stock Exchange Website at:

<http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

## **BLACKROCK INCOME & GROWTH INVESTMENT TRUST PLC (LEI:5493003YBY59H9EJLJ16)**

All information is at **31 March 2026** and unaudited.

Performance at month end with net income reinvested

	<b>One Month</b>	<b>Three Months</b>	<b>One Year</b>	<b>Three Years</b>	<b>Five Years</b>	<b>Since 1 April 2012</b>
<b>Sterling</b>						
Share price	-4.3%	2.7%	16.7%	28.1%	55.9%	178.7%
Net asset value	-9.3%	-1.1%	12.2%	29.9%	50.4%	173.7%
FTSE All-Share Total Return	-6.7%	2.4%	21.5%	45.6%	69.3%	199.0%

Source: BlackRock

BlackRock took over the investment management of the Company with effect from 1 April 2012.

### **At month end**

Sterling:

Net asset value - capital only:	240.22p
Net asset value - cum income*:	243.20p
Share price:	221.00p
Total assets (including income):	£51.4m
Discount to cum-income NAV:	9.1%
Gearing:	4.2%
Net yield**:	3.5%
Ordinary shares in issue***:	18,654,568
Gearing range (as a % of net assets):	0-20%
Ongoing charges****:	1.15%

\* Includes net revenue of 2.98 pence per share

\*\* The Company's yield based on dividends announced in the last 12 months as at the date of the release of this announcement is 3.3% and includes the 2025 final dividend of 5.00p per share declared on 28 January 2026 with pay date 20 March 2026 and the Interim Dividend of 2.70p per share declared on 19 June 2025 with pay date 02 September 2025.

\*\*\* excludes 10,081,532 shares held in treasury.

\*\*\*\* The Company's ongoing charges are calculated as a percentage of average daily net assets and using management fee and all other operating expenses excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation and certain non-recurring items for the year ended 31 October 2025. In addition, the Company's Manager has also agreed to cap ongoing charges by rebating a portion of the management fee to the extent that the Company's ongoing charges exceed 1.15% of average net assets.

### **Sector Analysis**

	<b><u>Total assets (%)</u></b>
Banks	12.9
Pharmaceuticals & Biotechnology	10.8
Oil & Gas Producers	8.9
Support Services	5.1

Household Goods & Home Construction	5.0
General Retailers	5.0
Mining	4.6
Aerospace & Defence	4.4
Tobacco	4.2
Electronic & Electrical Equipment	3.4
Software & Computer Services	3.1
Nonlife Insurance	2.9
General Industrials	2.9
Electricity	2.6
Financial Services	2.6
Life Insurance	2.6
Industrial Engineering	2.4
Real Estate Investment Trusts	2.4
Food & Drug Retailers	2.4
Personal Goods	2.2
Food Producers	1.6
Net Current Assets	8.0
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Total	100.0
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### **Country Analysis**

### **Percentage**

United Kingdom	88.0
United States	4.0
Net Current Assets	8.0
	-----
	100.0
	=====

### **Top 10 Holdings**

### **Fund %**

AstraZeneca	8.8
Shell	6.0
HSBC	4.3
British American Tobacco	4.2
Lloyds Banking Group	4.1
Standard Chartered	3.9
Reckitt Benckiser Group	3.9
Rolls-Royce Holdings	3.2
RELX	3.1
BP Group	2.9

### **Commenting on the markets, representing the Investment Manager noted:**

#### **Market summary:**

Global equity markets came under pressure in March, driven primarily by an energy shock rather than a deterioration in corporate fundamentals. Escalating conflict in the Middle East pushed oil prices sharply higher, raising inflation concerns and complicating the growth outlook. Markets responded by de-rating valuations as discount rates rose and uncertainty increased, rather than repricing earnings expectations. Despite the scale of the shock, headline equity performance proved relatively resilient, reflecting sound underlying fundamentals.

The macro backdrop grew more challenging as central banks struck a firmer tone, and rate-cut expectations were pushed out. Financial conditions tightened, the U.S. dollar strengthened and inflation risks returned to the forefront. While economic data continued to point to expansion rather than recession, concerns grew that these indicators lag the evolving geopolitical backdrop. Within equities, the U.S. was comparatively resilient, energy outperformed and leadership rotated away from crowded momentum trades. Elsewhere, regions more exposed to imported energy - particularly parts of Europe and Asia - came under greater pressure, while commodity-linked emerging markets proved more resilient. Commodities sat at the centre of market dynamics, with oil driving the shock and traditional hedges such as gold offering less protection late in the month.

In the UK, equities came under pressure during March as global risk sentiment deteriorated sharply. Markets were dominated by the escalation of conflict in the Middle East, which drove a surge in energy prices and reignited inflation concerns, prompting investors to reassess the outlook for interest rates. Sector performance was highly polarised, with energy stocks significantly outperforming on higher oil and gas prices, while rate-sensitive areas such as consumer discretionary, real estate and UK mid-caps lagged. The Bank of England held Bank Rates at 3.75%, adopting a cautious tone as higher energy costs threatened to keep inflation above target for longer. As a result, expectations for near-term rate cuts were pushed further out.

Source: <http://www.bankofengland.co.uk/monetary-policy-summary-and-minutes/2026/march-2026>

#### **Stock comments:**

**3i Group** detracted from performance as the shares fell sharply at the end of the quarter due to a disappointing Capital Markets update. France like-for-like sales that had shown signs of stabilisation weakened again in February and March leading to a more cautious guide for the full year while the highly anticipated US entry underwhelmed. We believe that the US opportunity offers exciting optionality while Action in Europe should still grow mid-teens, yet the shares now trade on a large discount to the group's net asset value.

**Reckitt Benckiser** detracted as the shares gave back earlier gains, having benefited at the start of the year from a shift by investors towards simpler, defensive businesses amid broader market uncertainty. Sentiment weakened following a cautious company update, where a modest earnings downgrade driven by a slightly higher tax assumption overshadowed otherwise stable underlying operations. This, combined with ongoing investor caution around the pace of volume recovery in Hygiene and Nutrition, weighed on the shares during the month, despite the company's defensive characteristics remaining intact.

**Weir Group** also detracted from relative returns during the month, as the shares pulled back following a strong run earlier in the year. Sentiment weakened on concerns around the timing of mining capital expenditure and potential delays to customer investment decisions, particularly in a more uncertain macro and geopolitical environment. While underlying demand drivers linked to energy transition and mine efficiency remain intact, near-term caution from investors weighed on the share price over the period.

An underweight position in **Unilever** contributed as the shares lagged the market during the month. Investor caution around consumer demand persisted, particularly in the context of higher prices and pressure on household budgets. Sentiment was further weighed down late in March following the announcement of the proposed combination of Unilever's Foods division with McCormick, with the scale and structure of the transaction prompting near-term concerns around execution risk and capital allocation, reinforcing the stock's relative underperformance and supported our underweight positioning.

**Rentokil** contributed to relative performance as the shares proved resilient, supported by steady trading and continued confidence in margin recovery as integration benefits from recent acquisitions feed through. This was helped by the release of full-year results early in the month, which highlighted solid cash generation and gradual improvement in North America, and a smooth transition to a new CEO in mid-March.

#### **Changes:**

Given the price volatility over the month caused by both idiosyncratic and geopolitical factors, we made changes to the fund taking advantage of the price dislocation, focusing on where we have greatest conviction while recognising where our theses had changed and, as per our sell discipline, necessitated sales.

We added to our position in **British American Tobacco** following recent share price weakness and after a company meeting. The holding enhances portfolio yield and capital growth potential, underpinned by a stock-specific investment case that is relatively uncorrelated to the broader economic cycle. We also added to **3i Group** following recent weakness, reflecting increased confidence in the cost profile and execution of Action's US expansion plans, while pricing actions and recent

competitor exits support an improving outlook for France.

We exited **ICG** given the growing headwinds facing private credit, which are likely to be exacerbated by the conflict with Iran and its impact on confidence. Even in a scenario of de-escalation, we see limited scope for a near term rebound, with concerns around private credit likely to continue to weigh on the sector. We exited our position in **Ashmore** after recent share price appreciation, choosing to realise gains and redeploy capital elsewhere.

We made two sales for stock specific reasons selling Melrose and Tate & Lyle. We sold **Melrose** after a weak set of results, with underlying cash generation materially weaker than expected once one-off items are adjusted for, raising concerns around the quality of future cash flows. Finally, we exited **Tate & Lyle** as execution continues to disappoint following another unexpected cut to 2027 guidance; against an uncertain backdrop and the risk of higher inflation, we expect earnings to remain under pressure.

**Outlook:**

The immediate outlook for the global economy, particularly for 2026, will largely be shaped by the duration of the war in Iran and the cost of energy, a function of what happens with the Strait of Hormuz and the severity of the damage to local energy and refinery facilities. With energy prices rising significantly, there are likely to be negative growth impacts and inflationary pressures, notably for those economies which are net importers of energy including parts of Asia, Europe and the UK, whilst the US is more insulated given its domestic resources. The scale of these impacts is linked to the duration of the conflict. The outlook for inflation will impact the path for rates with the rate cutting cycle in the developed world at risk. The wide range of outcomes and President Trump's unpredictable policy stance suggests volatility across equity and bond markets will stay elevated. Against this backdrop, we continue to favour companies with well invested foundations, durable competitive advantages and pricing power, while looking for opportunities created by heightened market swings.

In the UK and Europe, the spectre of an energy shock has reared its head once again and exacerbated weak fiscal backdrops and low consumer and business confidence. In the UK, the impact has been most evident in the path for interest rates, ending the quarter with the bond markets pricing three rate hikes having entered the 2026 pricing in two cuts. With a domestic backdrop that had showed signs of stabilisation in confidence and activity, this is clearly an unhelpful backdrop ahead of the May local elections which may precipitate further political unrest. In Europe, Germany's fiscal push, centered on defence and infrastructure, had boosted economic momentum but it remains unclear whether this will be sustained. In the US, gasoline price rises are likely to contribute to inflation and weigh on consumer sentiment though the overall economic impact should be limited given domestic energy supply and a resilient economic outlook supported by a significant capital expenditure. Meanwhile, China's sensitivity to rising energy prices is mitigated by significant stockpiles and the substantial investment in renewables made in recent years. However, domestic demand remains subdued, with recent US trade tariff announcements adding to the uncertainty.

Notwithstanding the uncertainty in the UK, this energy shock is somewhat different to 2022, with rates being substantially higher and domestic valuations, notably amongst rate sensitives being lower. With relatively strong balance sheets amongst our portfolio companies, we would anticipate further buybacks and continued inbound M&A. While volatility is expected to persist, we believe risk appetite will return and opportunities are emerging.

Cash-generative businesses with enduring competitive advantages continue to be a priority, and we are confident they are best positioned to deliver long-term returns. While volatility is likely to persist, the opportunities it presents are encouraging - both in resilient growth stories and compelling turnaround cases.

20 April 2026