# A Model Income Portfolio of UK-Listed Investment Trusts

A companion paper to the retirement income calculator. One way a diversified, high-yield trust portfolio could be built, and how the numbers behind it work.

Data as at November 2026

A worked example, not a recommendation. See page 2.

**Read this first.** This is purely an example of how investment trusts could be used to build a retirement income portfolio. It isn't personal advice — seek advice from a regulated financial adviser before acting on it. Figures reflect data available as at November 2026 and will change over time. Money Wise UK cannot accept responsibility for decisions made without regulated advice.

# Why this paper exists

The calculator lets you move the sliders and see an income figure. A number on a screen means little without the thinking behind it. This paper sets out that thinking: why these ten trusts, why they are grouped this way, and why yield changes as the weights shift.

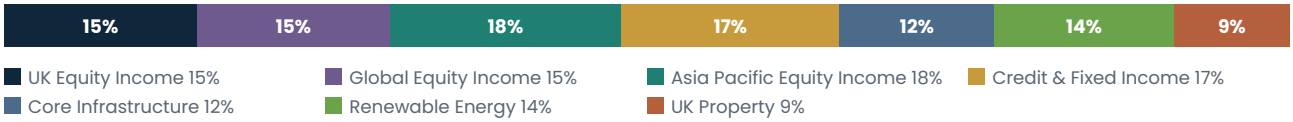
## How the portfolio is built

The model spreads capital across seven areas that behave differently from one another. They are UK equity income, global equity income, Asia Pacific equity income, credit and fixed income, core infrastructure, renewable energy and UK property.

The aim isn't to chase the single highest yield. It is to combine trusts whose income comes from different sources. A problem in one area then doesn't automatically become a problem for the whole portfolio.

The global income trust is the balancing piece. It pays less than most of the others. In return it spreads the equity risk beyond the UK and Asia.

## The Balanced allocation by area




Blended yield on the Balanced weights is **6.94%**. On a £250,000 pot, that implies about **£17,350 a year** before charges and tax.

# What changed since July

- Picton Property Income was taken over, so it has left. Custodian Property Income REIT replaces it.
- Chelverton UK Dividend Trust was considered and left out. Its dividend cover didn't meet our test.
- City of London, Invesco Bond Income Plus and HICL have gone. We replaced them to widen the mix by region and asset type.
- Murray International (global), TwentyFour Select Monthly Income and The Renewables Infrastructure Group (TRIG) are new.
- The portfolio now has seven areas instead of five. The blended yield on Balanced weights is about 6.9%.

# The ten trusts

| Trust | Ticker | Yield | Why it is in the portfolio |
|---|---|---|---|
| **Merchants Trust**<br>UK Equity Income | MRCH | **4.35%** | Long record of rising dividends and a UK equity income anchor. |
| **Murray International Trust**<br>Global Equity Income | MYI | **3.3%** | Global income and growth. Diversifies away from the UK. Lowest yield, so it's the balance wheel. |
| **Henderson Far East Income**<br>Asia Pacific Equity Income | HFEL | **9.6%** | Highest yield in the Asian income group. Higher regional risk, so kept to a modest weight. |
| **Aberdeen Asian Income Fund**<br>Asia Pacific Equity Income | AAIF | **7.38%** | Asian income with a dividend-growth focus. A steadier partner for HFEL. |
| **CQS New City High Yield**<br>Credit & Fixed Income | NCYF | **9.32%** | Mix of high-yield bonds and equities. Trades near or above NAV. |
| **TwentyFour Select Monthly Income**<br>Credit & Fixed Income | SMIF | **8.0%** | Monthly income from corporate and bank credit. Different risks from equities. |
| **International Public Partnerships**<br>Core Infrastructure | INPP | **6.4%** | Core infrastructure with inflation-linked revenues and visible cash flow. |
| **Greencoat UK Wind**<br>Renewable Energy | UKW | **9.7%** | UK wind farms with index-linked revenues. High yield, with cash cover to watch. |
| **Renewables Infrastructure Group**<br>Renewable Energy | TRIG | **9.4%** | Wind and solar across several countries. Spreads the renewables exposure. |
| **Custodian Property Income REIT**<br>UK Property | CREI | **7.1%** | UK commercial property paid by rent. Spread across many UK regions and tenants. |

Yields are prospective or trailing figures from third-party sources, mostly dated 13 November 2026. They aren't guaranteed. Henderson Far East Income and International Public Partnerships use older data, and the Greencoat and Custodian yields use August prices.

# Three ways to weight it

The calculator offers three starting points. Moving from Resilience-first towards Yield-first doesn't create yield from nowhere. It swaps some dividend-cover strength and diversification for a higher number. That trade-off is the point.

| Trust | Balanced | Resilience-first | Yield-first |
|---|---|---|---|
| Merchants Trust (MRCH) | 15% | 20% | 8% |
| Murray International Trust (MYI) | 15% | 18% | 8% |
| Henderson Far East Income (HFEL) | 10% | 6% | 14% |
| Aberdeen Asian Income Fund (AAIF) | 8% | 8% | 9% |
| CQS New City High Yield (NCYF) | 10% | 8% | 14% |
| TwentyFour Select Monthly Income (SMIF) | 7% | 4% | 10% |
| International Public Partnerships (INPP) | 12% | 15% | 8% |
| Greencoat UK Wind (UKW) | 9% | 6% | 12% |
| Renewables Infrastructure Group (TRIG) | 5% | 3% | 8% |
| Custodian Property Income REIT (CREI) | 9% | 12% | 9% |
| **Blended yield** | **6.9%** | **6.4%** | **7.8%** |
| **Income on £250,000** | **£17,350 a year** | **£15,930 a year** | **£19,480 a year** |
| **Per month** | **£1,446** | **£1,327** | **£1,623** |

## What the trade-offs look like

- **Balanced** spreads weight fairly evenly across all seven areas.
- **Resilience-first** leans on the UK, global and core infrastructure trusts. It trims the highest yielders. You give up about half a point of yield.
- **Yield-first** leans on Asia, credit and renewables. It earns more, but a bad year in those areas would hit harder.

Income figures are before platform fees, adviser charges and tax. Capital values will move, and income can be cut.

# Risks to keep in mind

- **Discounts and premiums.** Some trusts trade at or above net asset value, including CQS New City High Yield and Murray International. Paying a premium adds risk.
- **Gilt yields.** The 10-year gilt yielded around 5.2% on 3 November. Higher gilt yields can pull down prices of income trusts.
- **Renewables policy.** The Renewables Obligation consultation, opened on 3 November, could affect renewable income.
- **Concentration in the highest yielders.** A very high yield often signals higher risk. Yield-first leans most on these.
- **Cover is measured differently.** Equity trusts use revenue reserves. Infrastructure and renewables trusts use cash cover. Don't compare the numbers directly.
- **Corporate action.** Takeovers can remove a holding, as happened with Picton.
- **Dividends aren't guaranteed.** Boards can cut or rebase them.

## Using this with the calculator

Pick a starting allocation, then move the sliders. The income figure appears only when the weights total exactly 100%. Use the 'Scale to 100%' button if you land a little over or under.

## Important information

This paper is general information. It is not personal advice and isn't a recommendation to buy, sell or hold any investment. Nothing here considers your objectives, circumstances or attitude to risk. Investments can fall as well as rise, and you may get back less than you put in. Past performance isn't a guide to future returns.

Data reflects information available as at November 2026 and will change. Money Wise UK® is a non-regulated consultancy. Please speak to a regulated financial adviser before making any decision. Money Wise UK cannot accept responsibility for decisions made without regulated advice.