

VT AJ Bell Passive Cautious Q2 2019 Report

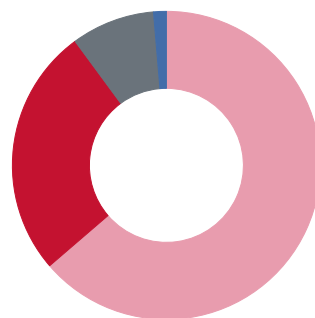
Commentary

In the second quarter, the Cautious fund posted a gain of 3.2%, its return boosted by its large bond holdings, with emerging market bonds and US government and corporate bonds all performing well. On the domestic front, the fund's holdings of UK gilts with less than five years to maturity, whilst still positive, fell behind the return on gilts with a longer maturity, acting as a slight drag on performance.

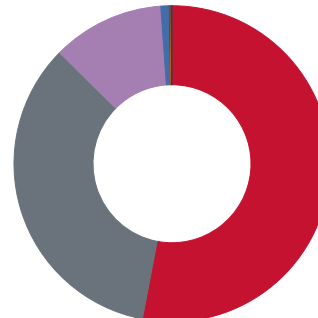
Turning to shares, as we mentioned last quarter, the Cautious fund now includes holdings in global stock sectors, and these performed well over the quarter, with consumer staples in particular posting good gains and healthcare also positive. Elsewhere, the fund's holding of UK-listed commercial property funds, however, was down on the quarter, as the sector grapples with the increased possibility of a no-deal Brexit and a retail sector slowdown. The fund was insulated from the worst of these falls, however, by its innovative method of allocating to UK commercial property.

The team continue to monitor the fund on a daily basis and should we feel any global market or political developments are likely to affect its future prospects, we're ready to make changes if necessary.

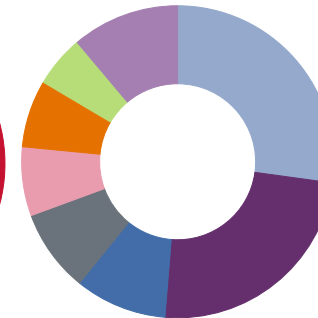
Asset Breakdown



Shares Regional Breakdown



Shares Sector Breakdown



Bond Maturity Breakdown



Trailing Returns (%)

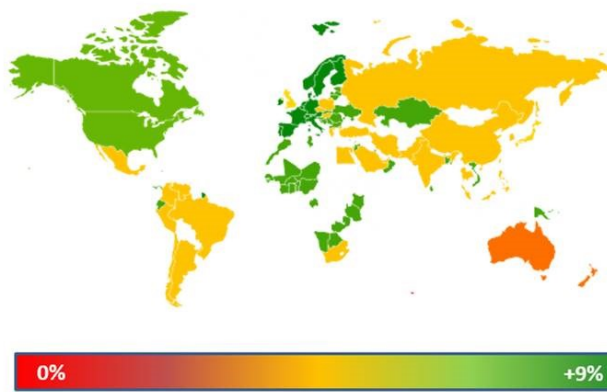
Last Quarter	3.2
Year to Date	7.1
1 Year	4.4

Historic Performance



—VT AJ Bell Passive Cautious —IA Mixed Investment 0-35% Shares

Q2 Stock Market Performance



Top 10 Holdings

	Weight %
iShares £ Corporate Bond ETF	12.8
iShares \$ Corporate Bond ETF	8.9
BMO Global High Yield Bond ETF	8.8
UK Gilt 0.5% July 2022	8.3
ISF Liquidity Fund (GBP)	7.9
Vanguard \$ EM Bond ETF	6.0
Xtrackers MSCI USA Health Care ETF	5.9
UK Gilt 2% July 2020	5.2
iShares FTSE 100 ETF	5.0
Xtrackers MSCI USA Consumer Staples ETF	4.9

Fund Snapshot

ISIN	GB00BYW8RV97
IA Sector	Mixed Investment 0-35% Shares
Inception Date	18/04/2017
Ongoing Charge	0.35
Fund Size - £ mill	15.48
12 Month Yield (Reinvested)	1.78

Note: The value of your investments can go down as well as up and you may get back less than you originally invested. We don't offer advice, so it's important you understand the risks, if you're unsure please consult a suitably qualified financial adviser. Past performance is not a guide to future performance and some investments need to be held for the long term.