

VT AJ Bell Passive Moderately Cautious Q2 2019 Report



As of 30/06/2019

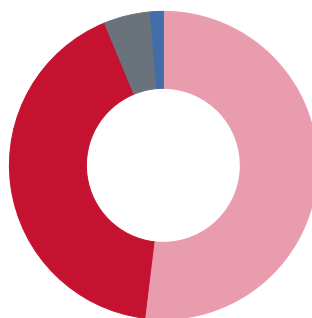
Commentary

In the second quarter, the Moderately Cautious fund posted a gain of 4.0%, 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, the fund was boosted by a sharp bounce in European stocks with Europe the best performing market in the period, as market participants digested the possibility of yet more easing from Europe's central bank. As we mentioned last quarter, the 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. Finally, the fund's holding of UK-listed commercial property funds 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.

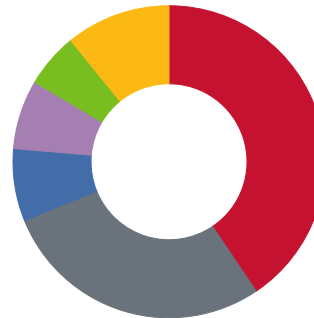
The team continue to monitor the fund on a daily basis and should we feel any global market or political developments are likely to affect its future prospects, we're ready to make changes if necessary.

Asset Breakdown



- Bonds 51.9
- Shares 41.8
- Cash 4.9
- Other 1.4

Shares Regional Breakdown



- North America 40.6
- United Kingdom 28.3
- Europe Developed 7.5
- Japan 7.2
- Asia Developed 5.7
- Australasia 5.3
- Other 5.5

Shares Sector Breakdown



- Healthcare 22.5
- Consumer Defensive 18.5
- Financial Services 13.9
- Consumer Cyclical 7.9
- Real Estate 7.8
- Industrials 7.6
- Technology 6.9
- Other 14.8

Bond Maturity Breakdown



- 1-3 Yr 19.7
- 3-5 Yr 23.8
- 5-7 Yr 16.1
- 7-10 Yr 13.1
- 10-15 Yr 6.9
- 15-20 Yr 5.6
- 20-30 Yr 9.8
- Other 5.0

Trailing Returns (%)

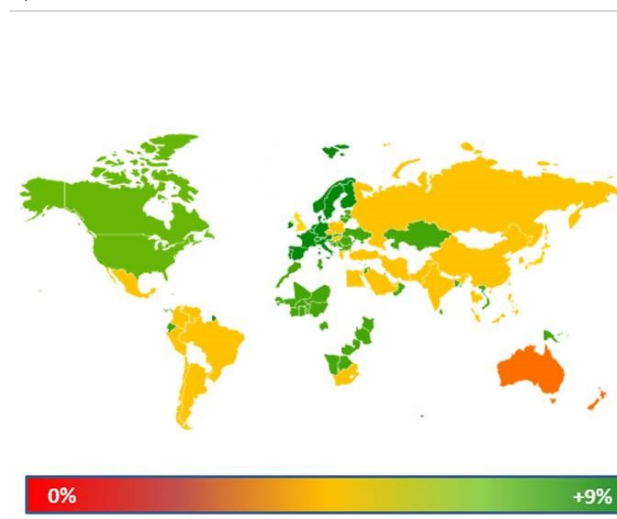
| | |
|--------------|-----|
| Last Quarter | 4.0 |
| Year to Date | 9.3 |
| 1 Year | 5.3 |

Historic Performance



—VT AJ Bell Passive Moderately Cautious —IA Mixed Investment 20-60% Shares

Q2 Stock Market Performance



Top 10 Holdings

| | Weight % |
|---|----------|
| iShares £ Corporate Bond ETF | 18.7 |
| BMO Global High Yield Bond ETF | 8.7 |
| iShares FTSE 100 ETF | 7.9 |
| iShares \$ Corporate Bond ETF | 6.9 |
| Xtra kers MSCI USA Health Care ETF | 6.9 |
| Vanguard \$ EM Bond ETF | 4.9 |
| Vanguard S&P 500 ETF | 4.9 |
| Xtra kers MSCI USA Consumer Staples ETF | 4.9 |
| iShares MSCI Pa ifi ex-Japan ETF | 4.0 |
| UK Gilt 0.5% July 2022 | 3.6 |

Fund Snapshot

| | |
|-----------------------------|--------------------------------|
| ISIN | GB00BYW8VJ55 |
| IA Sector | Mixed Investment 20-60% Shares |
| Inception Date | 18/04/2017 |
| Ongoing Charge | 0.35 |
| Fund Size - £ mill | 20.54 |
| 12 Month Yield (Reinvested) | 1.87 |

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.

Source: Morningstar Direct