

AJ Bell Balanced Ready-made portfolio half-yearly update

As of 30/06/2019

Commentary

Over the first half of 2019, the Balanced portfolio delivered a return of 11.20%. That makes an overall return of 9.17% since its inception on 12 December 2018. Among the top contributors to this return were equity funds, notably TB Evenlode Income, which performed strongly on both an absolute and relative basis thanks to its focus on the highest-quality companies.

Overall, it's been a strong six months across the markets generally. Both the stock and bond markets have delivered strongly positive overall returns, in sharp contrast to their disappointing end to 2018. This tailwind has happened despite a weakening macroeconomic backdrop – though the markets appear buoyed by the prospect that central banks around the world will step in again with monetary stimulus and interest rate cuts if economies continue to stall.

In March 2019, we adjusted the line-up of funds in this portfolio, removing Janus Henderson UK Property PAIF and introducing Janus Henderson UK Absolute Return. We made this switch because of changes to the pricing approach on the Janus Henderson UK Property fund, which introduced an upfront cost of approximately 5%.

Returns

January - June 2019	11.20%
Since inception	9.17%

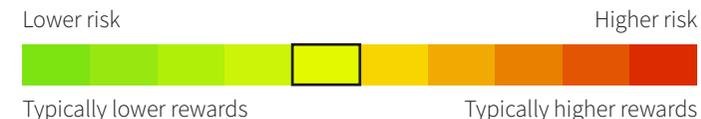
Portfolio snapshot

Estimated 12 month yield	2.27%
Inception date	12/12/2018
Average OCF of portfolio	0.78%

The portfolio yield is calculated on a backward looking basis covering the last 12 month period using the current Ready-made portfolio weightings.

The portfolio's ongoing charges figure (OCF) is a weighted average of the OCF of each of the underlying funds, using the Ready-made portfolio weights at the end of the reported period. The Portfolio's OCF does not include AJ Bell Youinvest's custody charge.

Portfolio rating



The risk rating of the portfolio depends on the type of assets it invests in. Bonds are more conservative because they offer a more certain (though typically lower) return. Shares are more aggressive because they offer a less certain (though typically higher) return.

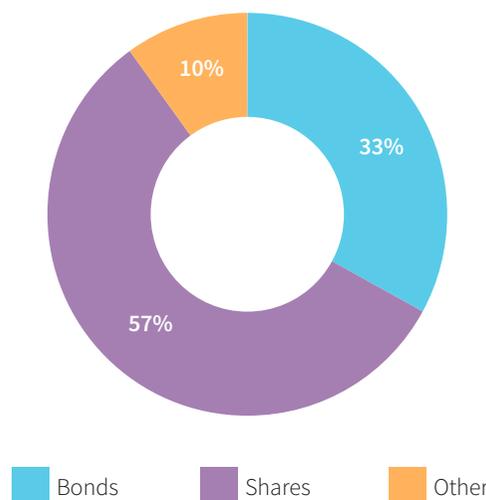
Keep in mind this applies over the longer term: five years or more.

H1 Stock market performance



Heat map of global stock market returns by region.
Source: Bloomberg, AJ Bell

Portfolio asset allocation



Balanced Ready-made portfolio

Funds currently held in portfolio	Asset allocation
BNY Mellon Global Income Acc	11%
Fidelity Global Special Sits Acc	11%
Fidelity Strategic Bond Acc	23%
Janus Henderson UK Absolute Return Acc	10%
Jupiter UK Special Situations Acc	15%
TB Evenlode Income Acc	20%
TwentyFour Corporate Bond Acc	10%

Remember, AJ Bell doesn't manage or rebalance your portfolio after you've bought it, so depending on when you invested your portfolio may look different to the current weighting of our Ready-made portfolios. 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. Yields are not guaranteed and can fluctuate.