

# AJ Bell Balanced Ready-made portfolio half-yearly update

As of 31/12/2020

## Commentary

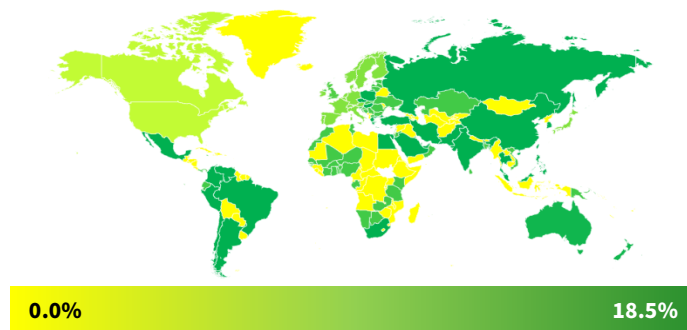
Over the second half of 2020, the Balanced portfolio delivered a positive return of 5.8%, contributing to an overall return of 15.3% since its inception on 12 December 2018. Across this half-year, all the portfolio holdings finished in positive territory as markets recovered from the sell-off witnessed early on in the year. Fidelity Global Special Situations was a particularly strong performer, delivering 14.4% over the period, and producing a good return versus its representative index. Jupiter UK Special Situations also performed well, as its value approach came back into favour: a complete reversal from the previous period.

Stock and bond markets around the world fell sharply in the first half of 2020, with the pandemic forcing many countries into lockdowns and weighing heavily on the global economy. Most global stock and bond markets recovered to deliver positive returns for 2020 in sterling terms – although the UK equity market is a notable exception.

While the outlook may remain bleak, the markets have largely been looking forward and welcomed the positive news on vaccinations. That said, much volatility has been felt along the way owing to uncertainty about the ongoing pandemic as well as other significant events, including continued Brexit trade talks and the US election. Going forward, the second half of 2021 may see some kind of return to normality as vaccination programmes are implemented. Similarly, a Brexit deal has certainly brought some clarity to the UK, but we would expect markets to remain volatile for the foreseeable future.

We have made no changes to the Balanced portfolio in the second half of 2020.

## H2 Stock market performance



Heat map of global stock market returns by region. Source: Morningstar direct

## Returns

|                    |       |
|--------------------|-------|
| July-December 2020 | 5.8%  |
| 1 year             | 1.4%  |
| Since inception    | 15.3% |

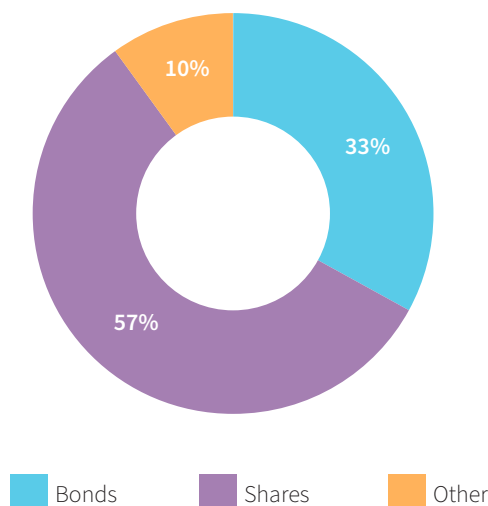
## Portfolio snapshot

|                          |            |
|--------------------------|------------|
| Estimated 12 month yield | 1.9%       |
| Inception date           | 12/12/2018 |
| Average OCF of portfolio | 0.8%       |

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 asset allocation



## Investment growth



Source: Morningstar Direct

## 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.

## Balanced Ready-made portfolio

| Funds currently held in portfolio      | Asset allocation |
|--|------------------|
| 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%              |
| Trojan Global Income Acc               | 11%              |
| TwentyFour Corporate Bond Acc          | 10%              |