

VT AJ Bell Balanced Q4 2021 Report

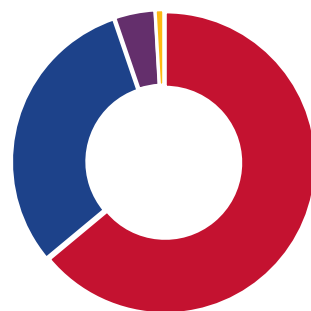
Commentary

As news of the Omicron variant of COVID-19 spread throughout the world, capital markets responded cautiously. On 26 November, this resulted in the greatest one-day fall of 2021 for the FTSE 100 and the sharpest drop since the start of the pandemic.

However, these blips were mostly temporary. As more data became available, investors gained confidence in the efficacy of the global vaccine rollout. UK shares were up on the quarter, but leading the way was the US share market's Q4 return of 10.4%.

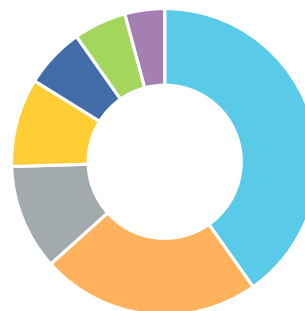
Conversely, riskier stocks in emerging market countries lost value. There is evidence that investors in 2021 focused on 'quality' stocks (companies with strong and stable earnings), rather than higher risk 'growth' stocks (companies that might be profitable in the future). Bonds also suffered in Q4 as inflation started to bite and central banks began raising interest rates. The Balanced fund holds a range of shares and bonds, both domestic and international. This diversified allocation led to a return of 2.4% over the quarter and a 12-month return of 8.8%.

Asset Breakdown



Shares	64.0%
Bonds	30.8%
Cash	4.3%
Other	0.9%

Shares Regional Breakdown



North America	40.2%
United Kingdom	23.2%
Asia Emerging	11.1%
Japan	9.3%
Asia Developed	6.4%
Europe Developed	5.6%
Other	4.2%

Shares Sector Breakdown



Healthcare	12.6%
Consumer Defensive	12.4%
Financial Services	12.0%
Technology	11.2%
Utilities	9.5%
Industrials	9.5%
Consumer Cyclical	9.2%
Other	23.6%

Bond Maturity Breakdown

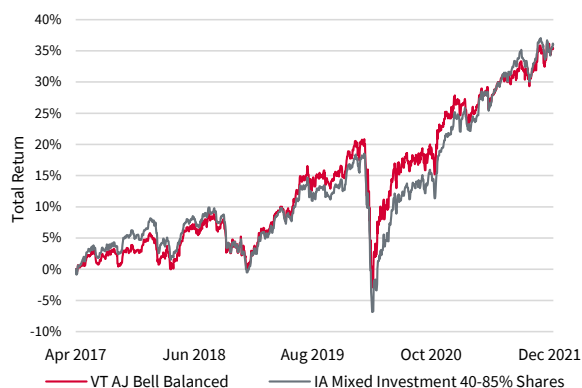


Less than 1 Year	4.1%
1-3 Years	12.3%
3-5 Years	24.1%
5-7 Years	14.8%
7-10 Years	16.0%
10-15 Years	6.3%
15-20 Years	6.2%
20-30 Years	13.2%
30+ Years	3.2%

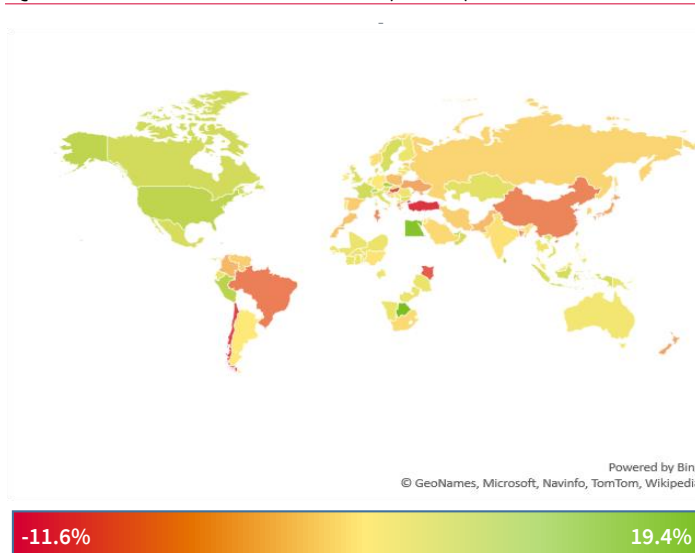
Trailing Returns (%)

Last quarter	2.4
Year to Date	8.8
1 Year	8.8

Historic Performance



Q4 2021 Stock Market Performance (in GBP)



Top 10 Holdings

	Weight (%)
Lyxor Morningstar UK ETF	15.7
Vanguard S&P 500 ETF	10.3
Invesco GBP Corporate Bond ETF	8.9
HSBC MSCI Emerging Markets ETF	7.9
JPMorgan Global High Yield Corporate Bond Multi-Factor ETF	6.0
Lyxor Core MSCI Japan ETF	5.8
Lyxor US TIPS ETF	4.0
Vanguard USD Emerging Markets Government Bond ETF	4.0
Insight Liquidity Fund	3.6
iShares S&P 500 Utilities Sector ETF	3.2

Fund Snapshot

ISIN	GB00BYW8RX12
IA Sector	Mixed Investment 40-85% Shares
Inception Date	18/04/2017
Ongoing Charge	0.30%
Fund Size (£m)	324.44
12 Month Yield (Reinvested)	1.67%

⚠ The value of 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 that 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. Totals may not sum to 100% due to rounding.