

VT AJ Bell Income & Growth Q2 2022 Report

Commentary

Following the Russian invasion of Ukraine and the western sanctions placed on the former, supply chains have continued to be strained. This prolonged a problem first seen in the aftermath of COVID-19, when sourcing goods from around the world became more difficult than historically. This is at least some of the reason why we're seeing higher inflation than we're used to. In a higher inflation world, we would probably see greater reluctance to support the markets from central banks.

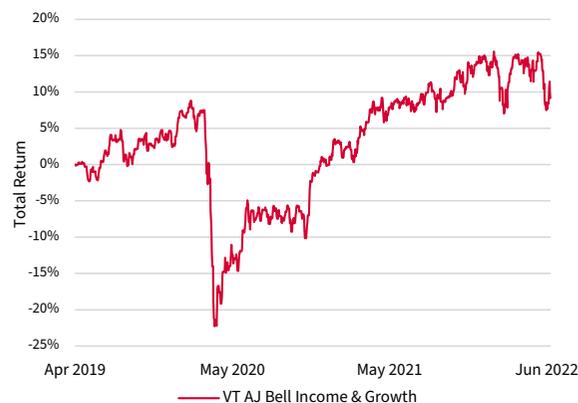
For capital markets, the effect has been weakness and volatility in both equity and bond markets. During the quarter both broadly fell, with particularly poor performance in more expensive parts of the equity market and higher risk parts of the bond market.

During the quarter, the fund returned -4.95%, but remains up +0.74% over the last twelve months. An income fund is naturally biased towards so-called value stocks, which are at the cheaper end of the stock market. This bias has helped the fund's performance, compared to growth funds that aim for similar risk characteristics.

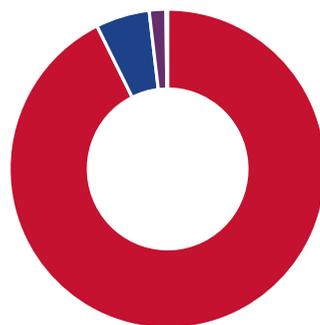
Trailing Returns (%)

Last quarter	-5.0
Year to Date	-4.2
1 Year	0.7

Historic Performance



Asset Breakdown



Shares	92.6%
Bonds	5.5%
Cash	1.7%
Other	0.2%

Shares Regional Breakdown



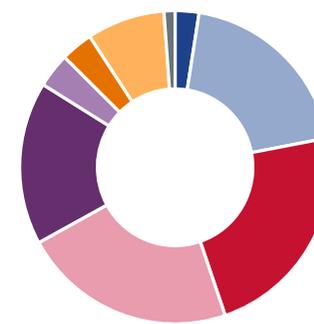
North America	29.3%
United Kingdom	22.7%
Asia Developed	10.5%
Asia Emerging	10.3%
Japan	9.5%
Europe Developed	8.7%
Latin America	9.1%

Shares Sector Breakdown



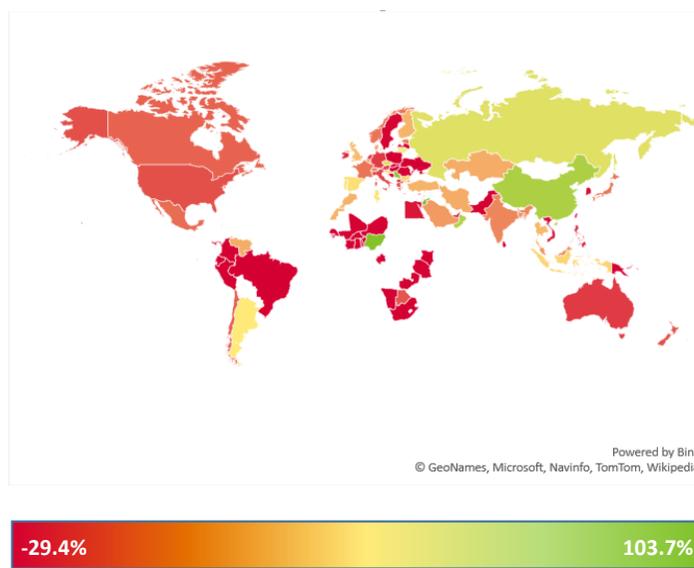
Financial Services	16.9%
Technology	11.7%
Consumer Defensive	10.6%
Industrials	8.8%
Healthcare	8.4%
Communication Services	8.2%
Consumer Cyclical	8.0%
Other	27.3%

Bond Maturity Breakdown



Less than 1 Year	2.5%
1-3 Years	19.5%
3-5 Years	22.8%
5-7 Years	22.2%
7-10 Years	16.8%
10-15 Years	3.6%
15-20 Years	3.3%
20-30 Years	8.1%
30+ Years	1.1%

Q2 2022 Stock Market Performance (in GBP)



Top 10 Holdings

	Weight (%)
Invesco S&P 500 High Dividend Low Volatility ETF	9.8
Fidelity US Quality Income ETF	9.7
iShares Core FTSE 100 ETF	9.2
Invesco FTSE Emerging Markets High Dividend Low Volatility ET	8.4
Fidelity Emerging Markets Quality Income ETF	8.4
Jupiter Japan Income	8.3
Schroder Oriental Income Trust	8.0
iShares MSCI World Quality Dividend ETF	6.4
City of London Investment Trust	6.1
Temple Bar Investment Trust	5.6

Fund Snapshot

ISIN (Distributing Class)	GB00BH3W7990
ISIN (Accumulating Class)	GB00BH3W7883
Inception Date	08/04/2019
Ongoing Charge	0.65%
Fund Size (£m)	42.32
12 Month Target Income	3.78%

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.