

VT AJ Bell Cautious Q4 2024 Report



As of 31/12/2024

Commentary

Market expectations changed in the final quarter of 2024 regarding the pace of interest rate cuts, with the consensus view that they will happen more slowly. That helped to keep cash returns at attractive levels and benefited the AJ Bell Cautious Fund, which has a large allocation to cash.

The fund also benefited from a positive performance from global corporate bonds, helped by a weaker UK currency, and from global high-yielding bonds.

While the fund has a higher weighting to cash and bonds than stocks and shares, it did well from exposure to the US stock market, which was boosted by favourable corporate earnings updates and the US presidential election result.

UK-listed property investments didn't fare as well in the quarter. The prospect of interest rates staying higher for longer weighed on market sentiment towards UK real estate. Many investors had hoped a big drop in interest rates would drive more activity in the sector, as it would be cheaper to borrow money to buy property. That catalyst might now take longer to emerge.

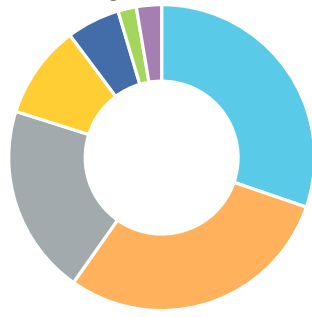
UK shares remained relatively flat as optimism following the general election started to wane as the new Government made 'difficult decisions' in its Budget regarding tax on consumers and businesses. In total, the fund delivered a negative return of 0.25% over the past quarter.

Asset Breakdown



■ Share:	23.0%
■ Bonds:	53.0%
■ Cash:	20.0%
■ Other:	4.0%

Shares Regional Breakdown



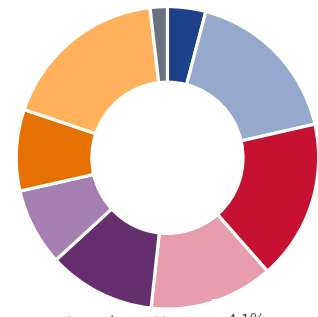
■ North America	30.2%
■ United Kingdom	29.5%
■ Japan	20.1%
■ Asia Emerging	9.9%
■ Asia Developed	5.6%
■ Africa	1.9%
■ Other	2.7%

Shares Sector Breakdown



■ Technology	17.9%
■ Financial Services	16.1%
■ Industrials	11.5%
■ Consumer Cyclical	10.7%
■ Real Estate	10.3%
■ Healthcare	8.0%
■ Communication Services	7.4%
■ Other	18.1%

Bond Maturity Breakdown

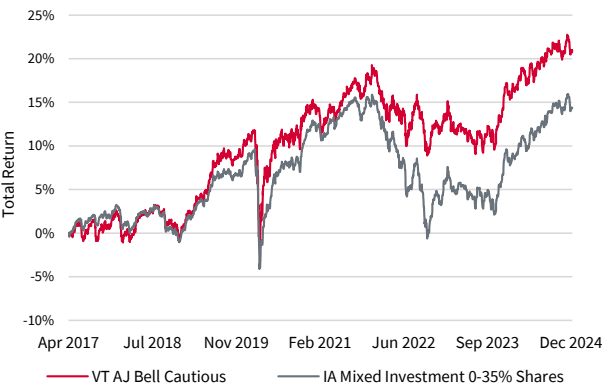


■ Less than 1 Year	4.1%
■ 1-3 Years	17.3%
■ 3-5 Years	17.1%
■ 5-7 Years	13.2%
■ 7-10 Years	11.5%
■ 10-15 Years	8.3%
■ 15-20 Years	8.7%
■ 20-30 Years	18.0%
■ 30+ Years	1.8%

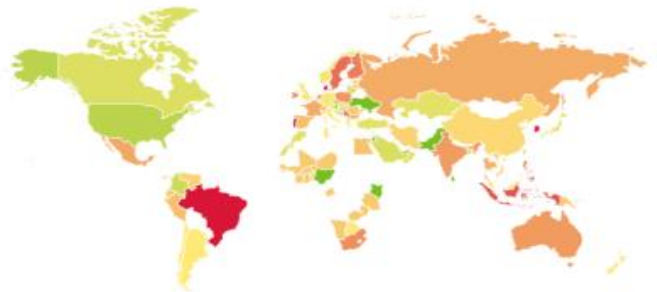
Trailing Returns (%)

Last quarter	-0.2
Year to Date	3.2
1 Year	3.2

Historic Performance



Q4 2024 Stock Market Performance (in GBP)



Top 10 Holdings

	Weight (%)
Vanguard UK Investment Grade Bond Index	16.5
Cash	15.6
iShares ESG Overseas Corporate Bond Index	7.9
SPDR S&P 500 ETF	7.4
Amundi Prime Japan ETF	5.0
BlackRock Institutional Sterling Liquidity	4.8
HSBC MSCI Emerging Markets ETF	4.8
Vanguard FTSE UK All-Share Index	4.4
State Street Global High Yield Bond Screened Index	3.2
United Kingdom of Great Britain and Northern Ireland 0.00375%	2.6

Fund Snapshot

ISIN	GB00BYW8RV97
IA Sector	IA Mixed Investment 0-35% Shares
Inception Date	18/04/2017
Ongoing Charge	0.31%
Fund Size (£m)	108.23
12 Month Yield (Reinvested)	2.32%

⚠ 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. All returns are cumulative and calculated net of ongoing fees, but not including platform costs.