

VT AJ Bell Cautious Q1 2025 Report

Commentary

The first quarter was a strong period for cash as interest rates remained relatively high across the market. This was fruitful for the AJ Bell Cautious Fund, holding approximately one quarter of its assets in cash or cash equivalents.

The fund enjoyed success with its high-yield bond holdings. These are currency hedged, which helps to smooth fluctuations in the market. By holding high-yield in the portfolio, instead of only more traditional long-dated government bonds, there is increased diversification.

About a quarter of the fund is held in equities, where the decision in January to introduce holdings in mainland Europe was well-timed. European markets performed well in the quarter thanks to positive corporate news, investors rotating out of the US into cheaper markets, and hopes of a big spending spree by the German government. The fund also benefited from exposure to the UK market and a strong run from financials at the start of the year.

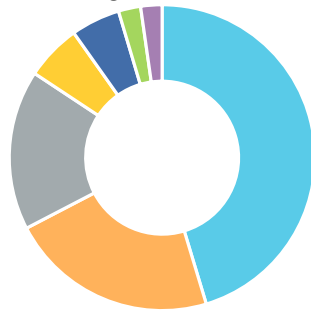
One of the key detractors to performance was exposure to North American shares, where markets were out of favour as investors worried about the impact of tariffs on the US economy. Overall, the AJ Bell fund returned -0.6% in the quarter.

Asset Breakdown



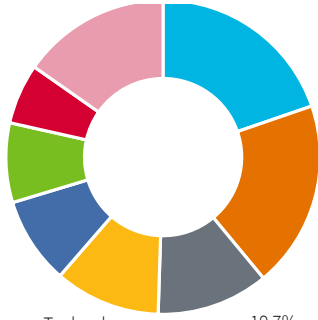
■ Share:	23.0%
■ Bonds:	53.0%
■ Cash:	20.0%
■ Other:	4.0%

Shares Regional Breakdown



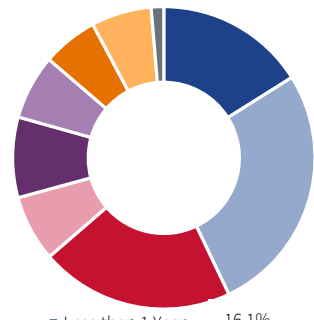
■ North America	45.3%
■ United Kingdom	22.0%
■ Europe Developed	16.9%
■ Asia Developed	5.9%
■ Asia Emerging	5.2%
■ Africa	2.3%
■ Other	2.3%

Shares Sector Breakdown



■ Technology	19.7%
■ Financial Services	19.2%
■ Industrials	11.5%
■ Healthcare	10.9%
■ Consumer Cyclical	8.9%
■ Consumer Defensive	8.2%
■ Communication Services	6.2%
■ Other	15.3%

Bond Maturity Breakdown

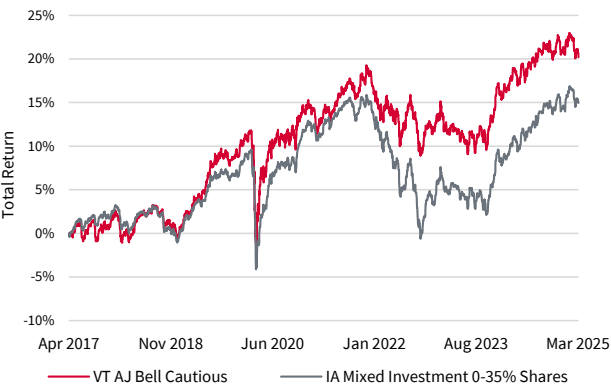


■ Less than 1 Year	16.1%
■ 1-3 Years	26.8%
■ 3-5 Years	20.8%
■ 5-7 Years	7.1%
■ 7-10 Years	8.6%
■ 10-15 Years	6.9%
■ 15-20 Years	5.9%
■ 20-30 Years	6.4%
■ 30+ Years	1.3%

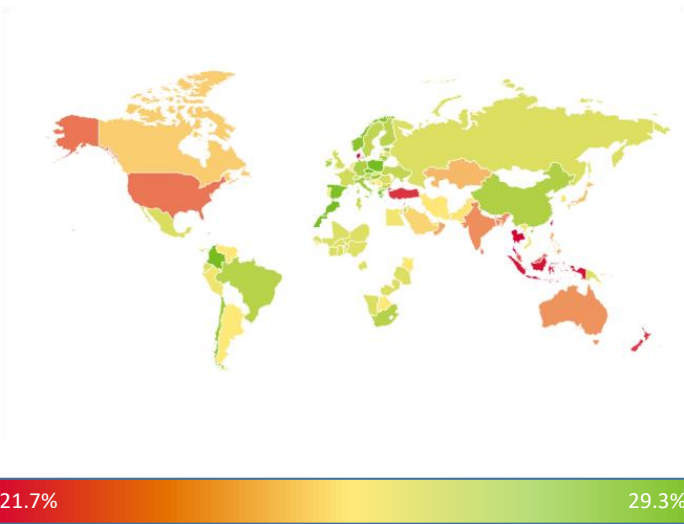
Trailing Returns (%)

Last quarter	-0.6
Year to Date	-0.6
1 Year	1.1

Historic Performance



Q1 2025 Stock Market Performance (in GBP)



Top 10 Holdings

	Weight (%)
Vanguard UK Investment Grade Bond Index	13.5
BlackRock Institutional Sterling Liquidity	11.1
iShares £ Ultrashort Bond ETF	10.1
SPDR S&P 500 ETF	9.5
Currency Forward Sell Usd Vs Gbp	6.0
State Street Emerging Markets Hard Currency Government Bonc	6.0
Cash	5.2
Vanguard FTSE Developed Europe ex UK Equity Index Plus	4.1
Vanguard FTSE UK All-Share Index	4.1
State Street Global High Yield Bond Screened Index	3.0

Fund Snapshot

ISIN	GB00BYW8RV97
IA Sector	IA Mixed Investment 0-35% Shares
Inception Date	18/04/2017
Ongoing Charge	0.31%
Fund Size (£m)	110.63
12 Month Yield (Reinvested)	1.63%

⚠ 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.