

VT AJ Bell Income Q4 2020 Report

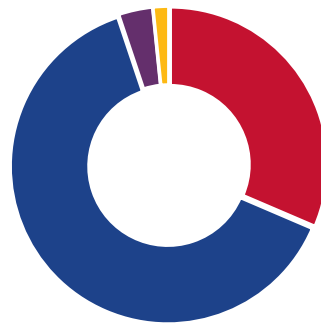
Commentary

Despite a difficult year for income seekers, the final quarter of 2020 saw a bounce-back in share prices of traditional dividend-paying stocks. By and large, these are concentrated in mature industries that have been around for a long time and have stable earnings. They have also been among the worst-affected companies during the COVID-19 lockdowns, especially in the retail and energy sectors. When the first successful vaccine trials were announced in early November 2020, there was a positive view that these companies could recover quickly.

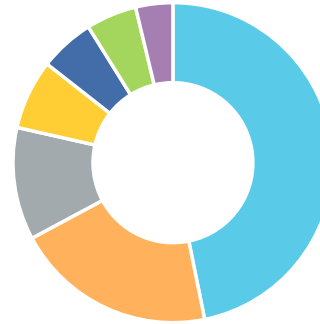
Bonds, on the other hand, have continued to give relatively flat performance. With interest rates at record lows, it has been difficult for investors to see returns above inflation here.

The Income fund is well-diversified across UK and international holdings. This diversified allocation has brought the total return across this quarter to 4.0% and the 12-month return to 1.3%.

Asset Breakdown



Shares Regional Breakdown



Shares Sector Breakdown



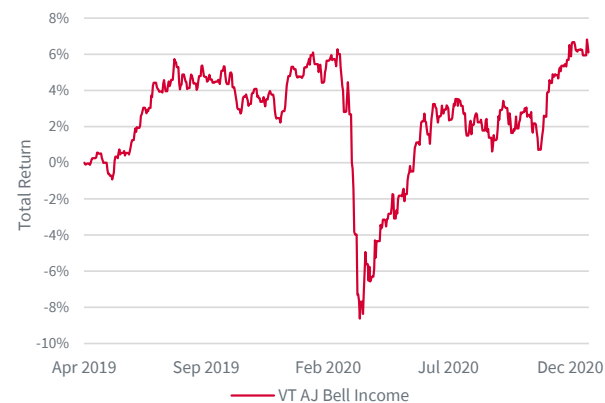
Bond Maturity Breakdown



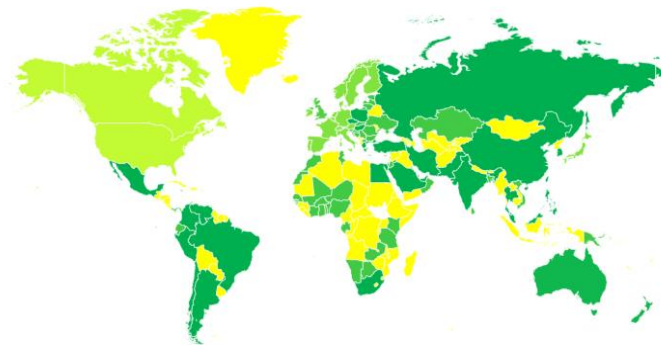
Trailing Returns (%)

| | |
|--------------|-----|
| Last quarter | 4.0 |
| Year to Date | 1.3 |
| 1 Year | 1.3 |

Historic Performance



Q4 2020 Stock Market Performance (in GBP)



Powered by Bing
© GeoNames, Microsoft, Navinfo, TomTom, Wikipedia

0.0%

13.2%

Top 10 Holdings

| | Weight (%) |
|---|------------|
| Lyxor FTSE Actuaries UK Gilts 0-5 Year ETF | 14.8 |
| iShares Core FTSE 100 ETF | 12.8 |
| Baillie Gifford High Yield Bond | 10.0 |
| TwentyFour Corporate Bond | 9.9 |
| Vanguard USD Corporate Bond ETF | 9.6 |
| iShares MSCI Europe Quality Dividend ETF | 8.4 |
| SPDR Bloomberg Barclays 0-5 Year US High Yield Bond ETF | 4.9 |
| Vanguard USD Emerging Markets Government Bond ETF | 4.9 |
| JPM Emerging Markets Income | 4.0 |
| Vanguard FTSE Asia Pacific ex-Japan ETF | 4.0 |

Fund Snapshot

| | |
|-----------------------------|--------------|
| ISIN (Distributing Class) | GB00BH3W7552 |
| ISIN (Accumulating Class) | GB00BH3W7446 |
| Inception Date | 08/04/2019 |
| Ongoing Charge | 0.74% |
| Fund Size (£m) | 14.17 |
| 12 Month Yield (Reinvested) | 3-5% |

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.