

VT AJ Bell Moderately Cautious Q4 2020 Report

Commentary

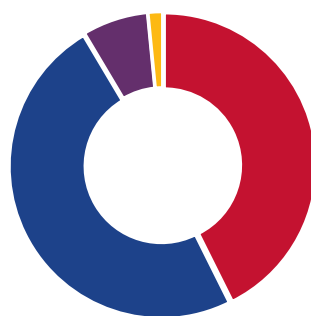
Low interest rates and unprecedented government spending have become the norm throughout the COVID-19 pandemic. This has resulted in bonds losing some of their appeal to investors. Although some riskier types of bonds have done well, it has been another fairly flat quarter for them overall.

The past three months also saw a fall in the US dollar and a climb in the pound sterling – resurgent on the back of the Christmas Eve UK-EU trade deal. This has led to many foreign holdings losing value in sterling terms.

However, the biggest impact on the global markets was the announcement of the first successful COVID-19 vaccine trials, followed by their near-immediate rollout. This has boosted share prices worldwide, including in the UK and many emerging market countries.

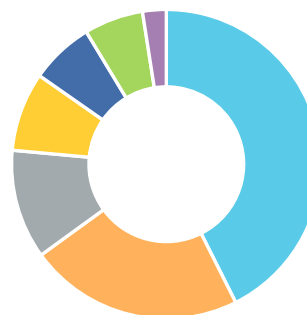
In the Moderately Cautious fund, our holdings are split between shares and bonds, as well as UK and international-based holdings. This has led to a return of 4.7% across the quarter and a 12-month return of 5.0%.

Asset Breakdown



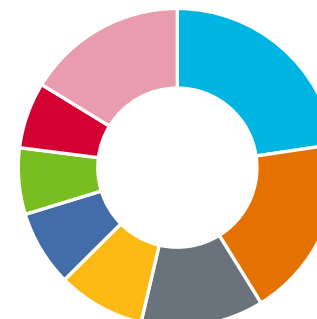
Shares	42.6%
Bonds	48.8%
Cash	7.0%
Other	1.6%

Shares Regional Breakdown



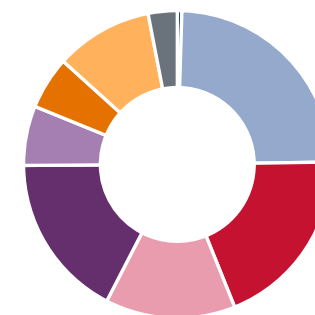
North America	42.6%
United Kingdom	22.4%
Asia Developed	11.4%
Europe Developed	8.3%
Asia Emerging	6.6%
Australasia	6.2%
Other	2.5%

Shares Sector Breakdown



Healthcare	22.7%
Consumer Defensive	18.5%
Financial Services	12.5%
Technology	8.9%
Consumer Cyclical	7.7%
Real Estate	6.7%
Industrials	6.7%
Other	16.3%

Bond Maturity Breakdown

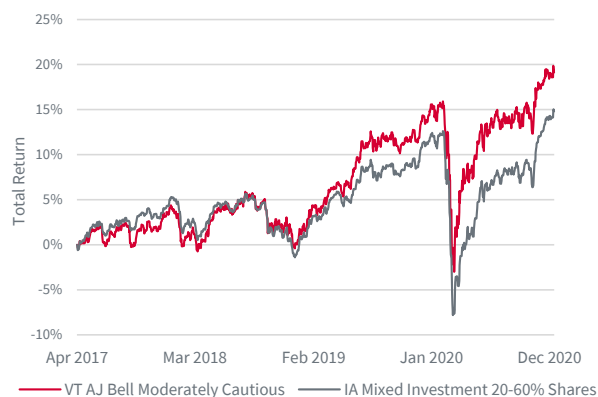


Less than 1 Year	0.5%
1-3 Years	24.3%
3-5 Years	19.2%
5-7 Years	13.7%
7-10 Years	17.3%
10-15 Years	6.3%
15-20 Years	5.5%
20-30 Years	10.3%
30+ Years	3.1%

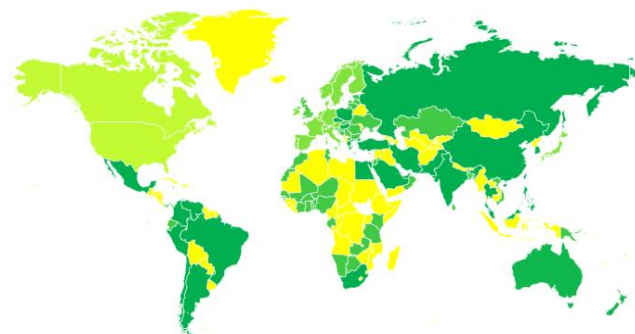
Trailing Returns (%)

Last quarter	4.7
Year to Date	5.0
1 Year	5.0

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 (%)
Invesco GBP Corporate Bond ETF	12.9
JPMorgan Global High Yield Corporate Bond Multi-Factor ETF	9.0
iShares Core FTSE 100 ETF	7.9
Invesco USD Corporate Bond £ Hedged ETF	6.9
Xtrackers MSCI US Health Care ETF	6.8
Vanguard FTSE Asia Pacific ex-Japan ETF	6.1
HSBC MSCI Emerging Markets ETF	5.0
Vanguard S&P 500 ETF	4.9
Vanguard USD Emerging Markets Government Bond ETF	4.9
Xtrackers MSCI US Consumer Staples ETF	4.9

Fund Snapshot

ISIN	GB00BYW8VJ55
IA Sector	Mixed Investment 20-60% Shares
Inception Date	18/04/2017
Ongoing Charge	0.35%
Fund Size (£m)	62.39
12 Month Yield (Reinvested)	1.76%



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.