

VT AJ Bell Income & Growth Q2 2023 Report

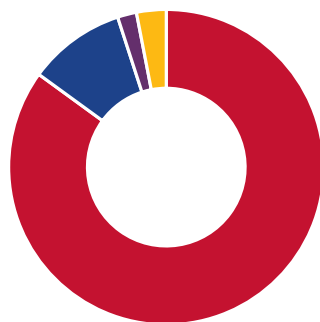
Commentary

Last quarter was a painful one for bond markets. The fund managed to navigate much of this pain, however, because its only bond allocations are to emerging market and global high yield bonds. These bonds came through relatively unscathed because of a combination of lower sensitivity to rising interest rates at a bond level, and the fact that higher income is able to offset declines in capital value.

Global stocks, by contrast, had a much better quarter, despite a notable decline in Chinese stocks as the country continues to grapple with the fallout from the pandemic and lacklustre growth. US stocks rode a wave of enthusiasm towards AI technology, although those with an income bias lagged the broader market. The fund's diversified global stock market allocation gives it a significant weighting to foreign currencies. The majority of these fell versus the pound over the quarter, acting as a drag on returns.

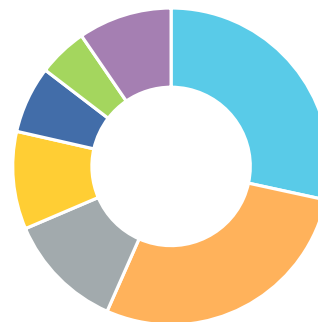
As a result, the Income & Growth fund declined 0.7% during the period.

Asset Breakdown



| | |
|--------|-------|
| Shares | 85.0% |
| Bonds | 10.0% |
| Cash | 2.0% |
| Other | 3.0% |

Shares Regional Breakdown



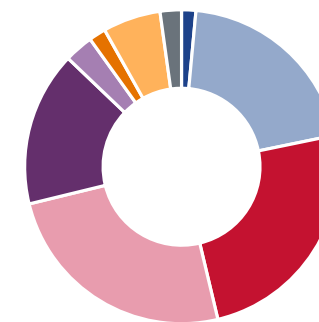
| | |
|------------------|-------|
| North America | 28.4% |
| United Kingdom | 28.2% |
| Asia Emerging | 12.0% |
| Asia Developed | 10.0% |
| Europe Developed | 6.8% |
| Japan | 5.0% |
| Africa | 9.6% |

Shares Sector Breakdown



| | |
|--------------------|-------|
| Financial Services | 17.2% |
| Technology | 12.7% |
| Consumer Defensive | 10.3% |
| Healthcare | 10.0% |
| Industrials | 9.8% |
| Consumer Cyclical | 9.4% |
| Basic Materials | 7.5% |
| Other | 23.2% |

Bond Maturity Breakdown



| | |
|------------------|-------|
| Less than 1 Year | 1.5% |
| 1-3 Years | 20.3% |
| 3-5 Years | 24.5% |
| 5-7 Years | 24.9% |
| 7-10 Years | 15.9% |
| 10-15 Years | 3.0% |
| 15-20 Years | 1.7% |
| 20-30 Years | 6.0% |
| 30+ Years | 2.2% |

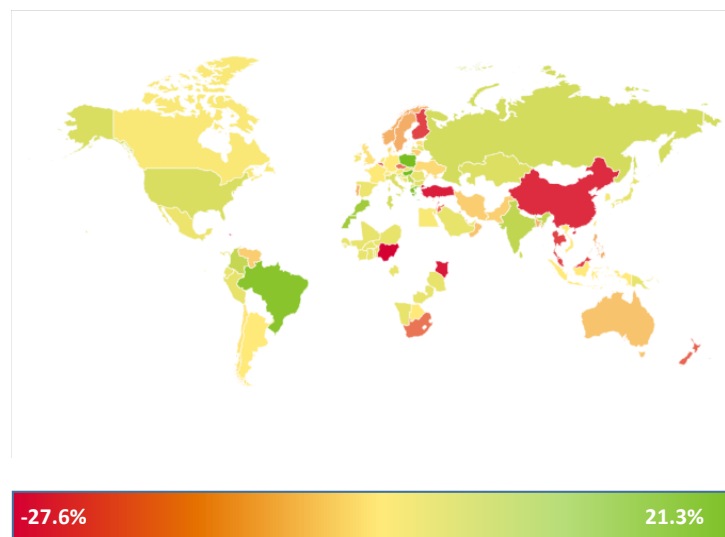
Trailing Returns (%)

| | |
|--------------|------|
| Last quarter | -0.7 |
| Year to Date | 0.9 |
| 1 Year | 4.2 |

Historic Performance



Q2 2023 Stock Market Performance (in GBP)



Top 10 Holdings

| | Weight (%) |
|---|------------|
| Fidelity Emerging Markets Quality Income ETF | 18.9 |
| iShares Core FTSE 100 ETF | 17.9 |
| Fidelity US Quality Income ETF | 9.9 |
| Invesco S&P 500 High Dividend Low Volatility ETF | 9.9 |
| iShares MSCI World Quality Dividend ETF | 8.1 |
| Vanguard FTSE UK All-Share Index | 6.2 |
| Invesco FTSE Emerging Markets High Dividend Low Volatility ET | 4.1 |
| State Street Global High Yield Bond Screened Index | 4.0 |
| Vanguard FTSE Asia Pacific ex-Japan ETF | 4.0 |
| Vanguard FTSE Japan ETF | 3.5 |

Fund Snapshot

| | |
|---------------------------|--------------|
| ISIN (Distributing Class) | GB00BH3W7990 |
| ISIN (Accumulating Class) | GB00BH3W7883 |
| Inception Date | 08/04/2019 |
| Ongoing Charge | 0.65% |
| Fund Size (£m) | 49.63 |
| 12 Month Target Income | 3.46% |

⚠ 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.