

# VT AJ Bell Cautious Q4 2019 Report

## Commentary

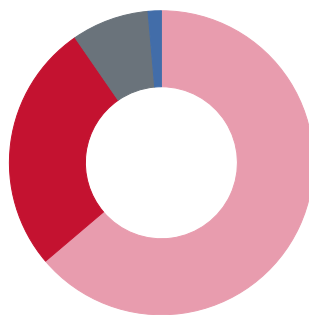
Q4 saw the Cautious fund post a total return of 0.6%. This is a more modest gain compared to AJ Bell funds higher up the risk spectrum – but to be expected given the Cautious fund's weighting towards bonds and defensive assets. Riskier assets, such as shares, had the best of the quarter, as investor confidence in the prospects for global growth returned.

For UK-based investors, the big news of the quarter was the 12 December general election, which returned Boris Johnson's Conservatives with a significant majority. Investors into the UK took this to be a positive outcome, as it brought clarity to a Parliament until then led by a minority government and riven with division and entrenchment. Indeed, the Cautious fund, which has some exposure to UK stocks, did benefit from the pop we saw post-election.

One result of the UK's clearer political situation was a stronger pound. This somewhat dampened the fund's gains from international share and bond holdings when converted back into sterling.

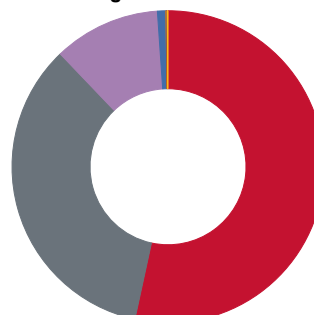
On the plus side, our ongoing tactical stance to own shorter-dated UK government bonds helped the fund, insulating it from the worst of the falls suffered by longer-dated UK government bonds over the quarter.

### Asset Breakdown



•Bonds  
•Shares  
•Cash  
•Other

### Shares Regional Breakdown



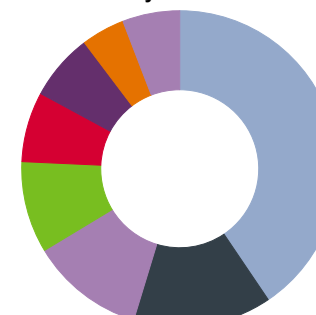
•North America  
•United Kingdom  
•Japan  
•Europe Developed  
•Asia Emerging  
•Europe Emerging  
•Other

### Shares Sector Breakdown



•Healthcare  
•Consumer Defensive  
•Real Estate  
•Financial Services  
•Industrials  
•Consumer Cyclical  
•Technology  
•Other

### Bond Maturity Breakdown



%  
•1-3 Yr  
•3-5 Yr  
•5-7 Yr  
•7-10 Yr  
•20-30 Yr  
•183-364 Day  
•10-15 Yr  
•Other

## Trailing Returns (%)

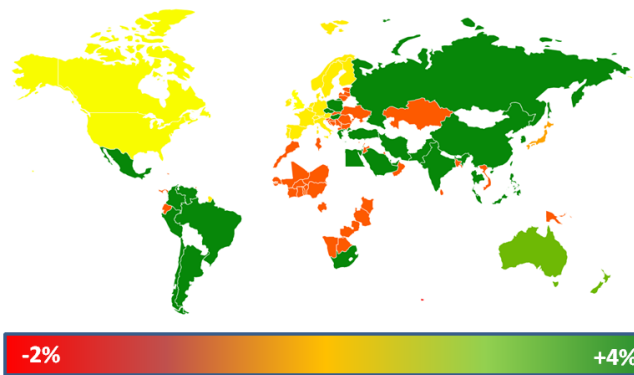
Last Quarter	0.6
Year to Date	10.3
1 Year	10.3

## Historic Performance



—VT AJ Bell Passive Cautious I Acc —IA Mixed Investment 0-35% Shares

## Q4 Stock Market Performance



## Top 10 Holdings

	Weight %
iShares Core £ Corp Bond ETF GBP Dist	12.9
UK Gilt 0.50% Jul 2022	10.5
Invesco USD Corporate Bond ETF GBP Hdg	9.0
iShares Global HY Corp Bd ETF GBP H Dist	9.0
ILF GBP Liquidity 3	7.8
Xtrackers MSCI USA Health Care ETF 1D	6.0
Vanguard USD EmktsGovBd UCITS ETF	6.0
iShares Core FTSE 100 ETF GBP Dist	5.0
Xtrackers MSCI USA Consumer Stp ETF 1D	5.0
UK Gilt 1.50% Jan 2021	4.5

## Fund Snapshot

ISIN	GB00BYW8RV97
IA Sector	Mixed Investment 0-35% Shares
Inception Date	18/04/2017
Ongoing Charge	0.35
Fund Size - £ mill	22.35
12 Month Yield (Reinvested)	2.08

Note: The value of your 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 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.