

AB Core Plus Cautious Balanced

Data as at 31 August 2024

Investment Objectives

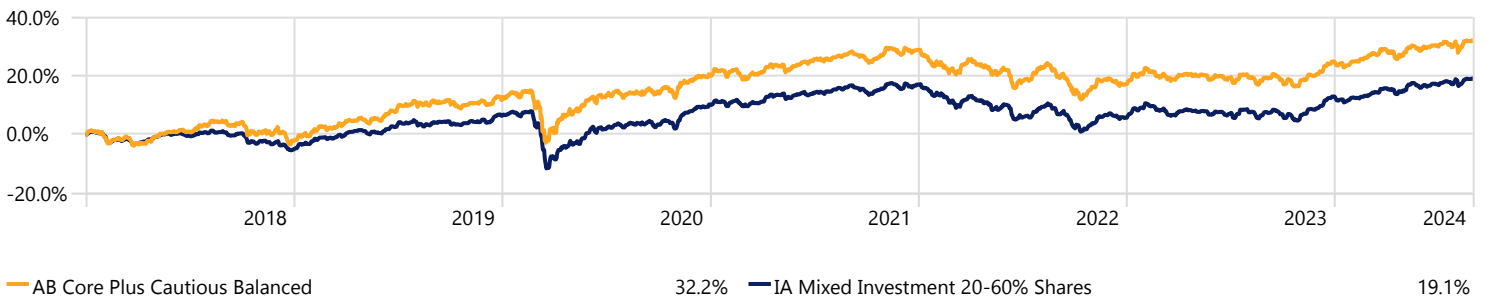
The portfolio aims to provide capital growth over the medium to long term, keeping within the prescribed volatility limits whilst investing in low-cost ETFs or Index funds, physically invested and with a low tracking error. The portfolio aims to provide capital growth over the medium to long term, keeping within the prescribed volatility limits whilst investing in low-cost ETFs or Index funds, physically invested and with a low tracking error.

Key Facts

Launch Date	01 January 2018
Base Currency	Pound Sterling
Comparator Benchmark	IA Mixed Investment 20-60%
Model Portfolio Service Charge (No VAT Charged)	0.25%
Underlying Fund Costs	0.34%
Total Portfolio Cost	0.59%

Investment Growth

Time Period: 01/01/2018 to 31/08/2024



Performance Summary

As at 31 August 2024	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception	YTD	2023	2022	2021	2020
AB Core Plus Cautious Balanced	2.71	4.54	10.64	3.55	18.92	32.15	5.80	6.64	-9.07	7.29	7.42
IA Mixed Investment 20-60% Share:	2.72	5.34	10.77	2.44	14.80	19.11	5.47	6.86	-9.67	6.31	3.49

Performance data should be reviewed alongside the important risk information on page 2.

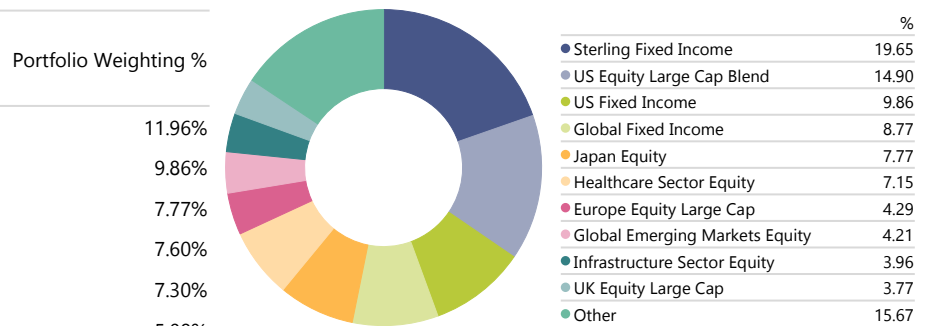
Top 10 Holdings

Portfolio Date: 31/08/2024

Portfolio Holding	Portfolio Weighting %
Royal London Short Duration Gilts M Inc	11.96%
Vanguard U.S. Govt Bd Idx £ H Acc	9.86%
Vanguard Jpn Stk Idx £ Acc	7.77%
Fidelity Index US P GBP Acc H	7.60%
iShares North American Eq Idx (UK) D Acc	7.30%
Schroder Global Healthcare Z Acc	5.08%
Man GLG High Yield Opports Prof Acc C	4.76%
Vanguard FTSE Dev €pe ex-UK Eq Idx £ Acc	4.29%
Vanguard Em Mkts Stk Idx £ Acc	4.21%
Vanguard FTSE UK All Shr Idx Unit Tr£Acc	2.79%

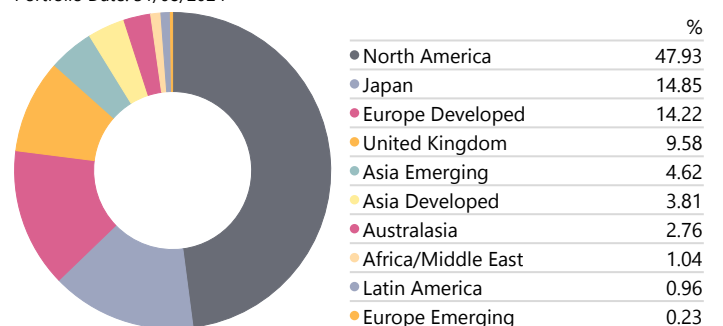
Asset Allocation

Portfolio Date: 31/08/2024



Equity Regional Exposure

Portfolio Date: 31/08/2024



Manager Commentary

In August, equity market's realised volatility, measured by the VIX Index, surged to its highest levels since the pandemic and 2008 banking crisis before returning to normal. This was driven by Japanese carry trade unwind coupled with economic uncertainty, interest rate concerns, and geopolitical risks, potentially signalling investor caution and impacting broader market stability.

Japan's recent economic resurgence has been driven by policy shifts allowing bond yields to rise and inflation to remain controlled, while a weakened Yen boosted exports and stock market rallies. The Yen's devaluation also revived the carry trade, where investors borrow cheaply and reinvest in higher-yield assets. However, the Bank of Japan's rate hike in August reduced the carry trade's profitability, triggering brief market volatility, amplified by weak U.S. economic data. Volatility eased after reassurances from Japan's central bank.

The US job market has started to soften despite assurances of a soft landing. The U.S. continues to provide fiscal support through the Reverse Repo and Treasury General Account, increasing liquidity and driving markets, with money supply growing from -4.50% to +1.26%. Corporate earnings rose 9%, and despite weaker jobs data, consumer sentiment remains positive. Short-duration treasuries benefited from rate-cut expectations, while the U.S. dollar has weakened, spurring optimism for global lending and emerging market recovery. Meanwhile, China faces economic challenges with weaker retail sales, overcapacity, and tariff-related export issues, but stimulus and technology investments, including AI, could help offset these difficulties, especially as it pivots exports to Asia and Africa.

Europe has benefited from lower interest rates, though Germany's manufacturing sector is underperforming. Large European companies with global exposure remain profitable, but the Eurozone is economically weaker than in past years. In the UK, rising public sector wages have increased borrowing, with tougher fiscal measures expected. UK GDP is strong compared to peers, and equities are up 12% over the year.

Healthcare sector and long-duration bonds posted gains, while American Special Situations and Mid-Cap funds had negative returns this month. Geopolitical concerns remain, but market volatility has normalised, with a weaker dollar supporting portfolio performance. Heading into autumn, we expect lower interest rates, increased liquidity, and a decisive U.S. Presidential election outcome. We remain cautiously optimistic as we approach the high impact event window of the US elections.

Platform Availability



Important Information

Alpha Beta Partners is a trading name of AB Investment Solutions Limited, which is registered in England (no. 09138865), and authorised and regulated by the Financial Conduct Authority. Alpha Beta Partners Limited is the parent company of AB Investment Solutions Limited, registered in England and Wales (no. 10963905). The registered office for both entities is Northgate House, Upper Borough Walls, Bath, BA1 1RG.

Alpha Beta Partners use all reasonable skill and care when compiling the information in this communication and in ensuring its accuracy, but no assurances or warranties are given. You should not rely upon the information in this communication in making investment decisions. Nothing in this communication constitutes advice or personal recommendation.

Past performance is not a guide to future return and may not be repeated. Investment involves risk. The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested. The performance figures are calculated in Morningstar Direct based on a standard model and may not reflect the performance of individual customer portfolios. The calculation includes all underlying fund charges and model portfolio service fees. The platform, wrapper and advice fees are excluded.

Financial advisers can find further information at www.alphabetapartners.co.uk or via telephone at 020 8152 5120. We ask clients to please go to their financial adviser with any queries or information requests.

If you would like this document in large print or in another format, please contact us.