

**AB Core Plus Adventurous**

Data as at 31 August 2024

**Investment Objectives**

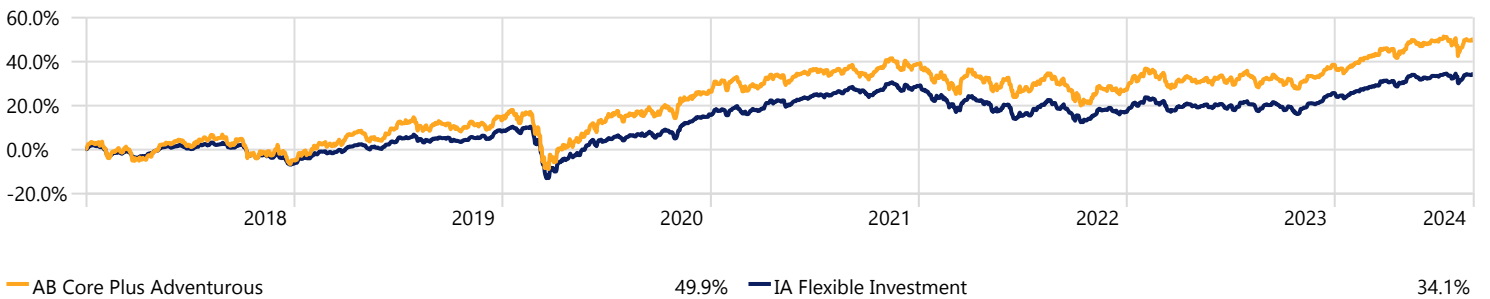
The portfolio aims to provide capital growth over the medium to long term, keeping within the prescribed volatility limits whilst investing in low-cost ETFs or Index funds, physically invested and with a low tracking error. The portfolio aims to provide capital growth over the medium to long term, keeping 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 Flexible     |
| Model Portfolio Service Charge (No VAT Charged) | 0.25%           |
| Underlying Fund Costs                           | 0.35%           |
| Total Portfolio Cost                            | 0.60%           |

**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 Adventurous | 2.10    | 5.95    | 13.74  | 9.50   | 35.59  | 49.92           | 8.36 | 8.97 | -8.46 | 10.02 | 11.51 |
| IA Flexible Investment   | 1.88    | 5.09    | 11.79  | 5.35   | 28.63  | 34.07           | 6.85 | 7.31 | -9.13 | 11.38 | 7.01  |

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

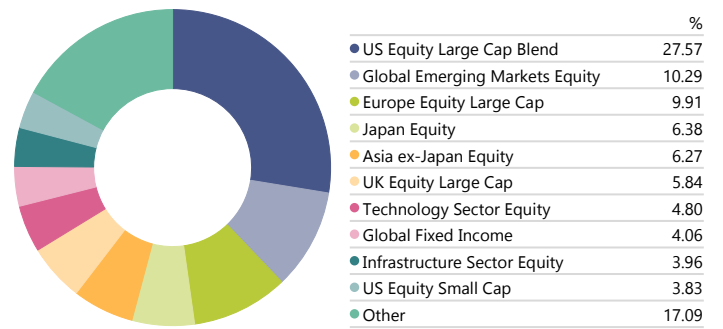
**Top 10 Holdings**

Portfolio Date: 31/08/2024

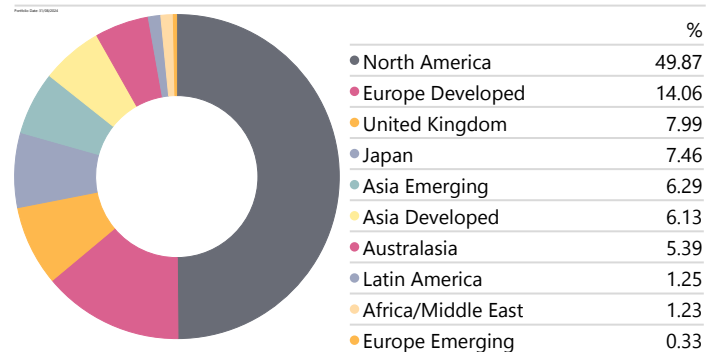
| Portfolio Weighting %                    |        |
|--|--------|
| Fidelity Index US P GBP Acc H            | 14.06% |
| iShares North American Eq Idx (UK) D Acc | 13.51% |
| Vanguard FTSE Dev Epe ex-UK Eq Idx E Acc | 9.91%  |
| Vanguard Jpn Stk Idx E Acc               | 6.38%  |
| Vanguard Pac exJpn Stk Idx E Acc         | 6.27%  |
| Vanguard Em Mkts Stk Idx E Acc           | 6.12%  |
| Fidelity Index Emerging Markets P Acc    | 4.17%  |
| Vanguard FTSE UK All Shr Idx Unit TrEAcc | 3.87%  |
| VT De Lisle America B GBP                | 3.83%  |
| Fidelity American Special Sits W Acc     | 2.97%  |

**Asset Allocation**

Portfolio Date: 31/08/2024



**Equity Regional Exposure**



## 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

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