alpha beta partners

Alpha Beta Balanced Income

Data as at 31 August 2025

Investment Objectives

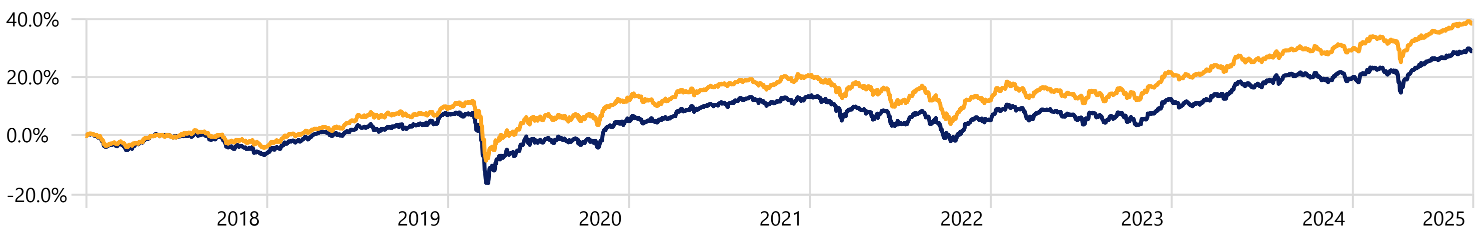
The Portfolio's investment objective is to achieve a combination of moderate income yield and capital appreciation by deploying a globally focused, multi-asset strategy. The Portfolio gains this exposure through collective investment schemes and EFTs where required.

Key Facts

Launch Date	01 January 2018
Base Currency	Pound Sterling
12 Mo Yield	4.88
Comparator Benchmark	Balanced Income Composite Benchmark
Model Portfolio Service Charge (No VAT Charged)	0.25%
Underlying Fund Costs	0.56%
Total Portfolio Cost	0.81%

Investment Growth

Time Period: 01/01/2018 to 31/08/2025



Alpha Beta Balanced Income	38.3%
Balanced Income Composite Benchmark	28.8%

Performance Summary

As at 31 August 2025	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception	YTD	2024	2023	2022	2021
Alpha Beta Balanced Income	2.91	3.49	6.60	22.49	31.14	38.32	6.87	6.36	8.64	-6.95	7.32
Balanced Income Composite Benchmark	2.79	4.66	6.33	22.77	31.37	28.85	7.59	6.46	6.91	-7.06	7.92

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

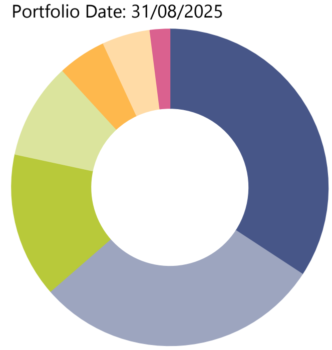
Top Holdings

Portfolio Date: 31/08/2025

	Portfolio Weighting %
BNY Mellon Global Income Inst W Inc	7.39%
Fidelity Global Enhanced Income W Inc	7.38%
Artemis Income I Inc	5.88%
Royal London UK Equity Income M	5.87%
Vanguard FTSE 100 Idx Unit Tr £ Inc	5.87%
HSBC UK Gilt Index C Inc	5.86%
JOHCM UK Equity Income A GBP Acc	5.82%
M&G Emerging Markets Bond GBP I Inc	4.92%
Schroder High Yield Opportunities Z Inc	4.92%
RLBF II Royal London Shrt Dur Crdt M Inc	4.90%

Asset Allocation

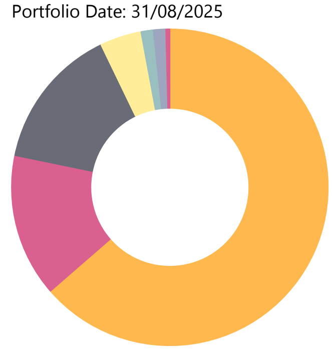
Portfolio Date: 31/08/2025



	%
Sterling Fixed Income	34.23
UK Equity Large Cap	29.37
Global Equity Large Cap	14.76
Global Fixed Income	9.81
Emerging Markets Fixed Income	4.92
Infrastructure Sector Equity	4.89
Cash	2.00

Equity Regional Exposure

Portfolio Date: 31/08/2025



	%
United Kingdom	63.61
Europe Developed	14.63
North America	14.60
Asia Developed	4.24
Asia Emerging	1.26
Japan	0.82
Latin America	0.44
Australasia	0.40
Africa/Middle East	0.00
Europe Emerging	0.00

Source: Morningstar Direct

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Data as at 31 August 2025

Manager Commentary

August is often the quietest month of the year, yet 2025 remains far from typical.

US Producer Price Inflation rose 3.3%, the sharpest monthly increase since March 2022, underscoring persistent inflation. Equities moved higher, with the S&P 500 gaining 1.9% and the Nasdaq led by Meta, Alphabet, and Amazon. However, the Dow lagged, reflecting concerns over tariffs, labour weakness, and Federal Reserve policy.

At Jackson Hole, Federal Reserve Chair Jerome Powell remarked: "The balance of risks appears to be shifting." Markets interpreted this as the Fed being more concerned about slowing job growth than inflation. Indeed, jobs data softened, while the Fed's preferred inflation gauge rose to 2.9%. Bond markets proved cautious, pricing political pressure on the Fed, rising government debt, inflation, and geopolitical tensions. Yields on longer-dated government bonds climbed, signalling unease and continuation of the current deficit spending policy. Gold, meanwhile, hit fresh all-time highs, buoyed by ongoing inflation concerns.

Tariffs raised $31bn in August but remain contested, pending a Supreme Court ruling. Though designed to offset spending in the "One Big Beautiful Bill Act", they are a consumption tax.

US equity valuations appear stretched on CAPE and PE multiples. Real assets, liquid alternatives, and precious metals continue to offer attractive long-term opportunities.

In the UK, Chancellor Reeves hailed stronger Q2 GDP of 1.2% annualised, though the figure was flattered by higher government spending as consumption, trade, and investment weakened. Debt concerns remain acute, with interest costs rising twice as fast as GDP, a dynamic historically negative for sterling. Despite these headwinds, the FTSE 100 climbed to a record, up 12.5% year-to-date, supported by energy and financials. Inflation edged up to 3.6%, and the Bank of England cut rates from 4.25% to 4.0% on 7 August.

Across the Eurozone, equities struggled to maintain momentum. The EURO STOXX 50 fell 0.76% in August to 5,352, though still up 7.9% year-on-year. Rising long-dated yields in Germany and France weighed on banks such as Santander and ING, while political tensions in France added volatility.

In August, Chinese equities surged to multi-year highs, with the CSI 300 up 22% from April lows and the Shanghai Composite advancing 6.7%. Retail investors, reallocating record savings from low-yield deposits, drove much of the rally. Japan also performed strongly, with the Nikkei 225 rising 4.0% on robust earnings, yen weakness, and easing trade tensions.

We made no portfolio changes, remaining positioned in short-dated bonds, selective hedging, and alert to seasonal pullbacks as year-end approaches.

Platform Availability

abrdn	AEGON	AJBell	AVIVA	Fidelity International
Fundment	Invinitive	M&G wealth	novia global	nucleus
Parmenion	Quilter	Scottish Widows	transact take control	wealthtime

Important Information

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.

Source: Morningstar Direct