Alpha Beta PARTNERS

defaqto DFM MPS on Platform 2024 EXPERT RATED
defaqto DFM MPS (Platform) Family 2024 EXPERT RATED
RISK RATING 6 defaqto

AB4 Core

Data as at 31 August 2024

Investment Objectives

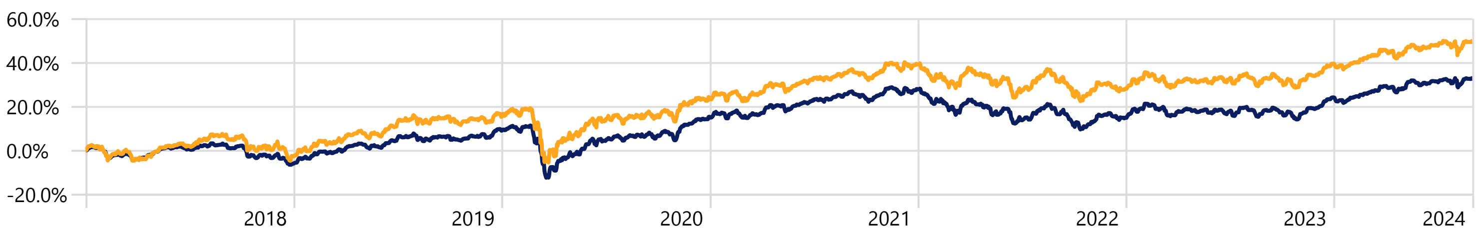
The portfolio aims to provide capital growth over the medium to long term, keeping within the prescribed volatility limits whilst investing in low-cost ETFs or Index funds, physically invested and with a low tracking error. The portfolio aims to provide capital growth over the medium to long term, keeping 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
Defaqto Risk Rating	6
Comparator Benchmark	IA Mixed Investment 40-85%
Model Portfolio Service Charge (No VAT Charged)	0.20%
Underlying Fund Costs	0.25%
Total Portfolio Cost	0.45%

Investment Growth

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



Alpha Beta AB4 Core	49.8%
IA Mixed Investment 40-85% Shares	32.9%

Performance Summary

As at 31 August 2024	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception	YTD	2023	2022	2021	2020
Alpha Beta AB4 Core	2.76	5.40	12.84	10.26	31.28	49.79	7.38	8.99	-8.00	12.95	6.92
IA Mixed Investment 40-85% Shares	2.49	5.67	12.51	5.51	25.99	32.86	7.08	8.10	-10.18	11.22	5.50

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

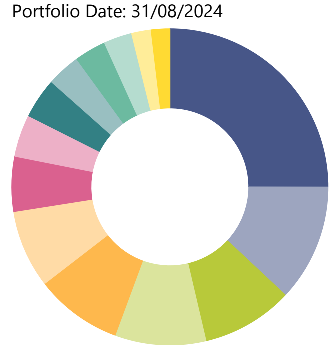
Top 10 Holdings

Portfolio Date: 31/08/2024

	Portfolio Weighting %
Fidelity Index US P GBP Acc H	12.77%
iShares North American Eq Idx (UK) D Acc	12.26%
Vanguard Jpn Stk Idx £ Acc	9.35%
Vanguard FTSE Dev €pe ex-UK Eq Idx £ Acc	9.30%
Man GLG High Yield Opports Profl Acc C	5.80%
Vanguard U.S. Govt Bd Idx £ H Acc	5.61%
Vanguard FTSE UK All Shr Idx Unit Tr£Acc	4.32%
Vanguard Pac exJpn Stk Idx £ Acc	4.12%
Royal London Short Duration Gilts M Inc	4.02%
Vanguard Em Mkts Stk Idx £ Acc	3.99%

Asset Allocation

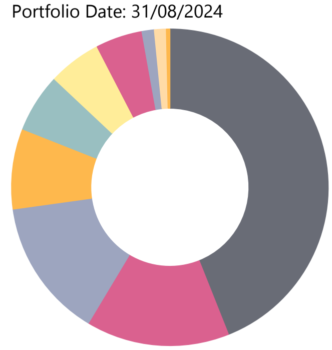
Portfolio Date: 31/08/2024



	%
US Equity Large Cap Blend	25.03
Sterling Fixed Income	11.96
Japan Equity	9.35
Europe Equity Large Cap	9.30
Global Fixed Income	8.90
Global Emerging Markets Equity	7.96
US Fixed Income	5.61
UK Equity Large Cap	4.32
Asia ex-Japan Equity	4.12
Commodities Broad Basket	3.44
Infrastructure Sector Equity	3.23
US Equity Small Cap	2.89
Unclassified	2.00
UK Equity Mid/Small Cap	1.89

Equity Regional Exposure

Portfolio Date: 31/08/2024



	%
North America	43.97
Europe Developed	14.64
Japan	14.19
United Kingdom	8.20
Asia Emerging	6.00
Asia Developed	5.41
Australasia	4.78
Latin America	1.26
Africa/Middle East	1.22
Europe Emerging	0.35

Source: Morningstar Direct

Alpha Beta PARTNERS

Data as at 31 August 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.

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

abrdn, AEGON, AVIVA, Fundment, FundsNetwork, 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