

# Alpha Beta AB1X Portfolio Factsheet

Monthly Factsheet

February 2019



## Investment Objectives

Our objective is to outperform UK RPI + benchmark over the medium to long term, keeping within the prescribed volatility limits whilst investing in low cost ETFs or Index funds for the core and active funds for satellite positions.

To achieve the Investment Objectives we deploy quantitative and qualitative techniques and extensive research that shape our macro economic and thematic views.

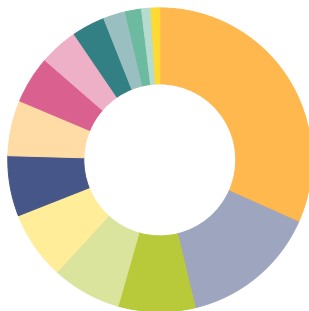
## Risk

Time Period: 01/03/2018 to 28/02/2019 Calculation Benchmark: IA OE Mixed Investment 0-35% Shares

	Value at Risk	Std Dev
Alpha Beta AB1x	3.27	5.44
IA OE Mixed Investment 0-35% Shares	2.29	3.48
RPI UK +1%	0.75	1.56

## Overall Asset Allocation

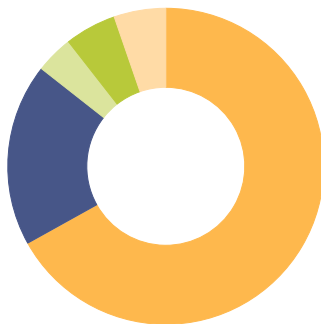
Portfolio Date: 28/02/2019



	%
GBP Government Bond	31.7
US Large-Cap Blend Equity	14.6
Sector Equity Infrastructure	8.2
Sector Equity Healthcare	7.4
Cash	7.2
UK Large-Cap Equity	6.4
GBP Corporate Bond	5.9
Japan Large-Cap Equity	5.0
GBP Moderately Cautious Allocation	4.1
GBP High Yield Bond	3.5
Global Flexible Bond-GBP Hedged	2.4
Europe ex-UK Large-Cap Equity	1.7
Pacific ex-Japan Equity	1.0
Global Emerging Markets Equity	0.9
<b>Total</b>	<b>100.0</b>

## Fixed Income Only Exposure

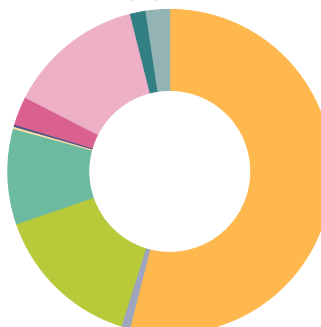
Portfolio Date: 28/02/2019



	%
Government	66.9
Municipal	0.0
Corporate	18.7
Securitized	3.9
Cash & Equivalents	5.3
Derivative	5.3
<b>Total</b>	<b>100.0</b>

## Equity Only Exposure

Portfolio Date: 28/02/2019

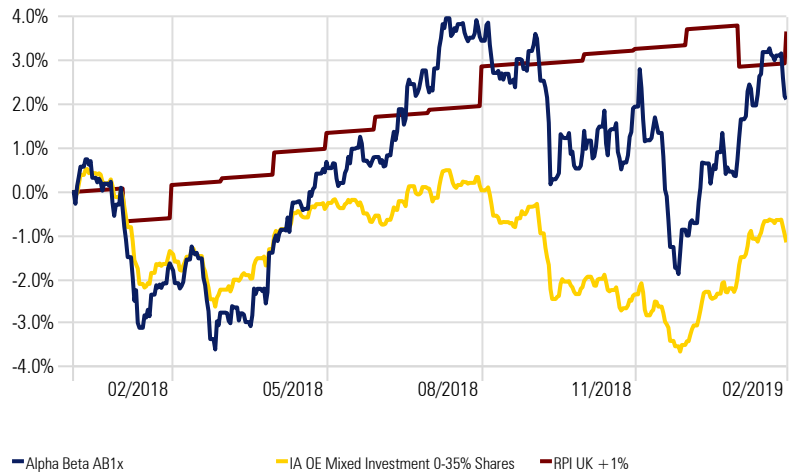


	%
North America	54.0
Latin America	0.9
United Kingdom	14.9
Europe dev	9.5
Europe emrg	0.2
Africa/Middle East	0.2
Australasia	2.9
Japan	13.5
Asia dev	1.6
Asia emrg	2.4
<b>Total</b>	<b>100.0</b>

Source: Morningstar Direct

## Investment Growth

Time Period: 01/01/2018 to 28/02/2019



## Calendar Year Returns

Data Point: Return Calculation Benchmark: IA OE Mixed Investment 0-35% Shares

	Jan/Feb 2019	2018	2017	2016	2015
Alpha Beta AB1x	3.14	-0.99	—	—	—
IA OE Mixed Investment 0-35% Shares	2.34	-3.41	5.01	9.06	0.85
RPI UK +1%	-0.05	3.72	5.16	3.52	2.22

## Snapshot

Base Currency	Pound Sterling
Turnover Ratio %	—
12 Mo Yield	1.68%
Ongoing Charge	0.32%
Management Fee (excl. VAT)	0.20%
Total Product Cost	0.52%

## Top 10 Holdings

Portfolio Date: 28/02/2019

	Portfolio Weighting %	KIID Ongoing Charge
Royal London Short Duration Gilts M Inc	25.63	0.26
iShares North American Eq Idx (UK) D Acc	10.23	0.08
First State Gbl Lstd Infrs B Acc GBP	8.17	0.78
Schroder Global Healthcare Z Acc	7.39	0.92
CASH	7.20	—
Vanguard FTSE U.K. All Shr Idx UT Acc	6.43	0.08
Vanguard Japan Stock Index GBP Acc	5.04	0.23
Vanguard US Equity Index Acc	4.32	0.10
Fidelity Mlt Asst Allctr Defesv Y Acc	4.10	0.25
Vanguard UK Govt Bd Idx GBP Acc	3.81	0.15
	<b>82.32</b>	

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# Alpha Beta PARTNERS

### Manager's Commentary

Geo-political developments remained a major theme in Q4 2018 along with the increase in US interest rates and increasing concerns about the health of the global economy. Major stock indices ended the year in red. UK equities were not immune to the impact of global issues.

Thin trading volumes and Fed induced nervousness led to an increase in volatility over the festive period with investors reducing risk to some extent and taking cover in Treasuries and cash.

US fundamental data for Q4 pointed to a healthy economy, however, forward guidance by major US companies and labour cuts point to headwinds ahead. China's fundamental data for Q4 pointed to a slowing economy and with the US-China Trade war now impacting on both countries, we expect a deal to emerge shortly.

We believe the UK equity market is now relatively undervalued and offering good long-term value and expect UK equities to outperform once Brexit uncertainly is removed.

We have, therefore, increased our UK equity exposure this month as well as marginally raising our weightings in cash and medium-to-long term bonds.

### Manager Biography



**Shahid Chaudhri**  
Chief Investment Officer

Shahid had over 30+ years experience in Goldman Sachs, Salomon Brothers, Natwest as Head of Quants, Head of Client Solutions, Head of Investments for a Central Bank and as a CIO for Capita Plc.



**Asim Javed, CFA**  
Quant Investment Manager

Asim has over 10+ years experience in the financial services sector with roles in fund accounting, consulting, and quantitative investment risk. Holds a CFA Charter and is also a qualified accountant. Previously he worked as a Senior Manager Risk, specialising in Investment and quantitative investment risk.

### Platform Partners



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