

# Alpha Beta AB5 Portfolio Factsheet

Monthly Factsheet

February 2019



## Investment Objectives

Our objective is to outperform UK RPI 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.

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

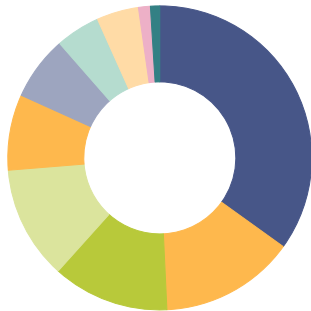
## Risk

Time Period: 01/03/2018 to 28/02/2019 Calculation Benchmark: IA OE Mixed Investment 40-85% Shares

	Value at Risk	Std Dev
Alpha Beta AB 5	7.29	11.63
IA OE Mixed Investment 40-85% Shares	5.83	8.94
RPI UK +4%	0.51	1.55

## Overall Asset Allocation

Portfolio Date: 28/02/2019



	%
US Large-Cap Blend Equity	34.9
Europe ex-UK Large-Cap Equity	14.3
Pacific ex-Japan Equity	12.4
Japan Large-Cap Equity	12.1
UK Large-Cap Equity	8.0
Global Emerging Markets Equity	6.8
Cash	4.7
Sector Equity Infrastructure	4.5
GBP High Yield Bond	1.3
GBP Government Bond	1.0
<b>Total</b>	<b>100.0</b>

## Fixed Income Only Exposure

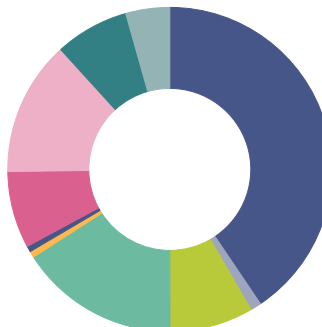
Portfolio Date: 28/02/2019



	%
Government	35.6
Municipal	0.0
Corporate	42.7
Securitized	0.0
Cash & Equivalents	21.5
Derivative	0.1
<b>Total</b>	<b>100.0</b>

## Equity Only Exposure

Portfolio Date: 28/02/2019

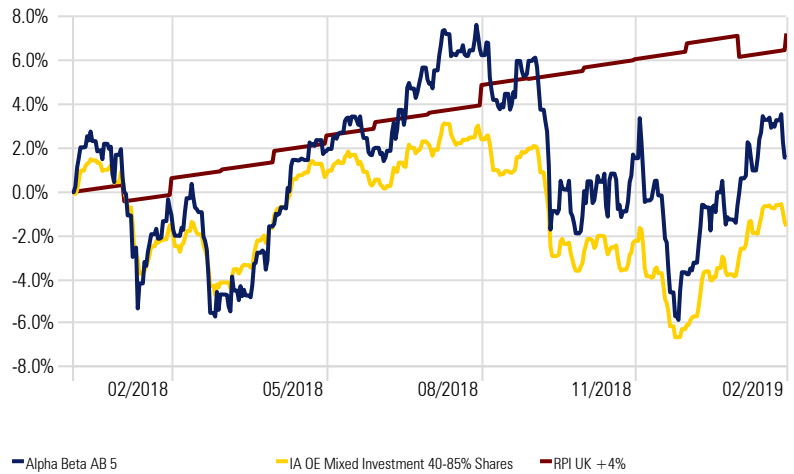


	%
North America	40.6
Latin America	1.1
United Kingdom	8.3
Europe dev	15.9
Europe emrg	0.6
Africa/Middle East	0.6
Australasia	7.7
Japan	13.5
Asia dev	7.4
Asia emrg	4.4
<b>Total</b>	<b>100.0</b>

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 40-85% Shares

	Jan/Feb 2019	2018	2017	2016	2015
Alpha Beta AB 5	5.55	-3.76	—	—	—
IA OE Mixed Investment 40-85% Shares	4.80	-6.07	10.05	13.28	2.83
RPI UK +4%	0.42	6.80	8.28	6.60	5.25

## Snapshot

Base Currency	Pound Sterling
Turnover Ratio %	—
12 Mo Yield	2.30%
Ongoing Charge	0.18%
Management Fee (excl. VAT)	0.20%
Total Product Cost	0.38%

## Top 10 Holdings

Portfolio Date: 28/02/2019

	Portfolio Weighting %	KIID Ongoing Charge
iShares North American Eq Idx (UK) D Acc	17.87	0.08
Vanguard US Equity Index Acc	17.04	0.10
Vanguard FTSE Dev Eurp ex UK Eq Idx Acc	14.34	0.12
Vanguard Pac ex-Jpn Stk Idx GBP Acc	12.40	0.23
Vanguard Japan Stock Index GBP Acc	12.05	0.23
Vanguard FTSE U.K. All Shr Idx UT Acc	8.05	0.08
Vanguard Emerg Mkts Stk Idx GBP Acc	6.80	0.27
CASH	4.72	—
First State Gbl Lstd Infrs B Acc GBP	4.47	0.78
Baillie Gifford High Yield Bond B Acc	1.26	0.38
	<b>99.01</b>	

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# Alpha Beta

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### 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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