

AJ Bell Funds

Income Funds quartely report Q1 2025

As at 31 March 2025

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VT AJ Bell Income Fund

VT AJ Bell Income & Growth Fund

VT AJ Bell Income Q1 2025 Report

Commentary

The first three months of the year proved to be a positive period for high yield investments, whilst emerging market debt was relatively flat. Over a quarter of the AJ Bell Income Fund is allocated to fixed income and it has benefited by diversifying away from long-dated government bonds to include more high-yield corporate bonds.

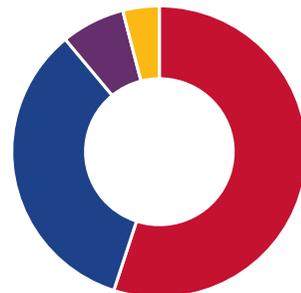
The fund maintains some cash and cash equivalent holdings, which in the quarter performed well thanks to relatively high interest rates.

On the equity side, Europe emerged as the strong performer for the quarter while the US market struggled. Geographies including the UK, France and Germany showed healthy corporate results, and they attracted investors looking for markets trading on cheaper valuations relative to the US. Europe's wealth of defence firms also attracted investor interest following an intention by various governments to boost defence spending.

There is a cultural shift in Japan for companies to be more shareholder-friendly and that includes paying more generous dividends. The AJ Bell fund has a small but important exposure to this region.

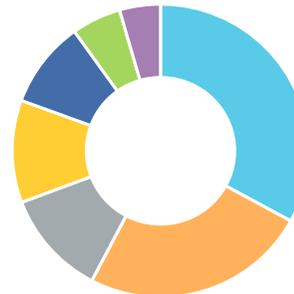
Overall, the fund returned 0.04% in the period.

Asset Breakdown



Shares	55.0%
Bonds	34.0%
Cash	7.0%
Other	4.0%

Shares Regional Breakdown



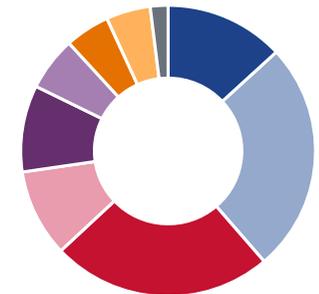
North America	32.9%
United Kingdom	24.7%
Europe Developed	11.6%
Asia Emerging	11.3%
Japan	9.6%
Asia Developed	5.4%
Africa	4.5%

Shares Sector Breakdown



Financial Services	19.3%
Technology	11.6%
Industrials	10.3%
Consumer Defensive	10.0%
Healthcare	9.0%
Consumer Cyclical	8.6%
Communication Services	8.1%
Other	22.9%

Bond Maturity Breakdown



Less than 1 Year	13.1%
1-3 Years	25.6%
3-5 Years	24.3%
5-7 Years	9.7%
7-10 Years	9.6%
10-15 Years	5.9%
15-20 Years	4.9%
20-30 Years	4.9%
30+ Years	1.9%

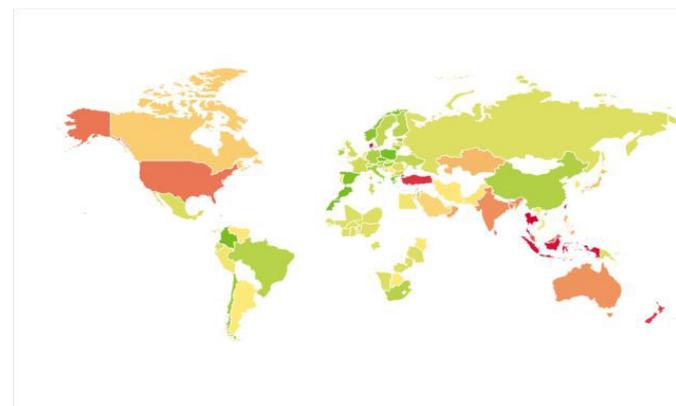
Trailing Returns (%)

Last quarter	0.0
Year to Date	0.0
1 Year	3.1

Historic Performance



Q1 2025 Stock Market Performance (in GBP)



Top 10 Holdings

	Weight (%)
iShares Core FTSE 100 ETF	14.3
Invesco GBP Corporate Bond ETF	12.2
Fidelity US Quality Income ETF	10.9
Invesco S&P 500 High Dividend Low Volatility ETF	9.7
iShares £ Ultrashort Bond ETF	6.1
Fidelity Emerging Markets Quality Income ETF	5.1
Vanguard FTSE Japan ETF	4.4
Franklin Templeton European QualDiv ETF	4.3
iShares MSCI Europe Quality Dividend ETF	4.1
State Street Global High Yield Bond Screened Index	4.0

Fund Snapshot

ISIN (Distributing Class)	GB00BH3W7522
ISIN (Accumulating Class)	GB00BH3W7446
Inception Date	08/04/2019
Ongoing Charge	0.50%
Fund Size (£m)	52.64
12 Month Yield (Reinvested)	3.34%

The value of investments can go down as well as up and you may get back less than you originally invested. We don't offer advice, so it's important that you understand the risks, if you're unsure please consult a suitably qualified financial adviser. Past performance is not a guide to future performance and some investments need to be held for the long term. Totals may not sum to 100% due to rounding. All returns are cumulative and calculated net of ongoing fees, but not including platform costs.

VT AJ Bell Income & Growth Q1 2025 Report

Commentary

The AJ Bell Income & Growth Fund aims to provide investors with a regular stream of dividends and the potential for capital growth over the longer term.

The fund found success in the high yield market at the beginning of this year, whilst an unsteady environment for the US dollar eroded returns from emerging market bonds.

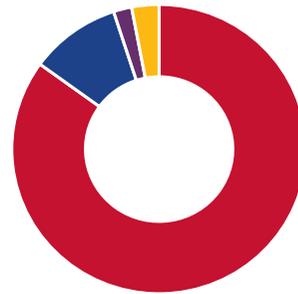
While there was instability in the US market, European equities were a point of strength. A strong set of corporate results and plans to increase defence spending by governments added to investor confidence, with the UK, Germany and France seeing gains. The fund has approximately one third of its holdings in European shares.

Emerging markets excluding China had a more difficult period, mainly due to the performance of India. The Indian stock market has been strong over the past few years, but valuations had become rich and investors have been taking profits.

Chinese exposure benefited the AJ Bell fund as investors warmed the regions thanks to AI-related developments, the government's large stimulus programme last year taking effect, and as a source of cheaper valuations relative to the US.

The AJ Bell fund generated a 0.3% return over the first quarter of 2025.

Asset Breakdown



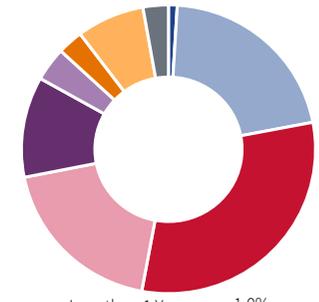
Shares Regional Breakdown



Shares Sector Breakdown



Bond Maturity Breakdown



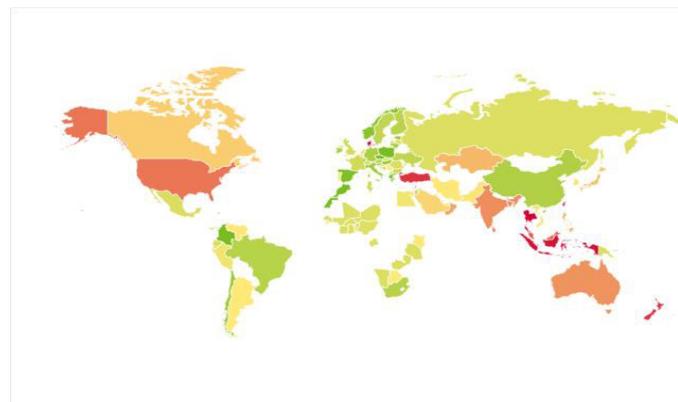
Trailing Returns (%)

Last quarter	0.3
Year to Date	0.3
1 Year	5.7

Historic Performance



Q1 2025 Stock Market Performance (in GBP)



Top 10 Holdings

	Weight (%)
iShares Core FTSE 100 ETF	18.3
Fidelity Emerging Markets Quality Income ETF	16.4
Fidelity US Quality Income ETF	10.9
Invesco S&P 500 High Dividend Low Volatility ETF	9.7
Franklin Templeton European QualDiv ETF	8.6
iShares MSCI Europe Quality Dividend ETF	8.1
Amundi Prime Japan ETF	4.3
State Street Global High Yield Bond Screened Index	3.3
Vanguard FTSE UK All-Share Index	3.1
Vanguard Pacific ex-Japan Stock Index	3.1

Fund Snapshot

ISIN (Distributing Class)	GB00BH3W7990
ISIN (Accumulating Class)	GB00BH3W7883
Inception Date	08/04/2019
Ongoing Charge	0.50%
Fund Size (£m)	72.58
12 Month Target Income	3.33%

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Based on target weights at portfolio rebalance.

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