

Managed Portfolio Service

'Pactive' MPS Quarterly Reports

As at 31/12/2023

Welcome to the AJ Bell 'Pactive' MPS quarterly reports. These portfolios aim to deliver simple, transparent, and low-cost investment solutions, focusing on long-term capital growth. The range offers varying levels of risk, with capital return expectations that are regularly reviewed and updated to maintain risk targets.

The AJ Bell investment management team uses a blend of index-tracking and active securities to implement the 'Pactive' MPS. This is done through holding the AJ Bell funds and other active funds, gaining exposure to the investment themes and sectors that we see as driving growth across capital markets. The portfolios are well-diversified and managed with a long-term approach, with an aim to balance costs and returns.



This portfolio is managed by AJ Bell Asset Management Limited. This information is for indicative purposes only and is not intended and should not be construed as investment advice. If you are unsure please consult your financial adviser. The information presented in this document has been taken from the sources stated and is believed to be correct at the time of writing, however this cannot be guaranteed and we are not liable for any subsequent changes. Portfolio data is based on target weights at portfolio rebalance. Transaction costs are excluded from Ongoing Charge Figure (OCF). For further details of all applicable costs, visit www.investcentre.co.uk. The value of investments can go down as well as up and you may get back less than you originally invested. Past performance is not a guide to future performance and some investments need to be held for the long term.

Managed Portfolio Service

Market commentary

As at 31/12/2023

The final quarter of 2023 dealt a near fatal blow to the ‘higher for longer’ market mantra, which sparked a broad rally in equity and fixed income markets. Further evidence of global economic weakness and inflation readings surprising to the downside was interpreted as marking the end of the monetary policy tightening cycle.

In fixed income markets, both interest rate and credit risk components aided returns. Longer dated US Treasury yields reversed the steep rises of the third quarter in remarkable fashion and the Federal Reserve joined the chorus by confirming rate cuts are indeed on the agenda.

In the UK, the Bank of England was more circumspective of inflation moving lower and pushed back on suggestions of aggressive interest rate cuts ahead, bringing about a rebound in the value of the pound versus major peers.

The rally in equity markets centred around Developed Markets such as the US and Europe. The UK market, when looking at the large cap index, was yet again subject to interference from the Energy sector as the oil price erased its Israel-Gaza spike on weaker economic news.

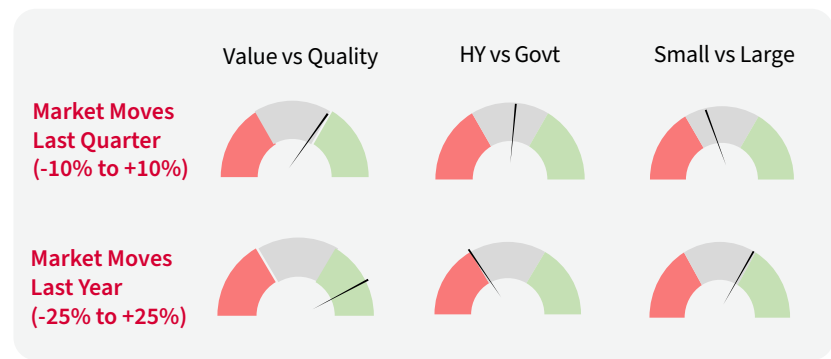
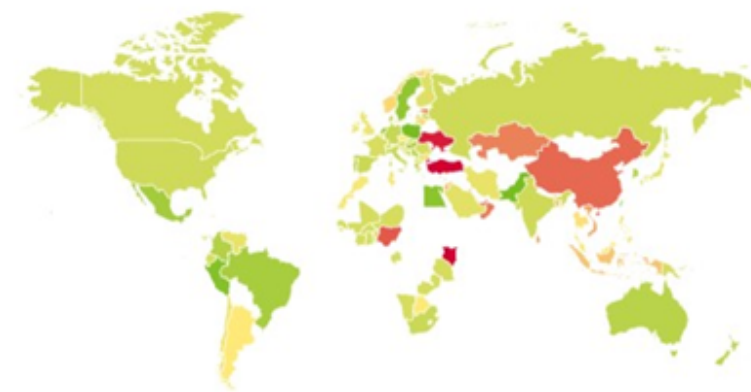
The more domestically-orientated FTSE 250 and small cap indices did however join in with better sentiment coursing through markets.

Emerging Market equities had China performing poorly on one hand and countries such as India and Brazil doing well on the other. The latter were free to rejoice in the easing of global financial conditions and capital flows brought about by a weaker US dollar.

Within alternatives, UK property took encouragement from the possible stabilisation and improvement of debt service costs. Discounts to latest asset valuations narrowed somewhat, however share prices on the whole remain significantly below the heights reached in late 2021 and early 2022.

As we move to 2024, and all but discard ‘higher for longer’ to the scrapheap of ‘this time it’s different’ market dicta, there’s a sense that markets are looking to turn a corner. The last two years have been laden with predictions of recession and now that conditions most closely represent that of a recession, investors are looking out for better times ahead.

This is not without risk: the famed ‘soft landing’ is not guaranteed, and the rate hikes implemented over the past year in the UK, US and Europe will continue to bite in the months ahead.



AJ Bell Pactive MPS 1

As of 31/12/2023

Portfolio Commentary

Lower-than-expected inflation over the quarter caused a pivot in the market narrative, from 'higher for longer' to one expecting the first cut to interest rates from the Federal Reserve as soon as spring 2024. This stoked bond and equity markets into a rally, which for longer-dated gilts and US Treasuries was a sharp turnaround from the sell-off in the third quarter. High yield also ended the year well and was one of the best-performing areas of the fixed income market in 2023.

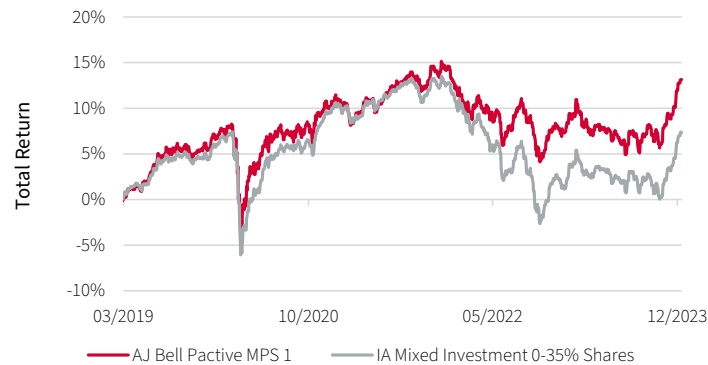
Assets with greater interest rate sensitivity performed well in Q4 such as gilts and the VT Gravis UK Listed Property fund. Credit spread narrowing also aided corporate bond holdings, such as the Artemis Corporate Bond fund, which beat all equity holdings over the quarter with a return of 9.0%. The international bond holdings within the portfolio that are unhedged with respect to currency were weighed down by the translation effect of a stronger sterling.

The portfolio returned 5.5% over the quarter, which constituted all the 5.3% return for 2023.

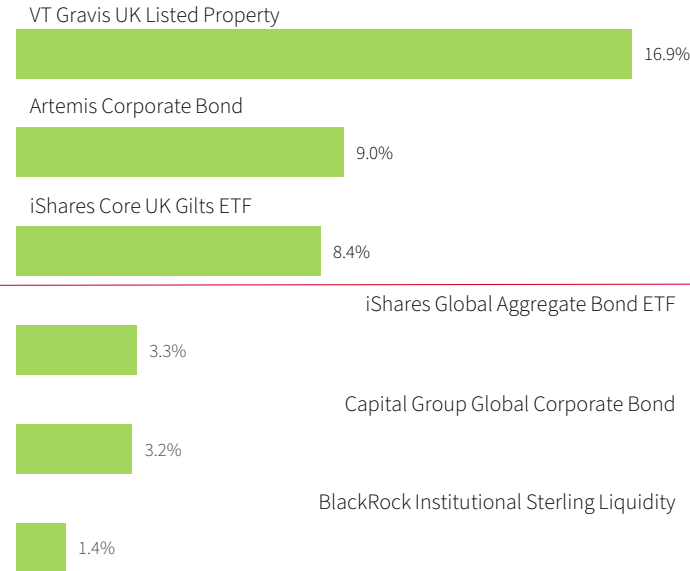
Trailing Returns (%)

	3m	6m	1y	2y	3y	Launch
Pactive MPS 1	5.5	6.4	5.3	-1.2	2.6	13.1
IA Sector	5.7	5.3	6.1	-4.8	-2.3	7.4

Cumulative Performance



Q4 2023 Best/Worst Performers

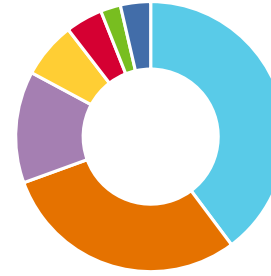


Asset Breakdown



- Equity - 21.8%
- Fixed Income - 54.1%
- Alternatives - 5.6%
- Cash - 18.5%

Regional Breakdown



- United Kingdom - 39.8%
- North America - 29.7%
- Europe Developed - 13.4%
- Japan - 6.7%
- Asia Emerging - 4.4%
- Asia Developed - 2.4%
- Other - 3.6%

Portfolio Snapshot

Number of Holdings	16
Inception Date	18/02/2019
Ongoing Charge Figure (OCF)	0.50%

Top 10 Holdings

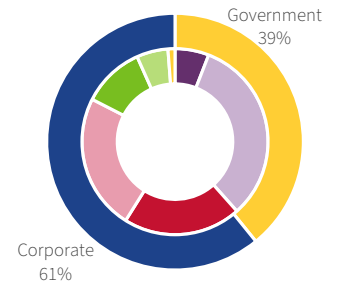
	Weight (%)
VT AJ Bell Cautious Fund	49.0
BlackRock Institutional Sterling Liquidity	7.6
Artemis Corporate Bond	5.1
iShares Core UK Gilts ETF	5.1
iShares Global Aggregate Bond ETF	4.9
Invesco High Yield	4.0
TwentyFour Corporate Bond	3.5
Capital Group Global Corporate Bond	3.4
JPM UK Equity Plus	3.0
VT Gravis UK Listed Property	2.9

Shares Sector Breakdown



- Financial Services - 15.9%
- Technology - 15.5%
- Real Estate - 14.7%
- Industrials - 10.4%
- Consumer Cyclical - 10.4%
- Healthcare - 7.7%
- Consumer Defensive - 6.9%
- Other - 18.5%

Credit Quality Breakdown



- Government - 39%
- Corporate - 61%
- AAA - 5.9%
- AA - 32.5%
- A - 20.5%
- BBB - 23.6%
- BB - 10.8%
- B - 5.5%
- Below B - 1.2%

! The value of investments can go down as well as up and you may get back less than you originally invested. This portfolio is managed by AJ Bell Asset Management Limited. Past performance information is based on the target model, rebalanced on a quarterly basis and is not a guide to future performance. Additional costs will be incurred while using the MPS. These include (where applicable) platform costs and dealing costs. Any charges payable to your financial adviser will apply in addition. Therefore, the actual performance of your portfolio might differ from the stated past performance. Transaction costs are excluded from Ongoing Charge Figure (OCF). For further details of all applicable costs, visit www.investcentre.co.uk.

AJ Bell Pactive MPS 2

As of 31/12/2023

Portfolio Commentary

Lower-than-expected inflation over the quarter caused a pivot in the market narrative, from 'higher for longer' to one expecting the first cut to interest rates from the Federal Reserve as soon as spring 2024. This stoked bond and equity markets into a rally, which for longer dated-gilts and US Treasuries was a sharp turnaround from the sell-off in the third quarter. High yield also ended the year well and was one of the best-performing areas of the fixed income market in 2023.

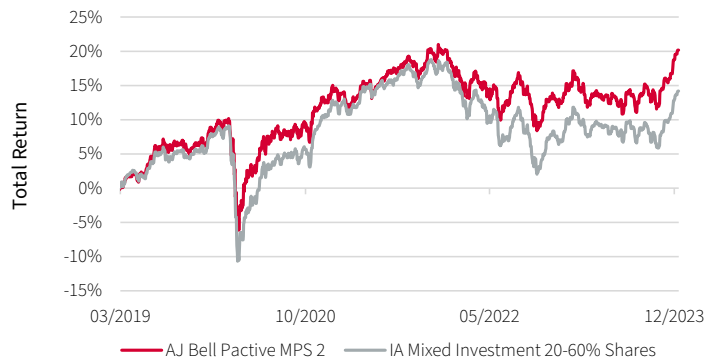
Assets with greater interest rate sensitivity performed well in Q4, such as gilts and the VT Gravis UK Listed Property fund. Credit spread narrowing also aided corporate bond holdings, such as the Artemis Corporate Bond and Invesco High Yield funds. Within equities, the UK market lagged developed market peers again, as can be seen in the performance of the Jupiter UK Special Situations fund.

The portfolio returned 5.6% over the quarter and 6.7% for 2023.

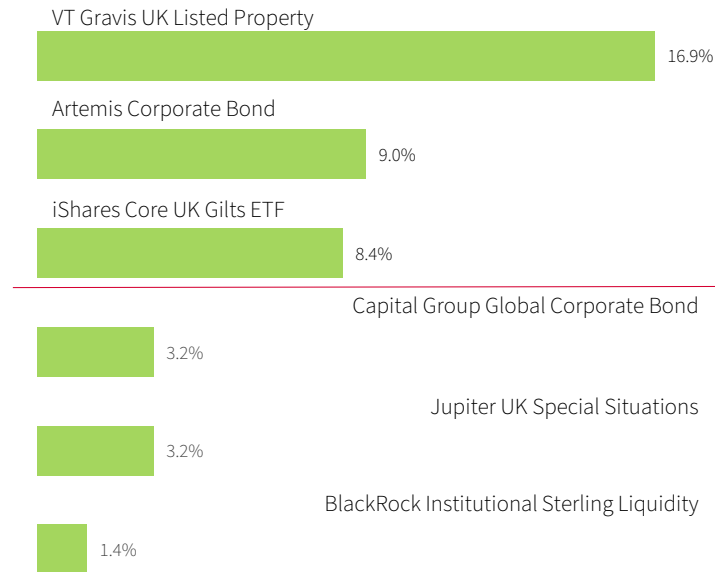
Trailing Returns (%)

	3m	6m	1y	2y	3y	Launch
Pactive MPS 2	5.6	6.8	6.7	0.1	6.3	20.2
IA Sector	5.7	5.6	6.9	-3.5	2.6	14.1

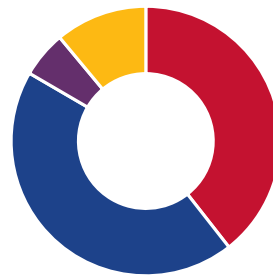
Cumulative Performance



Q4 2023 Best/Worst Performers

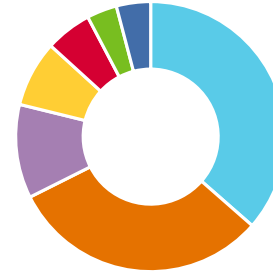


Asset Breakdown



- Equity - 39.4%
- Fixed Income - 44.0%
- Alternatives - 5.6%
- Cash - 11.0%

Regional Breakdown



- United Kingdom - 36.5%
- North America - 31.2%
- Europe Developed - 11.2%
- Japan - 7.9%
- Asia Emerging - 5.6%
- Asia Developed - 3.6%
- Other - 4.1%

Portfolio Snapshot

Number of Holdings	18
Inception Date	18/02/2019
Ongoing Charge Figure (OCF)	0.56%

Top 10 Holdings

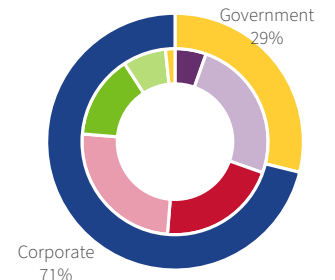
Asset	Weight (%)
VT AJ Bell Moderately Cautious Fund	48.9
JPM UK Equity Plus	4.5
Invesco High Yield	4.5
JPM Emerging Markets Income	4.5
Capital Group Global Corporate Bond	4.1
Artemis Corporate Bond	4.1
BlackRock Institutional Sterling Liquidity	3.8
iShares Core UK Gilts ETF	3.0
TwentyFour Corporate Bond	3.0
Jupiter Japan Income	3.0

Shares Sector Breakdown



- Financial Services - 16.9%
- Technology - 16.3%
- Consumer Cyclical - 10.9%
- Industrials - 10.6%
- Real Estate - 10.2%
- Healthcare - 8.0%
- Consumer Defensive - 7.4%
- Other - 19.8%

Credit Quality Breakdown



- Government - 29%
- Corporate - 71%
- AAA - 5.4%
- AA - 25.0%
- A - 20.9%
- BBB - 25.0%
- BB - 14.5%
- B - 7.5%
- Below B - 1.7%

! The value of investments can go down as well as up and you may get back less than you originally invested. This portfolio is managed by AJ Bell Asset Management Limited. Past performance information is based on the target model, rebalanced on a quarterly basis and is not a guide to future performance. Additional costs will be incurred while using the MPS. These include (where applicable) platform costs and dealing costs. Any charges payable to your financial adviser will apply in addition. Therefore, the actual performance of your portfolio might differ from the stated past performance. Transaction costs are excluded from Ongoing Charge Figure (OCF). For further details of all applicable costs, visit www.investcentre.co.uk.

AJ Bell Pactive MPS 3

As of 31/12/2023

Portfolio Commentary

The quarter brought a significant shift in expectations regarding interest rates in the US, UK and Europe. As a result, most global equity and bond markets set off on a rally, in relief that most of the pain needed to combat inflation may be behind us and that economic conditions would merely be 'softer' rather than truly recessionary as a result. The rally in equity markets followed a similar pattern to the one we saw earlier in 2023: the US did well, the UK was weighed by weaker commodity prices and China continued to struggle.

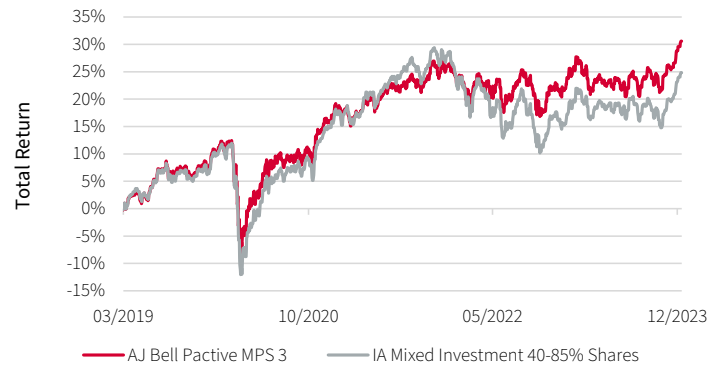
Interest-rate-sensitive assets, such as the VT Gravis UK Listed Property fund and Artemis Corporate Bond fund performed well. Credit spread tightening aided the latter as well as the Invesco High Yield fund. Developed equity markets performed broadly well, and with mid and small caps also performing well active funds were generally well positioned. In the US, stock selection within the 'magnificent seven', in particular an overweight to Amazon, was helpful for the Artemis US Select fund. Although the Japanese equity market lagged over the quarter in sterling terms, the Jupiter Japan Income fund performed well relative to its market.

The portfolio returned 5.3% in the quarter and 7.1% over the year.

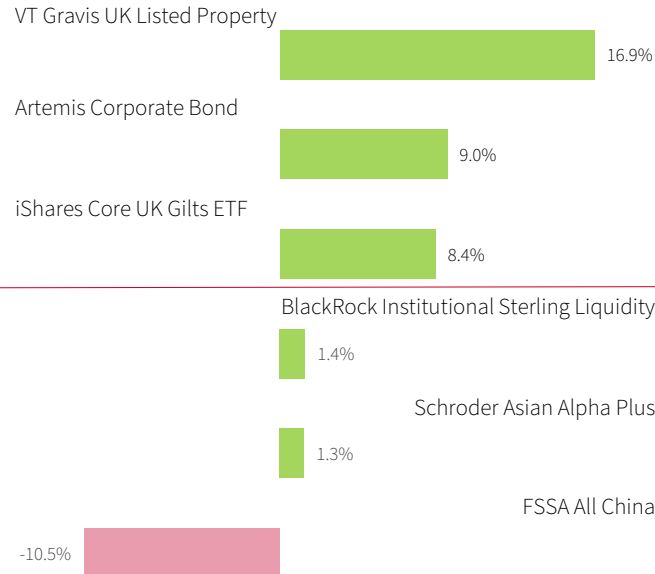
Trailing Returns (%)

	3m	6m	1y	2y	3y	Launch
Pactive MPS 3	5.3	6.6	7.1	3.5	12.5	30.6
IA Sector	5.8	5.5	8.1	-2.9	8.0	24.8

Cumulative Performance



Q4 2023 Best/Worst Performers



Asset Breakdown



- Equity - 53.2%
- Fixed Income - 33.9%
- Alternatives - 5.5%
- Cash - 7.5%

Regional Breakdown



- United Kingdom - 32.8%
- North America - 25.8%
- Asia Emerging - 10.2%
- Europe Developed - 8.7%
- Japan - 7.1%
- Asia Developed - 6.9%
- Other - 8.6%

Portfolio Snapshot

Number of Holdings	21
Inception Date	18/02/2019
Ongoing Charge Figure (OCF)	0.61%

Top 10 Holdings

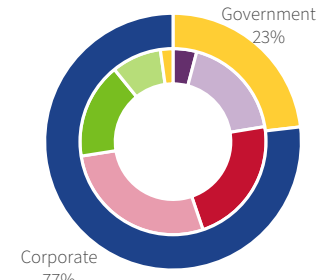
Fund	Weight (%)
VT AJ Bell Balanced Fund	49.0
Invesco High Yield	4.6
Capital Group Global Corporate Bond	4.5
JPM UK Equity Plus	4.4
Artemis Corporate Bond	3.6
Jupiter UK Special Situations	3.5
Jupiter Japan Income	3.0
Artemis US Select	3.0
Lazard Emerging Markets	3.0
JPM Emerging Markets Income	3.0

Shares Sector Breakdown



- Financial Services - 18.3%
- Technology - 16.4%
- Consumer Cyclical - 10.8%
- Industrials - 10.2%
- Real Estate - 8.3%
- Healthcare - 7.6%
- Consumer Defensive - 7.2%
- Other - 21.1%

Credit Quality Breakdown



- Government - 23%
- Corporate - 77%
- AAA - 4.1%
- AA - 18.3%
- A - 22.4%
- BBB - 27.7%
- BB - 16.6%
- B - 8.7%
- Below B - 2.2%

! The value of investments can go down as well as up and you may get back less than you originally invested. This portfolio is managed by AJ Bell Asset Management Limited. Past performance information is based on the target model, rebalanced on a quarterly basis and is not a guide to future performance. Additional costs will be incurred while using the MPS. These include (where applicable) platform costs and dealing costs. Any charges payable to your financial adviser will apply in addition. Therefore, the actual performance of your portfolio might differ from the stated past performance. Transaction costs are excluded from Ongoing Charge Figure (OCF). For further details of all applicable costs, visit www.investcentre.co.uk.

AJ Bell Pactive MPS 4

As of 31/12/2023

Portfolio Commentary

The quarter brought a significant shift in expectations regarding interest rates in the US, UK and Europe. As a result, most global equity and bond markets set off on a rally, in relief that most of the pain needed to combat inflation may be behind us and that economic conditions would merely be 'softer' rather than truly recessionary as a result. The rally in equity markets followed a similar pattern to the one we saw earlier in 2023: the US did well, the UK was weighed by weaker commodity prices and China continued to struggle.

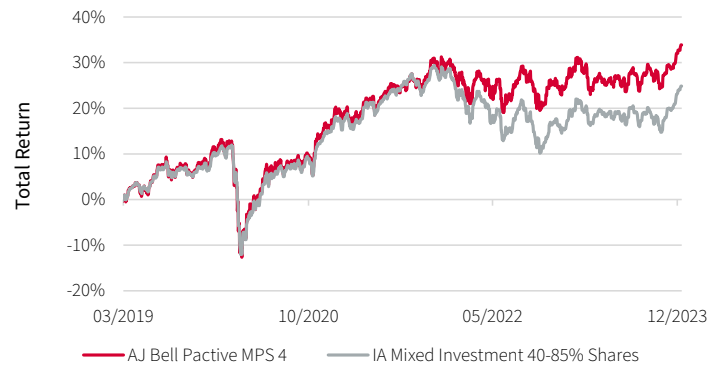
The prospect of interest rates falling, and consequently economic conditions improving, brought relief to the hitherto struggling UK property sector. The VT Gravis UK Listed Property fund made a significant recovery during the quarter to post a 5.6% return for the year. Developed equity markets performed broadly well and with mid and small caps also performing well active funds were generally well positioned. In the US, stock selection within the 'magnificent seven', in particular an overweight to Amazon, was helpful for the Artemis US Select fund. Active funds across other regions also fared well, such as the Blackrock Continental European Income fund. Chinese equities remain out of favour and the FSSA All China fund fell over the course of the quarter.

The portfolio returned 4.9% in the quarter and 7.5% over the year.

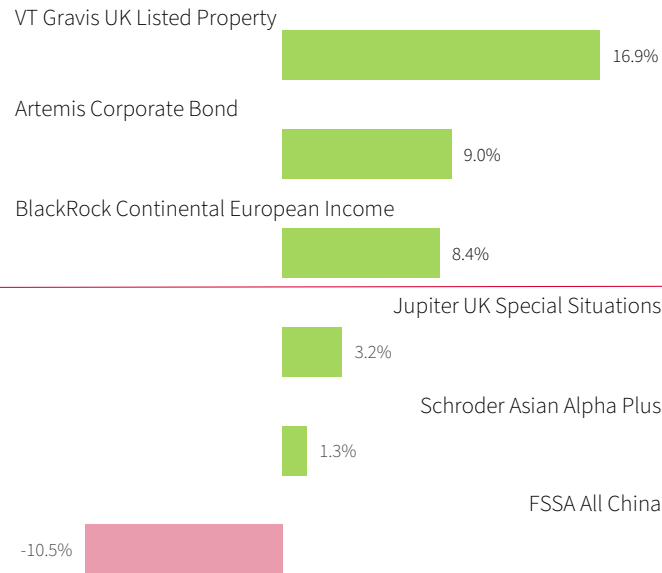
Trailing Returns (%)

	3m	6m	1y	2y	3y	Launch
Pactive MPS 4	4.9	6.3	7.5	3.1	15.0	33.9
IA Sector	5.8	5.5	8.1	-2.9	8.0	24.8

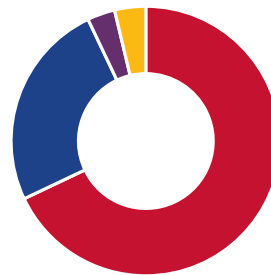
Cumulative Performance



Q4 2023 Best/Worst Performers



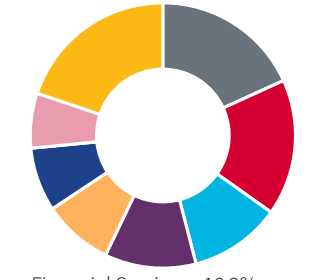
Asset Breakdown



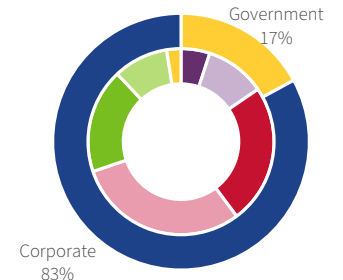
Regional Breakdown



Shares Sector Breakdown



Credit Quality Breakdown



Portfolio Snapshot

Number of Holdings	20
Inception Date	18/02/2019
Ongoing Charge Figure (OCF)	0.64%

Top 10 Holdings

Fund	Weight (%)
VT AJ Bell Moderately Adventurous Fund	49.1
Jupiter UK Special Situations	5.0
JPM UK Equity Plus	4.9
Artemis US Select	4.5
Dodge & Cox Worldwide US Stock	4.0
JPM Emerging Markets Income	4.0
Invesco High Yield	3.6
Capital Group Global Corporate Bond	3.5
Artemis Corporate Bond	2.6
Jupiter Japan Income	2.5

! The value of investments can go down as well as up and you may get back less than you originally invested. This portfolio is managed by AJ Bell Asset Management Limited. Past performance information is based on the target model, rebalanced on a quarterly basis and is not a guide to future performance. Additional costs will be incurred while using the MPS. These include (where applicable) platform costs and dealing costs. Any charges payable to your financial adviser will apply in addition. Therefore, the actual performance of your portfolio might differ from the stated past performance. Transaction costs are excluded from Ongoing Charge Figure (OCF). For further details of all applicable costs, visit www.investcentre.co.uk.

AJ Bell Pactive MPS 5

As of 31/12/2023

Portfolio Commentary

Equity markets ended the year on a strong note, partially rallying in response to suggestions that central banks would be cutting rates sometime in 2024 and so aiding economic conditions. The 'magnificent seven' were less dominant in Q4 and a broader rally occurred across mid and small caps. After a difficult 2022 Chinese equities failed to reverse course in 2023, however other Emerging Markets such India, Brazil and Taiwan kept pace with or exceeded their Developed Market counterparts.

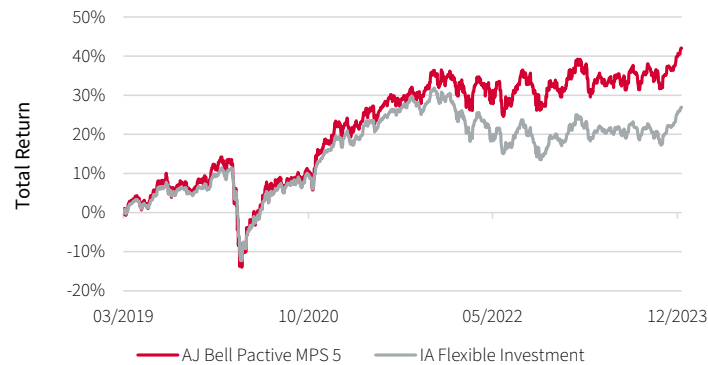
The prospect of interest rates falling, and consequently economic conditions improving, brought relief to the hitherto struggling UK property sector. The VT Gravis UK Listed Property fund made a significant recovery during the quarter to post a 5.6% return for the year. Developed equity markets performed broadly well and with mid and small caps also performing well active funds were generally well positioned. In the US, stock selection within the 'magnificent seven', in particular an overweight to Amazon, was helpful for the Artemis US Select fund. Chinese equities remain out of favour and the FSSA All China fund fell over the course of the quarter.

The portfolio returned 4.7% in the quarter and 7.9% over the year.

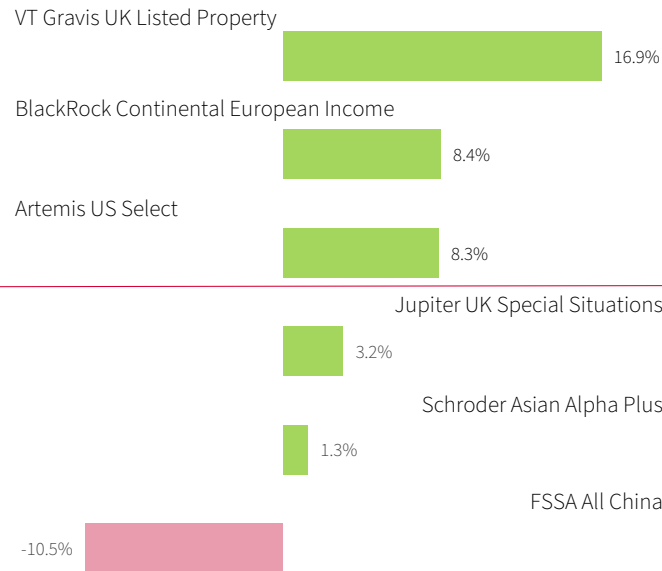
Trailing Returns (%)

	3m	6m	1y	2y	3y	Launch
Pactive MPS 5	4.7	6.0	7.9	5.2	19.8	42.1
IA Sector	5.2	5.0	7.3	-2.5	8.6	26.9

Cumulative Performance



Q4 2023 Best/Worst Performers



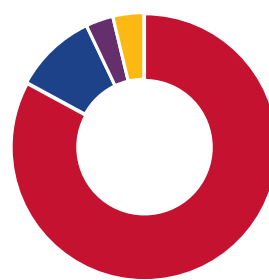
Portfolio Snapshot

Number of Holdings	18
Inception Date	18/02/2019
Ongoing Charge Figure (OCF)	0.66%

Top 10 Holdings

Fund	Weight (%)
VT AJ Bell Adventurous Fund	49.1
Artemis US Select	5.1
Dodge & Cox Worldwide US Stock	5.0
Jupiter UK Special Situations	5.0
JPM UK Equity Plus	5.0
Invesco High Yield	3.6
JPM Emerging Markets Income	3.5
Schroder Asian Alpha Plus	3.4
BlackRock Continental European Income	2.6
Jupiter Asian Income	2.5

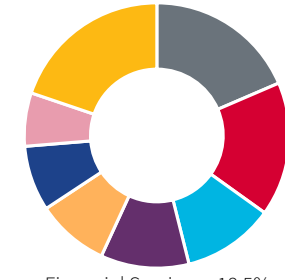
Asset Breakdown



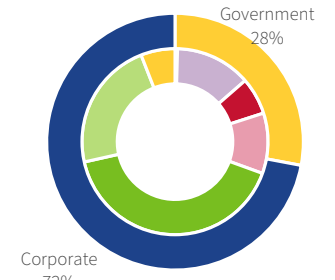
Regional Breakdown



Shares Sector Breakdown



Credit Quality Breakdown



! The value of investments can go down as well as up and you may get back less than you originally invested. This portfolio is managed by AJ Bell Asset Management Limited. Past performance information is based on the target model, rebalanced on a quarterly basis and is not a guide to future performance. Additional costs will be incurred while using the MPS. These include (where applicable) platform costs and dealing costs. Any charges payable to your financial adviser will apply in addition. Therefore, the actual performance of your portfolio might differ from the stated past performance. Transaction costs are excluded from Ongoing Charge Figure (OCF). For further details of all applicable costs, visit www.investcentre.co.uk.

AJ Bell Pactive MPS 6

As of 31/12/2023

Portfolio Commentary

Equity markets ended the year on a strong note, partially rallying in response to suggestions that central banks would be cutting rates sometime in 2024 and so aiding economic conditions. The broader rally in equity markets occurred across mid and small caps, which was helpful for active fund managers. In the US, stock selection within the 'magnificent seven', in particular an overweight to Amazon, was helpful for the Artemis US Select fund.

After a difficult 2022 Chinese equities failed to reverse course in 2023 and they ended the year on a bad note, as evidenced by the performance of the FSSA All China fund during the quarter. Other Emerging Markets such as India, Brazil and Taiwan kept pace with or exceeded their Developed Market counterparts.

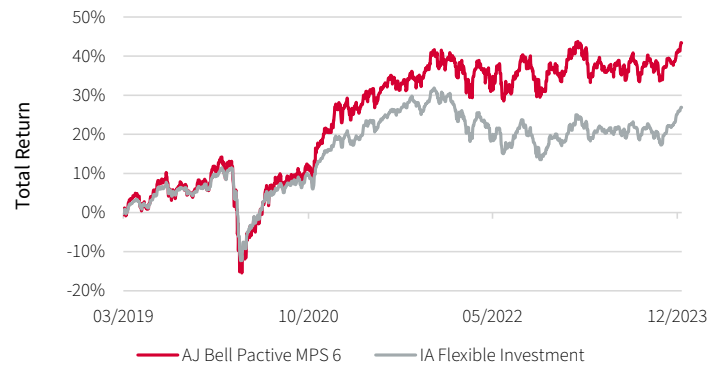
The property exposure within the portfolio, VT Gravis UK Listed Property, was a particular highlight as the prospect of interest rates falling brought relief to the hitherto struggling sector.

The portfolio returned 3.9% over the quarter and 5.5% for 2023.

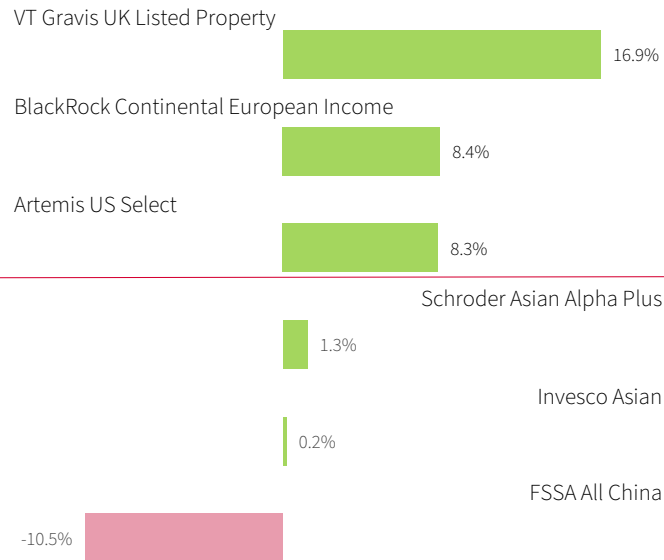
Trailing Returns (%)

	3m	6m	1y	2y	3y	Launch
Pactive MPS 6	3.9	4.9	5.5	2.8	17.8	43.4
IA Sector	5.2	5.0	7.3	-2.5	8.6	26.9

Cumulative Performance



Q4 2023 Best/Worst Performers



Portfolio Snapshot

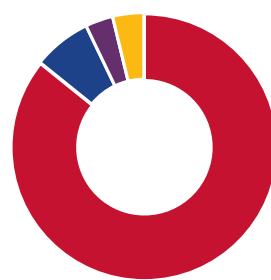
Number of Holdings	17
Inception Date	18/02/2019
Ongoing Charge Figure (OCF)	0.68%

Top 10 Holdings

	Weight (%)
VT AJ Bell Global Growth Fund	49.2
Jupiter UK Special Situations	5.0
JPM Emerging Markets Income	5.0
JPM UK Equity Plus	5.0
Schroder Asian Alpha Plus	4.9
Invesco High Yield	3.6
Dodge & Cox Worldwide US Stock	3.5
Invesco Asian	3.4
FSSA All China	3.1
Jupiter Asian Income	3.1

Asset Breakdown

Asset Breakdown



- Equity - 85.8%
- Fixed Income - 7.1%
- Alternatives - 3.4%
- Cash - 3.8%

Regional Breakdown



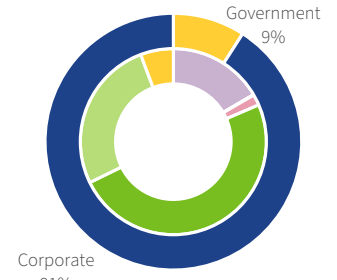
- United Kingdom - 26.5%
- Asia Emerging - 23.1%
- North America - 14.8%
- Asia Developed - 14.6%
- Europe Developed - 8.6%
- Japan - 3.3%
- Other - 9.2%

Shares Sector Breakdown



- Financial Services - 19.9%
- Technology - 16.7%
- Consumer Cyclical - 11.5%
- Industrials - 10.4%
- Consumer Defensive - 7.7%
- Healthcare - 7.5%
- Communication Services - 6.9%
- Other - 19.4%

Credit Quality Breakdown



- Corporate - 91%
- Government - 9%
- AAA - 0.0%
- AA - 16.6%
- A - 0.1%
- BBB - 1.9%
- BB - 49.2%
- B - 26.5%
- Below B - 5.7%

! The value of investments can go down as well as up and you may get back less than you originally invested. This portfolio is managed by AJ Bell Asset Management Limited. Past performance information is based on the target model, rebalanced on a quarterly basis and is not a guide to future performance. Additional costs will be incurred while using the MPS. These include (where applicable) platform costs and dealing costs. Any charges payable to your financial adviser will apply in addition. Therefore, the actual performance of your portfolio might differ from the stated past performance. Transaction costs are excluded from Ongoing Charge Figure (OCF). For further details of all applicable costs, visit www.investcentre.co.uk.