

Investment Objectives

The AB SRI Defensive Model Portfolio will seek to deliver long-term capital growth by blending collective strategies and employing our proprietary rating and risk profiling systems. The equity allocation of the portfolio will be managed within our self imposed parameter of 0% - 35% and in line with a Alpha Beta Risk Profile of 3 - 5.

The AB SRI Defensive Portfolio only invests in funds that are sustainable and contribute positively to either the environment or society. The model selects investments that provide solutions to global issues such as climate change, biodiversity, water shortage, urbanisation, health and well-being, and social inclusion. The United Nation's Sustainable Development Goals are utilised to inform analysis and research on these themes, and the holdings in the model.

Snapshot

Base Currency	Pound Sterling
12 Month Yield	2.74%
Ongoing Charge	0.63%
Management Fee (VAT where applicable)	0.25%
Portfolio Cost	0.88%

Benchmark

Comparator Benchmark IA Mixed Investment 0-35% Shares

Risk

	Sharpe Ratio	Std Dev
AB SRI Defensive	0.16	5.30
IA Mixed Investment 0-35% Shares	0.14	5.57

Top 10 Holdings

Portfolio Date: 31/07/2024	Portfolio Weighting %
EdenTree Responsible & Sust Shrt Dtd B	19.64%
RLBF II Royal London Ethical Bond M Inc	13.28%
Climate Assets Bal B GBP Inc	9.15%
EdenTree Responsible & Sust Stlg B	8.89%
Sarasin Responsible Corporate Bond P Acc	8.86%
Brown Advisory US Sust Gr GBP B Inc	8.42%
Vanguard ESG Em Mkts All Cp Eq Idx £ Acc	5.67%
Liontrust Sust Fut Eurp Gr 2 Net Acc	5.49%
CT Responsible UK Income 2 Inc	3.74%
Pictet - Climate Government Bds I GBP	3.71%
	86.84%

The aggregate total may not add up to the sum shown due to Morningstar roundings.

Investment Team

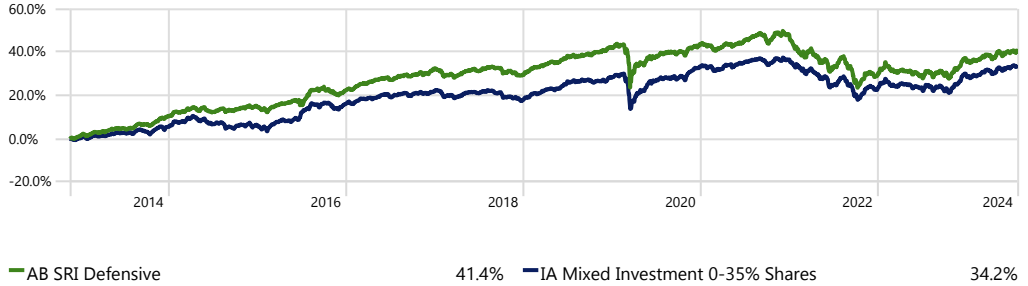
Investment Manager Alpha Beta SRI Investment Team

Please contact :

Andrew Thompson or Geoff Brooks on 020 8152 5120
Northgate House, Upper Borough Walls, Bath BA1 1RG

Investment Growth

Time Period: 22/11/2013 to 31/07/2024



Trailing Returns

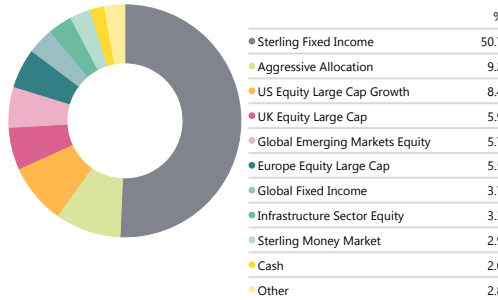
Data Point: Return

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception (22/11/2013)
AB SRI Defensive	2.76	3.93	7.73	-3.55	2.10	41.45
IA Mixed Investment 0-35% Shares	2.76	3.75	7.57	-1.32	5.65	34.24

The portfolio launched on 24/03/2009, however the data shown is from the first available past performance date, 22/11/2013.

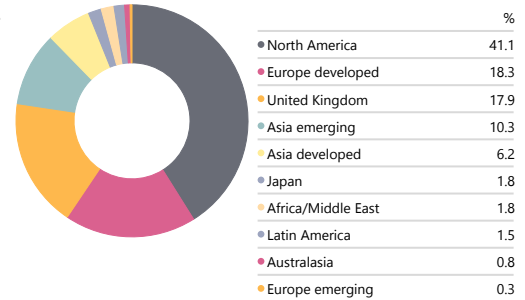
Asset Allocation

Portfolio Date: 31/07/2024



Equity Regional Exposure

Portfolio Date: 31/07/2024



Manager's Commentary

In July, market volatility surged due to US election dynamics and a failed assassination attempt on Trump, affecting investor sentiment and trading patterns during a typically low-volume summer period.

Markets swiftly discounted potential Trump's policies, resulting in higher longer-dated bond yields, pressure on large technology stocks, and a boost for smaller and medium-sized firms. Trump's policies are expected to promote domestic manufacturing, increased trade restrictions, tighter borders, fiscal spending, political pressure to lower interest rates via the Federal Reserve, and be less supportive of big tech. Inflation continues to moderate, with markets anticipating a US interest rate cut in September. The dollar remains strong but has slightly weakened against other currencies, while the US treasury yield curve is beginning to normalise. Inflation moderated while markets anticipated a US interest rate cut in September.

UK equities, represented by the FTSE 100, posted a 12% return over the past year, with minimal impact from political changes. The General Election resulted in a narrow Labour victory, with Chancellor Rachel Reeves pledging a balanced budget, leaving markets largely unmoved. However, concerns arose over inflation-busting public sector wage settlements, cancelled infrastructure projects, and capital tax hikes. Failure to grow economically may lead to more debt to fund policies. A UK interest rate cut is expected later this year, but high wage settlements may hinder progress.

In June, the ECB cut rates by 0.25%. Europe's largest economies narrowly avoided recession, with slight Q2 growth, while German manufacturing and exports to a stagnating China struggled. The People's Bank of China made modest rate cuts to boost growth, allowing the currency to weaken and support exports. The Japanese Yen hit a 34-year low, aiding exports but prompting expected Bank of Japan intervention. Japan raised its benchmark interest rate to 0.25% and will reduce government bond purchases from January 2025.

Global liquidity, led by the US, supports risk asset prices through lower interest rates, Treasury Bill issuance, and reduced quantitative tightening. Basel "end-game" implementation will bolster banking balance sheets, supporting government bond issuance. Optimism remains, despite geopolitical uncertainties. Technology funds declined, while healthcare and listed infrastructure funds delivered positive returns in July. Portfolios remained stable in July despite volatility, benefiting from a rotation to smaller companies and shorter fixed income duration, positioning well for ongoing rate cuts in developed markets.

At portfolio level, the SRI Defensive model benefited from its UK equity exposure. Of the portfolio's top holdings, the best performing fund was the CT Responsible UK Income fund. One of the fund's largest holdings is Unilever. Unilever are committed to help tackle the climate crisis and are eliminating emissions from their operations by 2030. They are also working with their brands, suppliers, retailers, and consumers to reach net zero across their value chain by 2039. Unilever have reduced their manufacturing carbon footprint in the UK and Ireland by two thirds since 2018, four of their sites are carbon neutral, and they use 100% renewable grid electricity.

Disclaimer

This communication is from Alpha Beta Partners a trading name of AB Investment Solutions Limited. Alpha Beta Partners Limited is registered in England no. 10963905. AB Investment Solutions Limited is registered in England no. 09138865. AB Investment Solutions is authorised and regulated by the Financial Conduct Authority. This material is directed only at persons in the UK and is not an offer or invitation to buy or sell securities. Opinions expressed, whether in general, on the performance of individual securities or in a wider context, represent the views of Alpha Beta Partners at the time of preparation. They are subject to change and should not be interpreted as investment advice. You should remember that the value of investments and the income derived therefrom may fall as well as rise and you may not get back your original investment. Past performance is not a guide to future returns. Further information is available on request, or on our website www.alphabetapartners.co.uk.