

Aegon Mercer Balanced (ARC)

Fund information

Fund provider	Aegon/Scottish Equitable plc
Fund launch date	14 Jul 2016
Benchmark	ABI Mixed Investment 40-85% Shares
Fund charge*	0.26%
Aegon fund size	£13.80m
ABI sector	ABI Mixed Investment 40-85% Shares
Fund type	Pension
ISIN	GB00BYYT1308
SEDOL	BYYT130
Aegon mnemonic	Z55
CitiCode	N6RN

*This is on top of any product or adviser charge you pay and includes a fixed management fee plus expenses that vary with the day to day costs of running the fund. Expenses can include costs paid by Aegon to third parties. The fund charges may differ for Retiready (RR) or Aegon One Retirement (AOR).

About fund performance

Investors should always consider performance in relation to the objective of the fund and over periods of at least five years. If a fund has risen in value, it doesn't mean it is meeting its objective – especially if the fund is aiming to outperform a particular benchmark or meet a risk target. The same applies if the fund has fallen in value.

Our risk rating



Average risk

Average risk funds will generally invest in a broad range of investment types and will typically hold a significant proportion in equities (shares). Their daily price movements will therefore vary from day-to-day, both up and down, although not usually as much as for funds investing entirely in equities. These movements can lead to lengthy periods where their value goes down depending on market conditions. However, over the longer term these funds would be expected to deliver significantly better growth prospects than a cash deposit.

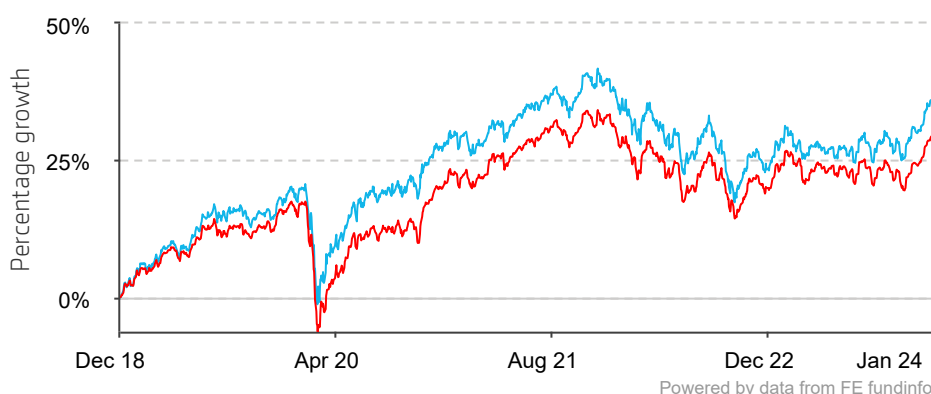
Fund objective

This fund aims for growth through a combination of capital returns and the accumulation of income over the medium to long term. It will be invested according to Mercer's expectations of risk and return. It will normally hold no more than 85% of the portfolio in equities and a minimum of 15% in bonds, which includes government and corporate bonds (which may include emerging market debt) and money markets (cash). It will invest via various tracker funds (except in the case of cash) which means returns should be broadly in line with the markets it invests in. Mercer Ltd provides the asset allocation model and oversight for this fund, for which it receives a fee, paid from the fund's annual management charge.

Fund performance

The following graph and tables show the performance of the fund over various time periods compared to the fund's benchmark (if there is one). All performance information is as at 31 Dec 2023 unless otherwise stated.

In the graph, performance is shown since launch if the fund is less than five years old.



■ Aegon Mercer Balanced (ARC)
■ ABI Mixed Investment 40-85% Shares

	1yr	3yrs	5yrs	10yrs
Fund	9.7%	2.1%	6.3%	-
Benchmark	7.9%	2.3%	5.3%	-
Sector quartile	1	3	1	-

	Dec 22 to Dec 23	Dec 21 to Dec 22	Dec 20 to Dec 21	Dec 19 to Dec 20	Dec 18 to Dec 19
Fund	9.7%	-11.3%	9.4%	9.4%	16.8%
Benchmark	7.9%	-10.0%	10.3%	4.8%	15.3%
Sector quartile	1	4	3	1	2

Source: FE fundinfo. The performance information has been calculated in pounds on a bid-to-bid basis and is net of charges with gross income reinvested. Performance for periods over a year is annualised (% per year). Past performance is not a reliable guide to future performance. The value of an investment can fall as well as rise and is not guaranteed. Investors could get back less than they invested.

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Underlying fund

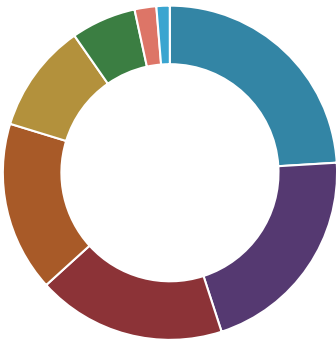
Fund mgmt group

Aegon/Scottish Equitable plc

Fund manager information

This fund is an Aegon Solution. This means it is a pre-built fund Aegon have created to offer whole investment strategies in a single fund with the aim of making investing easier. We reserve the right to add, remove and replace the underlying funds within this solution with the aim of making sure the fund continues to meet its aims and objectives. Sometimes we work with external fund managers and they select and manage the underlying funds on our behalf. The additional charges/expenses may change when underlying funds are replaced, added or removed from the portfolio or when weightings between the underlying funds are changed. Please note, there's no guarantee the fund will meet its objective.

Asset allocation as at 31 Dec 2023



North America Equity	24.1%
UK Bonds	21.0%
Asia Pacific including Japan Equity	18.3%
Global Bonds	16.5%
UK Equity	10.6%
Europe ex UK Equity	6.3%
Global Emerging Market Equities	2.1%
Cash	-0.2%
Other	1.3%
Total	100.0%

Top holdings as at 31 Dec 2023

Holding	%
Corporate Bond Tracker	28.1%
North American Equity Tracker	24.1%
Emerging Markets Equity Tracker	14.2%
UK Index Tracker	10.6%
Continental European Equity Tracker	6.0%
Japan Equity Tracker	5.5%
Index-Linked Gilt Tracker	5.1%
UK Gilts All-Stocks Tracker	4.0%
Pacific Ex-Japan Equity Tracker	2.4%
Total	100.0%

Source of fund breakdown and holdings: Fund mgmt group

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Risks specific to this fund

There is no guarantee the fund will meet its objective. The value of an investment can fall as well as rise and investors could get back less than they originally invested. All funds carry a level of risk and the information below outlines the key risks for this fund.

Currency risk - this fund invests overseas so its value will go up and down in line with changes in currency exchange rates. This could be good for the fund or bad, particularly if exchange rates are volatile.

Third party risk - in the event that the underlying investments which the fund invests in suspend trading, Aegon may defer trading and/or payment to investors. The value ultimately payable will depend on the amount Aegon receives or expects to receive from the underlying investments.

Credit risk - this fund invests in bonds or other types of debt. Bonds are essentially loans to companies, governments or local authorities so there's a risk that these companies or government bodies may default on the loan. Bonds are rated in terms of quality, usually from AAA down to B and below. AAA is the highest quality and therefore the least likely to default and B or lower the most likely to default. Where we have it we show the credit quality of the loans held by this fund.

Interest rate risk - interest rate changes could affect the value of bond investments. Where long term interest rates rise, the value of bonds is likely to fall, and vice versa.

