



RM Alternative Income Fund

Monthly Factsheet – 31st October 2019

Company Overview		
Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 th June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£35.17m	
Classification:	Non-Complex	
Sector:	IA Specialist	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	113.14
GBP Accumulation (R)	GB00BYVZQ252	113.01
GBP Income (I)	GB00BD6SVR23	106.02
GBP Income (R)	GB00BYVZPZ16	104.89
Next Dividend Ex Date:	31/10/2019	
Dividend Pay Dates:	March, June, September, December.	
Annual Management Charges¹:	Institutional (I): 0.70% Retail (R): 0.80%	
Target Fund Objectives²:	Capital preservation 5.00% Net Dividend on issue price 7-8% Total Return on issue price over medium term	
Dealing Frequency:	Daily Liquidity	
Valuation Frequency:	Daily	
¹ The OCF (Ongoing Charges Figure) for all share classes is capped at 0.85%		
² The figures are targets only and there is no guarantee they will be achieved. Per annum by reference to launch price of £1.00 per unit, payable quarterly, one month in arrears.		
³ Fund data is based upon the VT RM Alternative Income Fund Institutional GBP accumulation class.		

Overview

VT RM Alternative Income Fund (the “Fund” or “RMAI”) seeks to provide income whilst preserving capital over the medium to long-term. The Fund seeks to meet its objectives by investing in listed equities and other transferable securities (including, REITs and Investment Trusts) whose primary activity or exposure is within the alternative income sectors - areas such as alternative lending (asset lending, direct lending, platform lending), Infrastructure and specialist real estate. In addition to investing in equities the fund may also invest in other transferable securities, including bonds, money market instruments or cash. The Fund will have a preference for investments denominated in sterling, with issuers which have activities and assets within the U.K., Europe, USA, Singapore or another OECD Country.

Portfolio Activity

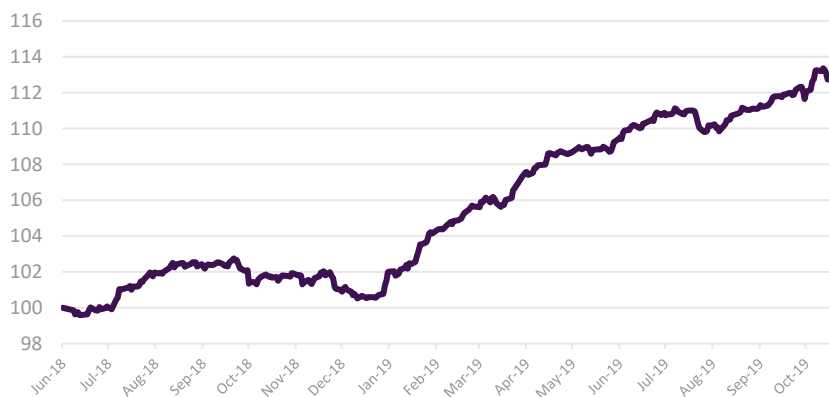
The Fund’s total return for the month of October was 1.03%. Since the Fund’s inception on the 11th June 2018, the net asset valuation per share of the VT RM Alternative Income Fund (the “Fund” or “RMAI”) has increased from £1 to £1.1314 net of fees³. The portfolio has investments across developed markets, primarily in the UK, but also including modest holdings in the US, Canada, Australasia and Europe. Currency exposures are largely hedged back into GBP.

One new holding was added during the period, in addition to adjustments to allocations with the fund participating in follow-on issuance for existing holdings.

The Investment Team conducted three site visits (split across both infrastructure and real estate assets) and met with seven management teams during the period. Cash balances increase during the month as new and existing investors allocated ahead of month end. A distribution for the income units was declared at 1.25p per unit.

SDCL Energy Efficiency Trust (SEIT: LN, 1.49% Allocation) The investment team met with management during the month. Our investment thesis revolved around a handful of key items 1) structural support driven underpinned by the movement towards low carbon economies, 2) established technologies ranging from energy generation such as solar PV and bio-mass to energy efficiency assets including LED lighting, 3) medium to long-term contracted cash flows with a high degree of visibility, and 4) portfolio diversification by geography, industry and counterparty.

VT RM Alternative Income - Institutional - Accumulation Units
Unit Price



Period shown from 11th June 2018 to 31st October 2019. Capital is at risk; returns are not guaranteed and past performance is no guarantee of future performance.

Advisory & Administration

ACD
Valu-Trac Investment Management LTD

Investment Manager

RM Capital Markets Limited, 7 Melville Crescent,
Edinburgh EH3 7JA

Portfolio Managers

Pietro Nicholls
Investment Management
+44 (0) 20 3697 1768
Pietro.Nicholls@rm-capital.co.uk

James Robson

Investment Management
+44 (0) 131 603 7069
James.Robson@rm-capital.co.uk

Sales & Distribution

James Satterthwaite
Sales & Distribution
+44 (0) 131 603 7068
James.Satterthwaite@rm-capital.co.uk

David Watts

Sales & Distribution
+44 (0) 131 603 7064
David.Watts@rm-capital.co.uk

Dealing

Valu-Trac
Dealing
+44 (0) 1343 880 344
rmfunds@valu-trac.com

The prospectus, KIID, and Investment Updates can be found on our website. www.rm-funds.co.uk

Platforms

7IM
AJ Bell
Aegon
AllFunds
Alliance Trust
Ascentric
Aviva
Charles Stanley
Cofunds
Fidelity
FNZ
Fusion
Hargreaves Lansdown
Hubwise
Interactive Investor
Novia
Old Mutual
Pershing
Raymond James
RL360
Standard Life
Stocktrade
Transact
Zurich

If your platform is not listed, please contact our distribution team or Valu-Trac directly.

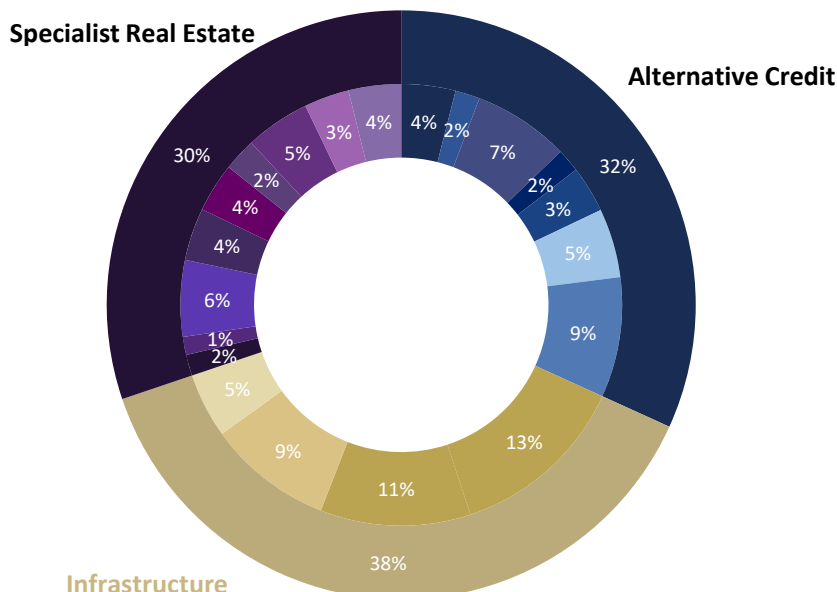
Market Commentary

The FOMC statement ushered in another rate cut, but with the tone turning more hawkish. Spending, jobs and consumer confidence remaining steady with trade and manufacturing concerns providing a dovish counterbalance. The US/China trade discussions continued over the period with positive tones emerging from both sides.

In Europe the ECB held rates, with Mario Draghi bowing out and making way for Christine Lagarde. The new ECB president has a difficult job ahead, with a stagnant Eurozone and a lack of will by leading Eurozone economies and their respective governments to engage in fiscal stimulus.

On the domestic front brexit took centre stage, with the UK's exit delayed again and a general election declared. Politics at Christmas, what a thought.. As we move through Q4 we expect to see further spikes in volatility driven by three key macro considerations, 1) domestically, the political rhetoric dialling up going into the UK December election, 2) consumer spending & confidence during the busy festive season, and 3) the outcome of the US/China trade war.

Allocation Split¹



- Debt - Asset Backed / Secured Loans - 4%
- Debt - CLOs - 2%
- Debt - Direct Lending - 7%
- Debt - Diversified - 2%
- Debt - Infrastructure - 3%
- Debt - Real Estate - 5%
- Debt - Specialist - 9%
- Infrastructure - PPP / Core - 13%
- Infrastructure - Renewables, Mixed - 11%
- Infrastructure - Renewables, Solar - 9%
- Infrastructure - Renewables, Wind - 5%
- Property - Europe Commercial - 2%
- Property - Europe Regional - 1%
- Property - Specialist (Healthcare) - 6%
- Property - Specialist (Other) - 4%
- Property - Specialist (Residential) - 4%
- Property - Specialist (Retail) - 2%
- Property - Specialist (Student) - 5%

¹Percentages may not add up to 100% due to rounding. Excludes cash and cash equivalents.

NAV & Dividend History – 2019													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p ⁽¹⁾	1.2472	-	-	1.2218	-	-	1.2500	-	-	1.2500	-	-	4.97p
NAV ⁽²⁾	103.54	105.14	106.03	108.51	108.98	110.33	110.65	111.16	111.99	113.14	-	-	-
NAV monthly return ⁽²⁾	2.93%	1.55%	0.84%	2.34%	0.44%	1.24%	0.29%	0.46%	0.74%	1.03%	-	-	12.48%

NAV & Dividend History – 2018													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p ⁽¹⁾	-	-	-	-	-	-	0.2977	-	-	1.4591	-	-	1.76p
NAV ⁽²⁾	-	-	-	-	-	100.02	101.23	102.35	102.51	101.62	101.80	100.59	-
NAV monthly return ⁽²⁾	-	-	-	-	-	0.02%	1.22%	1.10%	0.16%	(0.87%)	0.18%	(1.19%)	0.59%

⁽¹⁾ Institutional GBP Income Class ⁽²⁾ Institutional GBP Accumulation

Capital is at risk, returns are not guaranteed and past performance is no guarantee of future performance.

Position	Sector Classification	% of the Portfolio
Renewables Infrastructure Group	Infrastructure - Renewables, Mixed	5.81%
Foresight Solar Fund	Infrastructure - Renewables, Solar	3.92%
International Public Partnerships	Infrastructure - PPP / Core	3.80%
BBGI SICAV	Infrastructure - PPP / Core	3.63%
Tritax Big Box REIT PLC	Property - UK Long Leases	3.33%
Voyage Care 5.875 23	Debt - Specialist	3.14%
Sequoia Economic Infrastructure	Debt - Infrastructure	2.96%
LXI REIT Plc	Property - Specialist (Other)	2.83%
Target Healthcare REIT	Property - Specialist (Healthcare)	2.77%
Greencoat UK Wind Plc	Infrastructure - Renewables, Wind	2.72%
NewDay 7.375% 2024	Debt - Specialist	2.62%
Civitas Social Housing	Property - Specialist (Residential)	2.59%
Starwood European Real Estate Finance	Debt - Real Estate	2.55%
Empiric Student Property	Property - Specialist (Student)	2.44%
International Personal Finance 7.25%	Debt - Direct Lending	2.36%
GCP Asset Backed Income	Debt - Asset Backed / Secured Loans	2.14%
Supermarket Income Reit PLC	Property - Specialist (Retail)	2.09%
Impact Healthcare Reit	Property - Specialist (Healthcare)	2.05%
Aquila European Renewables Income Fund PLC	Infrastructure - Renewables, Mixed	1.98%
Real Estate Credit Investments	Debt - Real Estate	1.83%
GCP Student Living	Property - Specialist (Student)	1.66%
AEW UK REIT	Property - UK Commercial	1.65%
NextEnergy Solar	Infrastructure - Renewables, Solar	1.62%
AMIGO LOANS 7 % 01/15/24	Debt - Direct Lending	1.51%
SDCL Energy Efficiency Income Trust plc	Infrastructure - PPP / Core	1.49%
TwentyFour Select Monthly Income	Debt - Diversified	1.48%
RM Secured Direct Lending	Debt - Direct Lending	1.45%
3i Infrastructure	Infrastructure - PPP / Core	1.45%
John Laing Environmental Assets Group	Infrastructure - Renewables, Mixed	1.41%
Greencoat Renewables Plc	Infrastructure - Renewables, Wind	1.39%
Tritax EuroBox	Property - Europe Commercial	1.33%
Bluefield Solar Income	Infrastructure - Renewables, Solar	1.30%
Schroder European REIT	Property - Europe Regional	1.14%
US Solar Fund	Infrastructure - Renewables, Solar	1.08%
Fair Oaks Income	Debt - CLOs	1.07%
GCP Infrastructure Investments	Infrastructure - PPP / Core	0.82%
International Personal Finance 5.75% 2021	Debt - Direct Lending	0.80%
SONG C Class	Debt - Specialist	0.73%
Alcentra European Floating Rate	Debt - Asset Backed / Secured Loans	0.70%
Urban Logistics REIT	Property - UK Commercial	0.63%
Hipgnosis Song Fund Ltd	Debt - Specialist	0.59%
NB Global Floating Rate Income	Debt - Asset Backed / Secured Loans	0.59%
Warehouse REIT	Property - UK Commercial	0.59%
NewDay Floating 2023	Debt - Specialist	0.55%
Triple Point Social Housing REIT	Property - Specialist (Residential)	0.53%
Blackstone/GSO Loan Financing	Debt - CLOs	0.33%
Charter Hall Education Trust	Property - Specialist (Other)	0.33%
Atlantica Yield	Infrastructure - Renewables, Mixed	0.22%
Infratil	Infrastructure - PPP / Core	0.19%
Convenience Retail REIT	Property - Specialist (Other)	0.18%
Volta Finance	Debt - CLOs	0.15%
TransAlta Renewables	Infrastructure - Renewables, Mixed	0.13%
Primary Healthcare Properties	Property - Specialist (Healthcare)	0.03%
Cash		13.32%

Disclaimer - This Report is intended solely for the information of the person to whom it is provided by the Company, the Investment Manager or the Administrator. This Report does not constitute an offer or solicitation for the purchase or sale of any investment or financial instrument in the Company and should not be relied on by any person for the purpose of accounting, legal or tax advice or for making an investment decision. The payment of dividends and the repayment of capital are not guaranteed by the Company. Any forecast, projection or target is indicative only and not guaranteed in any way, and any opinions or views expressed in this Report are those of the Investment Manager, and do not constitute investment advice and are subject to change without notice, and neither the Company nor the Investment Manager is under any obligation to update such opinions. Whether the Company proceeds with any investment is dependent on multiple factors including, but not limited to the completion of satisfactory due diligence. Past performance is not a reliable indicator of future performance, and investors may not get back the original amount invested. Unless otherwise stated, the sources for all information contained in this report are the Investment Manager and the Administrator. Information contained in this Report is believed to be accurate at the date of publication, but none of the Company, the Investment Manager and the Administrator gives any representation or warranty as to the Report's accuracy or completeness. This report does not contain and is not to be taken as containing any financial product advice or financial product recommendation. None of the Company, the Investment Manager and the Administrator accepts any liability whatsoever for any loss (whether direct or indirect) arising from any use of this Report or its contents. RM Capital Markets Limited is authorised and regulated by the Financial Conduct Authority (registration number 562209), registered in Scotland (Registered Number: SC380707).