



VT RM Alternative Income Fund

Monthly Factsheet – 31st January 2020

Company Overview

Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 th June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£85.56m	
Classification:	Non-Complex	
Sector:	IA Specialist	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	117.22
GBP Accumulation (R)	GB00BYVZQ252	117.08
GBP Income (I)	GB00BD6SVR23	108.60
GBP Income (R)	GB00BYVZPZ16	107.41
Next Dividend Ex Date:	30/04/2020	
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	

¹The OCF (Ongoing Charges Figure) for all share classes is capped at 0.85%

²The 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

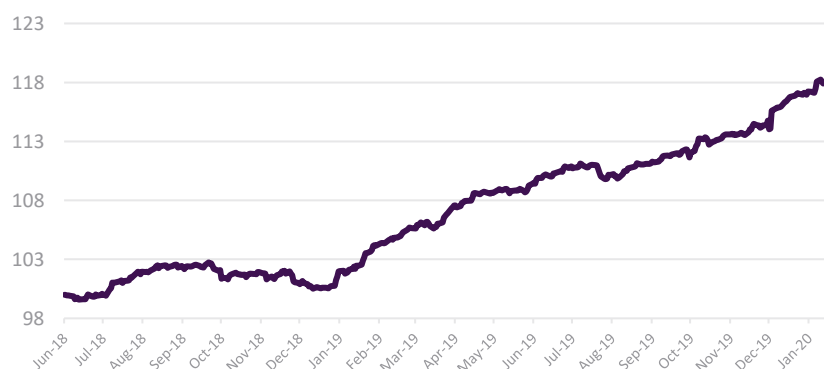
The Fund’s total return for the month of January was 0.30%. Since the Fund’s inception on the 11th June 2018, the net asset valuation per share of the VT RM Alternative Income Fund (the “Fund” or “RMAI”) has increased from £1 to £1.1722 net of fees³. The unrestricted cash position is higher than expected due to month-end inflows. The Income classes declared a distribution of 1.2500p per unit. 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.

The investment team met with seven prospective and existing management teams and companies during the period.

Empiric Student Property (Ticker: ESP LN) We revisited our position in ESP, the holding has performed well, with ESP’s turnaround on-track and the sector rerating to material premiums, we feel the company’s fundamentals support a rerating higher over the medium-term.

Renewables (Tickers: FSFL LN, BSIF LN, NESF LN, JLEN LN, TRIG LN, ORIT LN, UKW LN) As we noted during Q4 2019 UK & US renewable energy assets have had an incredible run, but valuations were looking stretched going into January. Our disciplined approach to valuations and our diversified investment strategy meant we navigated the circa 5%+ correction within the asset segment, as investors reacted to news of projected lower power prices forecasts. We believe in the structural growth of the sector and the long-term fundamentals, but short-term power price reductions, coupled with weaker inflation and resource, means we are likely to see modest NAV swings in this subset.

VT RM Alternative Income - Institutional - Accumulation Units
Unit Price



Period shown from 11th June 2018 to 31st January 2020. 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

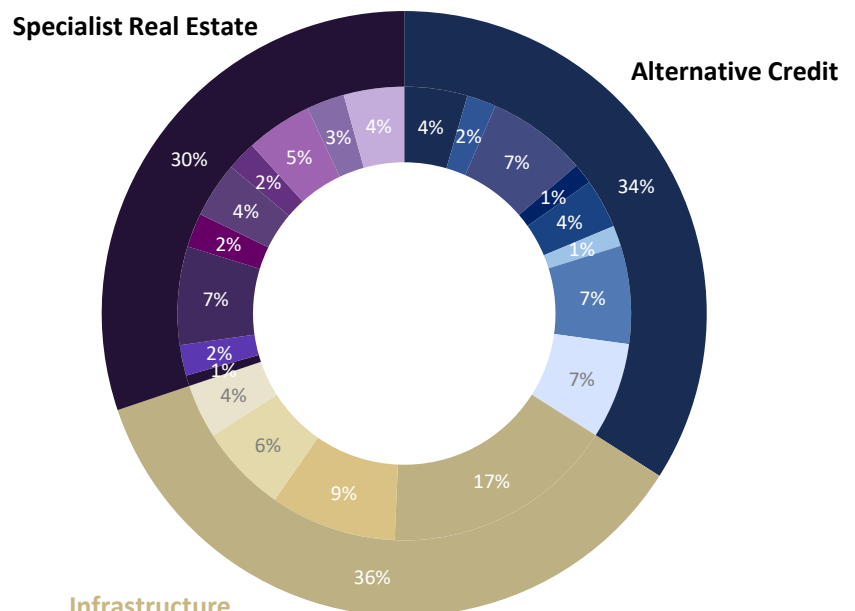
Platforms

7IM
AJ Bell
Aegon
AllFunds
Alliance Trust
Ascentric
Aviva
Charles Stanley
Cofunds
Fidelity
FNZ
Fusion
Hargreaves Lansdown
Hubwise
Interactive Investor
Novia
Nucleus
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

With a US / China phase one trade deal agreed the markets looked set to continue their 2019 performance, however the emerging threat of the SARS like Corona virus caused markets to pause for thought. The situation risks disrupting global growth as governments have started taking precautions to stop the spread of the virus, including China locking-down Cities. We are mindful that China now accounts for over 15% of global GDP (source: IMF), and may well need to provide fiscal and or monetary stimulus to its economy in the event of a material deterioration in economic output during Q1 2020, such actions might create new tensions with the US.

Allocation Split¹



Infrastructure

- Debt - Asset Backed / Secured Loans
- Debt - CLOs
- Debt - Direct Lending
- Debt - Diversified
- Debt - Government
- Debt - Infrastructure
- Debt - Real Estate
- Debt - Specialist
- Infrastructure - PPP / Core
- Infrastructure - Renewables, Mixed
- Infrastructure - Renewables, Solar
- Infrastructure - Renewables, Wind
- Property - Europe Commercial
- Property - Europe Regional
- Property - Specialist (Healthcare)
- Property - Specialist (Other)
- Property - Specialist (Residential)
- Property - Specialist (Retail)
- Property - Specialist (Student)
- Property - Specialist (UK Commercial)
- Property - UK Long Leases
- Property - UK Commercial

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

NAV & Dividend History – 2020													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p ⁽¹⁾	1.2500	-	-	-	-	-	-	-	-	-	-	-	1.25p
NAV ⁽²⁾	117.22	-	-	-	-	-	-	-	-	-	-	-	-
NAV monthly return ⁽²⁾	0.30%	-	-	-	-	-	-	-	-	-	-	-	0.30%

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	114.50	116.88	-
NAV monthly return ⁽²⁾	2.93%	1.55%	0.84%	2.34%	0.44%	1.24%	0.29%	0.46%	0.74%	1.03%	1.20%	2.07%	16.20%

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
Impact Healthcare Reit	Property - Specialist (Healthcare)	4.05%
HICL Infrastructure Company	Infrastructure - PPP / Core	3.77%
Empiric Student Property	Property - Specialist (Student)	3.71%
Tritax Big Box REIT PLC	Property - UK Long Leases	3.57%
NewDay 7.375% 2024	Debt - Specialist	3.14%
EGBLFN 6 1 4 10/30/25	Debt - Real Estate	3.07%
Civitas Social Housing	Property - Specialist (Residential)	3.05%
International Public Partnerships	Infrastructure - PPP / Core	3.04%
UKT 4 3/4 03/0720	Debt - Government	2.93%
Renewables Infrastructure Group	Infrastructure - Renewables, Mixed	2.52%
3i Infrastructure	Infrastructure - PPP / Core	2.44%
Octopus Renewables Infrastructure Trust Plc	Infrastructure - Renewables, Mixed	2.35%
AMIGO LOANS 7 % 01/15/24	Debt - Direct Lending	2.08%
SDCL Energy Efficiency Income Trust plc	Infrastructure - PPP / Core	2.03%
Foresight Solar Fund	Infrastructure - Renewables, Solar	1.99%
NB Global Floating Rate Income	Debt - Asset Backed / Secured Loans	1.91%
Greencoat Renewables Plc	Infrastructure - Renewables, Wind	1.87%
NextEnergy Solar	Infrastructure - Renewables, Solar	1.83%
Schroder European REIT	Property - Europe Regional	1.81%
Voyage Care 5.875 23	Debt - Specialist	1.78%
Supermarket Income Reit PLC	Property - Specialist (Retail)	1.74%
Target Healthcare REIT	Property - Specialist (Healthcare)	1.69%
LXI REIT Plc	Property - Specialist (Other)	1.69%
John Laing Environmental Assets Group	Infrastructure - Renewables, Mixed	1.66%
BBGI SICAV	Infrastructure - PPP / Core	1.53%
AEW UK REIT	Property - UK Commercial	1.47%
Starwood European Real Estate Finance	Debt - Real Estate	1.43%
Greencoat UK Wind Plc	Infrastructure - Renewables, Wind	1.34%
Real Estate Credit Investments	Debt - Real Estate	1.31%
International Personal Finance 5.75% 2021	Debt - Direct Lending	1.27%
Sequoia Economic Infrastructure	Debt - Infrastructure	1.22%
TwentyFour Select Monthly Income	Debt - Diversified	1.22%
International Personal Finance 7.25%	Debt - Direct Lending	1.01%
Bluefield Solar Income	Infrastructure - Renewables, Solar	0.96%
Alcentra European Floating Rate	Debt - Asset Backed / Secured Loans	0.95%
Blackstone/GSO Loan Financing	Debt - CLOs	0.95%
GCP Infrastructure Investments	Infrastructure - PPP / Core	0.95%
GCP Asset Backed Income	Debt - Asset Backed / Secured Loans	0.87%
Aquila European Renewables Income Fund PLC	Infrastructure - Renewables, Mixed	0.78%
Fair Oaks Income	Debt - CLOs	0.73%
RM Secured Direct Lending	Debt - Direct Lending	0.70%
Tritax EuroBox	Property - Europe Commercial	0.63%
JERRGB 4.875 01/15/26	Debt - Direct Lending	0.60%
Urban Logistics REIT	Property - UK Commercial	0.51%
US Solar Fund	Infrastructure - Renewables, Solar	0.45%
SONG C Class	Debt - Specialist	0.30%
Warehouse REIT	Property - UK Commercial	0.26%
Triple Point Social Housing REIT	Property - Specialist (Residential)	0.25%
Hipgnosis Song Fund Ltd	Debt - Specialist	0.24%
International Personal Finance 6.125% 2020	Debt - Direct Lending	0.24%
NewDay Floating 2023	Debt - Specialist	0.23%
Convenience Retail REIT	Property - Specialist (Other)	0.21%
GCP Student Living	Property - Specialist (Student)	0.20%
Charter Hall Education Trust	Property - Specialist (Other)	0.12%
Atlantica Yield	Infrastructure - Renewables, Mixed	0.10%
Infratil	Infrastructure - PPP / Core	0.09%
Primary Healthcare Properties	Property - Specialist (Healthcare)	0.08%
TransAlta Renewables	Infrastructure - Renewables, Mixed	0.06%
Volta Finance	Debt - CLOs	0.06%
Restricted Cash		3.42%
Unrestricted Cash		13.52%

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).