



VT RM Alternative Income Fund

Monthly Factsheet – 29th February 2020

Company Overview

Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 th June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£101.78m	
Classification:	Non-Complex	
Sector:	IA Specialist	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	114.31
GBP Accumulation (R)	GB00BYVZQ252	114.16
GBP Income (I)	GB00BD6SVR23	105.91
GBP Income (R)	GB00BYVZPZ16	104.74
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.

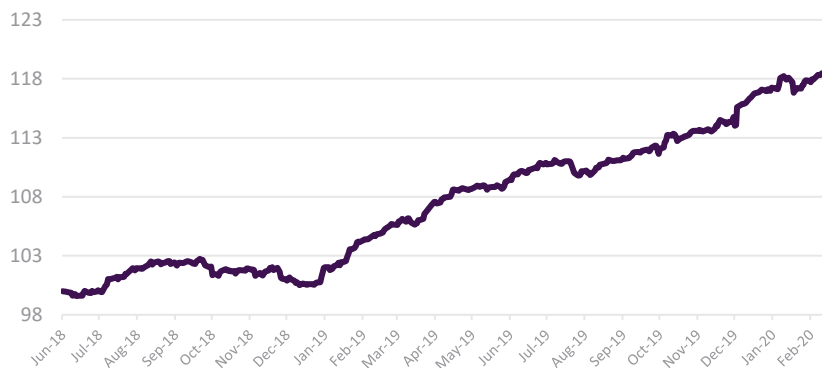
Portfolio Activity

The Fund’s total return for the month of February was -2.48%. 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 £1.1431 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. The investment team met with 14 prospective and existing management teams and companies during the period. The fund’s performance over the month was robust, validating the investment strategy and it’s defensive characteristics. Our focus over the period was capital preservation, a continued effort to reduce volatility and selective buying where value has appeared, especially in the latter few days of the month.

The strategy is especially suited to these markets, with the fund’s ability to move through the capital structure into debt rather than equity and rotate away from GDP focused assets to non-cyclical, highly defensive segments within real estate and infrastructure. We are wary of buying every dip, and prefer to maintain our disciplined execution strategy including, where possible, to average into positions/holdings at the moment. The investment team are cognisant that it’s probable we will see an explosion in Coronavirus infections over the next few weeks to months, leading us firmly into Q2 and therefore continued market volatility and weakness is expected.

JLEN Environmental Assets Group (Ticker: JLEN LN) We have covered this holding previously. The Portfolio Managers and Investment Team like the diversified nature of the asset base, mix of technologies, counterparty quality, inflation protection and high degree of contracted cashflows. As previously noted, we have held back from acquiring stock in the secondary market and prefer to wait until follow-on issuance in the primary market.

VT RM Alternative Income - Institutional - Accumulation Units
Unit Price



Period shown from 11th June 2018 to 28th February 2020. Capital is at risk; returns are not guaranteed and past performance is no guarantee of future performance.

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

Platforms

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AJ Bell
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AllFunds
Alliance Trust
Ascentric
Aviva
Charles Stanley
Cofunds
Elevate
Fidelity
FNZ
Fusion
Hargreaves Lansdown
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Market Commentary

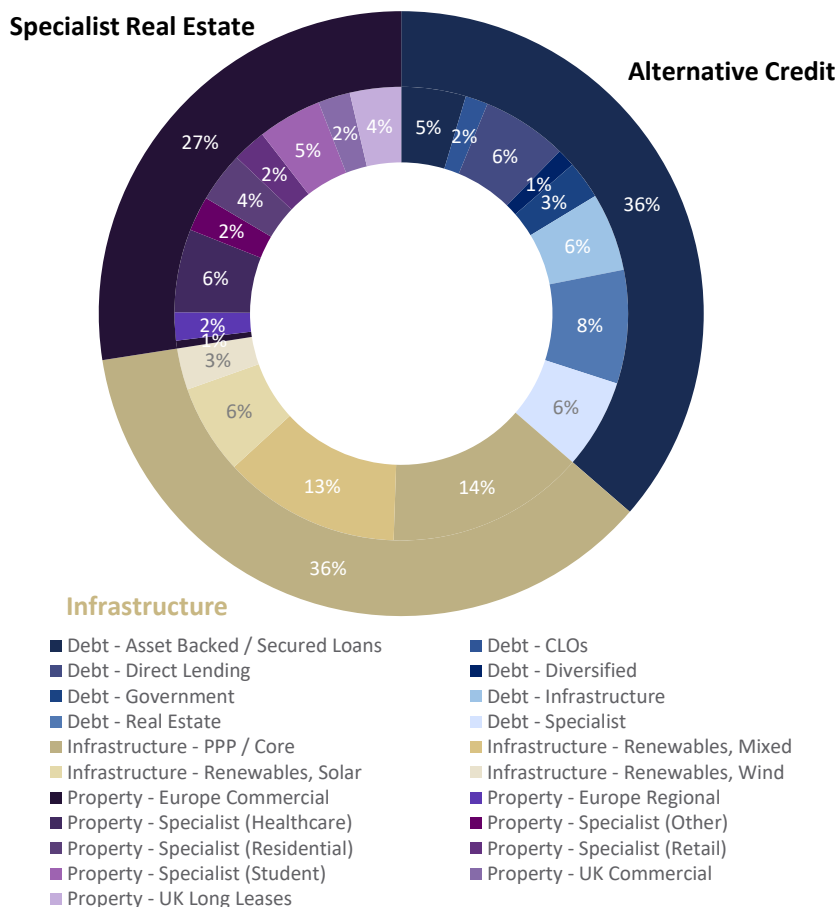
The data summed up the month of February, with the S&P 500 down 8.41%, and the FTSE All-Share down 9.68%.

Chinese Manufacturing PMI (35.7) published on Saturday 29th painted a very bleak picture of the Chinese economy. The data indicated a contraction worse than the depths of the financial crisis in Oct 2008, when the PMI fell to 38.8.

Looking ahead, the disruption to global supply chains is set to continue for the remainder of Q1, as workers eventually return and factories ramp up production. The big unknowns are the virus itself and its global spread, the health policy actions by Western nations and the likelihood of a global recession or temporary, but material, contraction in GDP.

Whilst the Portfolio Managers expect some form of policy response in due course, Central Bank tool kits are less effective in addressing the current issues – however, it's entirely possible that we could see a coordinated approach and a degree of fiscal support aimed at corporations / industry by Government.

Allocation Split¹



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	114.31	-	-	-	-	-	-	-	-	-	-	-
NAV monthly return ⁽²⁾	0.30%	(2.48%)	-	-	-	-	-	-	-	-	-	-	(2.19%)

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
John Laing Environmental Assets Group	Infrastructure - Renewables, Mixed	6.10%
Sequoia Economic Infrastructure	Debt - Infrastructure	4.04%
Empiric Student Property	Property - Specialist (Student)	3.69%
NewDay 7.375% 2024	Debt - Specialist	3.62%
Impact Healthcare Reit	Property - Specialist (Healthcare)	3.47%
HICL Infrastructure Company	Infrastructure - PPP / Core	3.30%
Tritax Big Box REIT PLC	Property - UK Long Leases	3.29%
EGBLFN 6 1 4 10/30/25	Debt - Real Estate	3.26%
International Public Partnerships	Infrastructure - PPP / Core	3.04%
Civitas Social Housing	Property - Specialist (Residential)	3.03%
Renewables Infrastructure Group	Infrastructure - Renewables, Mixed	2.53%
UKT 4 3/4 03/0720	Debt - Government	2.46%
3i Infrastructure	Infrastructure - PPP / Core	2.23%
Supermarket Income Reit PLC	Property - Specialist (Retail)	2.19%
AMIGO LOANS 7 % 01/15/24	Debt - Direct Lending	2.11%
NB Global Floating Rate Income	Debt - Asset Backed / Secured Loans	2.06%
Foresight Solar Fund	Infrastructure - Renewables, Solar	2.06%
NextEnergy Solar	Infrastructure - Renewables, Solar	1.99%
Octopus Renewables Infrastructure Trust Plc	Infrastructure - Renewables, Mixed	1.97%
Real Estate Credit Investments	Debt - Real Estate	1.96%
Schroder European REIT	Property - Europe Regional	1.80%
SDCL Energy Efficiency Income Trust plc	Infrastructure - PPP / Core	1.67%
LXI REIT Plc	Property - Specialist (Other)	1.62%
Greencoat Renewables Plc	Infrastructure - Renewables, Wind	1.59%
Target Healthcare REIT	Property - Specialist (Healthcare)	1.51%
BBGI SICAV	Infrastructure - PPP / Core	1.51%
Voyage Care 5.875 23	Debt - Specialist	1.49%
Starwood European Real Estate Finance	Debt - Real Estate	1.47%
AEW UK REIT	Property - UK Commercial	1.45%
Alcentra European Floating Rate	Debt - Asset Backed / Secured Loans	1.39%
TwentyFour Select Monthly Income	Debt - Diversified	1.17%
Greencoat UK Wind Plc	Infrastructure - Renewables, Wind	1.09%
International Personal Finance 5.75% 2021	Debt - Direct Lending	1.07%
Bluefield Solar Income	Infrastructure - Renewables, Solar	1.05%
Talk Talk 3.875 2025	Debt - Infrastructure	0.99%
GCP Infrastructure Investments	Infrastructure - PPP / Core	0.95%
International Personal Finance 7.25%	Debt - Direct Lending	0.86%
Blackstone/GSO Loan Financing	Debt - CLOs	0.79%
GCP Asset Backed Income	Debt - Asset Backed / Secured Loans	0.70%
US Solar Fund	Infrastructure - Renewables, Solar	0.67%
Aquila European Renewables Income Fund PLC	Infrastructure - Renewables, Mixed	0.67%
BRUNTWOOD BOND 2 PLC	Debt - Real Estate	0.61%
Fair Oaks Income	Debt - CLOs	0.61%
RM Secured Direct Lending	Debt - Direct Lending	0.56%
Tritax EuroBox	Property - Europe Commercial	0.50%
JERRGB 4.875 01/15/26	Debt - Direct Lending	0.50%
Hipgnosis Song Fund Ltd	Debt - Specialist	0.45%
GCP Student Living	Property - Specialist (Student)	0.42%
Urban Logistics REIT	Property - UK Commercial	0.41%
International Personal Finance 6.125% 2020	Debt - Direct Lending	0.40%
Primary Healthcare Properties	Property - Specialist (Healthcare)	0.37%
Convenience Retail REIT	Property - Specialist (Other)	0.35%
Charter Hall Education Trust	Property - Specialist (Other)	0.27%
Warehouse REIT	Property - UK Commercial	0.20%
Triple Point Social Housing REIT	Property - Specialist (Residential)	0.19%
NewDay Floating 2023	Debt - Specialist	0.19%
Atlantica Yield	Infrastructure - Renewables, Mixed	0.09%
Infratil	Infrastructure - PPP / Core	0.09%
TransAlta Renewables	Infrastructure - Renewables, Mixed	0.06%
Volta Finance	Debt - CLOs	0.05%
Restricted Cash		2.61%
Unrestricted Cash		7.14%

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