



VT RM Alternative Income Fund

Monthly Factsheet – 30th June 2020

Company Overview

Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 th June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£83.73m	
Classification:	Non-Complex	
Sector:	IA Specialist	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	107.87
GBP Accumulation (R)	GB00BYVZQ252	107.69
GBP Income (I)	GB00BD6SVR23	98.48
GBP Income (R)	GB00BYVZPZ16	97.41
Next Dividend Ex Date:	31/07/2020	
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

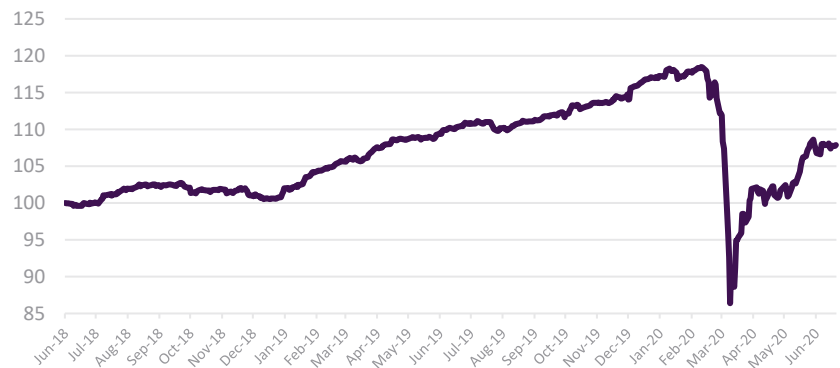
The Fund’s total return for the month of June was 1.56%. The long-only fund produced a positive return during the month. Since the Fund’s inception on the 11th June 2018, the net asset valuation per share of the VT RM Alternative Income Fund (the “Fund” or “RMAI”) has changed from £1.00 to £1.08 net 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 had numerous conference calls with management teams to discuss business and asset performance within the context of the global health pandemic.

At the portfolio level, we have continued to trim specific holdings within both renewables and our secured real credit segments. The former due to the fact prices have rebounded significantly since the March sell-off, the latter due to the increased volatility attached to certain credit holdings. The Investment team expect a handful of capital raises ahead of the summer, with names such as Hipgnosis Songs Fund gearing up for a prospective share issue.

Performance continues to rebound with the Portfolio Managers seeing considerable value in certain sub-segments, especially those which have directly benefited from the change in working practices implemented since late Q1 2020. The fund will go ex-dividend at the end of July for the next quarterly income distribution.

SDCL Energy Efficiency Income Trust (Ticker: SEIT: LN) 2.62%. We topped-up our allocation to SEIT during the period, taking advantage of the placing announced earlier in the month. SEIT is interesting in that it targets predominantly energy efficiency assets rather than pure play renewable energy assets. We are attracted to the different mix of counterparties, contract structure, geographies and technologies, however such factors also pose alternative risks in the form of contract structures and merchant risk.

VT RM Alternative Income - Institutional - Accumulation Units
Unit Price



Period shown from 11th June 2018 to 30th June 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-funds.co.uk.co.uk

James Robson

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

Sales & Distribution

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

David Watts

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

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Aviva
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Cofunds
Elevate
Fidelity
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Market Commentary

Economic data took centre stage during the month. Initially US Payrolls provided a boost to the markets, as investors continued to price-in a dramatic recovery in employment. This enthusiasm has subsided, as the flaws in reporting have become clear, never the less the trajectory is positive. Elsewhere the ONS reported UK GDP for the month of April coming in at a staggering -20%, with the IMF revising global GDP forecasts / assumptions to a -4.9%, eclipsing the fall in GDP post the global financial crisis.

Notable developments in Europe included the ECB preparing a further €600bn of QE, to go hand in hand with the initial €600bn which has already been announced. As a side note we view this as a material positive in the medium-term for real asset prices.

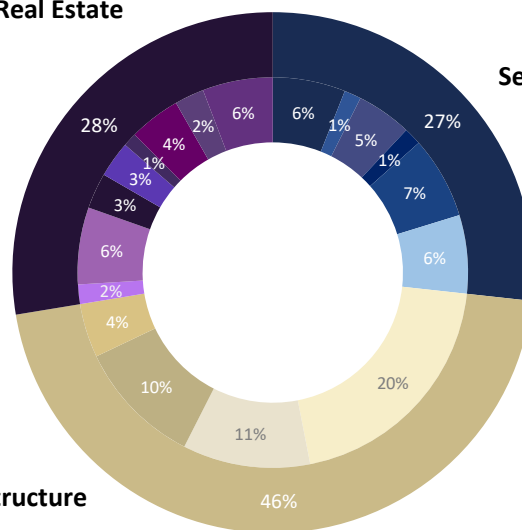
In the UK the BOE announced a further £100bn increase to its asset purchase programme, with inflation dropping further to 0.50% (CPI).

The final point of note is the virus itself; major industrialised nations have started reopening segments of their respective economies. The health policy actions of governments will be watched closely in both how they react to signs of a second wave (as we are seeing in certain US States) and how they manage dealing with the resulting levels of high unemployment.

Allocation Split¹

Specialist Real Estate

Secured Real Assets



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

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	-	-	1.3842	-	-	-	-	-	-	-	-	2.63p
NAV ⁽²⁾	117.22	114.31	98.52	102.28	106.21	107.87	-	-	-	-	-	-	-
NAV monthly return ⁽²⁾	0.30%	(2.48%)	(13.82%)	3.82%	3.84%	1.56%	-	-	-	-	-	-	(7.71%)

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
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<i>Position</i>	<i>Sector Classification</i>	<i>% of the Portfolio</i>
Tritax Big Box REIT PLC	Property - UK Long Leases	5.11%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	4.21%
International Public Partnersh	Infrastructure - PPP - Core	3.97%
Renewables Infrastructure Grou	Infrastructure - Renewables, Mixed	3.84%
NEMEAN 7 3/8 02/01/24	Debt - Specialist	3.83%
Impact Healthcare Reit PLC	Property - Specialist (Healthcare)	3.77%
Empiric Student Property PLC	Property - Specialist (Student)	3.74%
JLEN Environmental Assets Grou	Infrastructure - Renewables, Mixed	3.70%
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	3.69%
3i Infrastructure PLC	Infrastructure - PPP - Core	3.46%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	3.40%
NB Global Floating Rate Income	Debt - Asset Backed - Secured Loans	2.68%
EGBLFN 6 1/4 10/30/25	Debt - Real Estate	2.66%
Civitas Social Housing PLC	Property - Specialist (Residential)	2.63%
Sdcl Energy Efficiency Income	Infrastructure - PPP - Core	2.62%
Greencoat Renewables PLC	Infrastructure - Renewables, WindPPP	2.22%
BBGI SICAV SA/Fund	Infrastructure – PPP - Core	2.12%
LXI REIT plc	Property - Specialist (Other)	1.91%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	1.73%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	1.71%
VOYCAR 5 7/8 05/01/23	Debt - Specialist	1.66%
Real Estate Credit Investments	Debt - Real Estate	1.65%
Alcentra European Floating Rat	Debt - Asset Backed - Secured Loans	1.45%
Schroder European Real Estate	Property - Europe Regional	1.41%
AMIGLN 7 5/8 01/15/24	Debt - Direct Lending	1.33%
AEW UK REIT PLC	Property - UK Commercial	1.32%
Bluefield Solar Income Fund Lt	Infrastructure - Renewables, Solar	1.28%
TwentyFour Select Monthly Inco	Debt - Diversified	1.28%
GCP Infrastructure Investments	Infrastructure - PPP - Core	1.25%
Aquila European Renewables Inc	Infrastructure - Renewables, Mixed	1.22%
IPFLN 5 3/4 04/07/21	Debt - Direct Lending	1.20%
GCP Asset Backed Income Fund L	Debt - Asset Backed - Secured Loans	1.14%
Supermarket Income Reit PLC	Property - Specialist (Retail)	1.00%
Starwood European Real Estate	Debt - Real Estate	0.97%
IPFLN 7 3/4 12/14/23	Debt - Direct Lending	0.88%
Urban Logistics REIT PLC	Property - UK Commercial	0.82%
US Solar Fund PLC/Fund	Infrastructure - Renewables, Solar	0.80%
Blackstone/GSO Loan Financing	Debt - CLOs	0.73%
BRUNT 6 02/25/25	Debt - Real Estate	0.69%
RM Secured Direct Lending plc	Debt - Direct Lending	0.60%
Fair Oaks Income Ltd	Debt - CLOs	0.50%
APN Convenience Retail REIT	Property - Specialist (Other)	0.44%
Octopus Renewables Infrastruct	Infrastructure - Renewables, Mixed	0.33%
Charter Hall Social Infrastruc	Property - Specialist (Other)	0.25%
NEMEAN Float 02/01/23	Debt - Specialist	0.21%
Atlantica Sustainable Infrastr	Infrastructure - Renewables, Mixed	0.11%
Infratil Ltd	Infrastructure - PPP - Core	0.11%
Assura PLC	Property - Specialist (Healthcare)	0.09%
TransAlta Renewables Inc	Infrastructure - Renewables, Mixed	0.06%
Restricted Cash		1.35%
Unrestricted Cash		10.87%

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