



VT RM Alternative Income Fund

Monthly Factsheet – 31st August 2020

Company Overview

Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 th June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£87.78m	
Classification:	Non-Complex	
Sector:	IA Specialist	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	112.28
GBP Accumulation (R)	GB00BYVZQ252	112.08
GBP Income (I)	GB00BD6SVR23	101.22
GBP Income (R)	GB00BYVZPZ16	100.15

Next Dividend Ex Date:	31/10/2020
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Dividend Pay Dates:	March, June, September, December.
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Annual Management Charges¹:	Institutional (F): 0.50%
	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
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Valuation Frequency:	Daily
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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

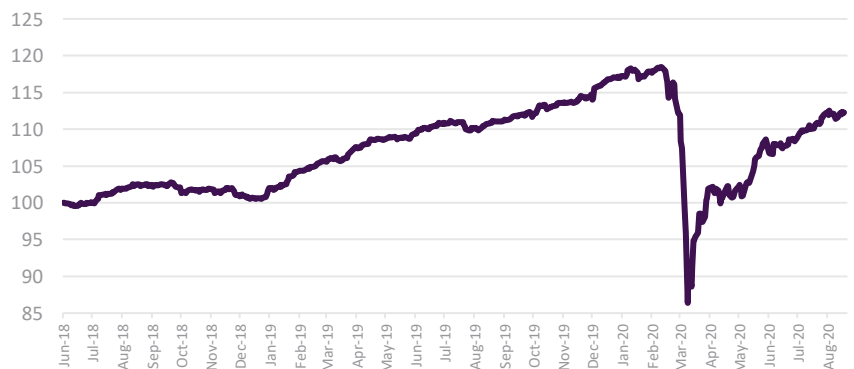
VT RM Alternative Income Fund (the “Fund” or “RMAI”) seeks to provide income whilst preserving capital over the medium to long-term. The focus is real asset investments across three sectors; Secured Real Assets, Infrastructure and Specialist Real Estate. The Fund seeks to meet its objectives by investing in listed equities and other transferable securities (including, REITs and Investment Trusts) whose primary activity or exposure is within the alternative income sectors. 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.

Monthly NAV Performance & Dividend

The Fund’s percentage total return³ for the month of August was 1.25%. Since the Fund’s inception on the 11th June 2018 the return has been 12.3% net of fees.

The portfolio is comprised of liquid 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.

VT RM Alternative Income - Institutional - Accumulation Units
Unit Price



Period shown from 11th June 2018 to 31st August 2020. Capital is at risk; returns are not guaranteed and past performance is no guarantee of future performance.

Portfolio Activity

During the month, the continued focus was on value. We moderately increased our exposure to **Impact Healthcare (IHR: LN)** and **Target Healthcare (THRL: LN)** – both businesses have done exceptionally well during Covid. We partially reduced our position in two holdings, **Hipgnosis (c shares, SONC:LN)** and **Urban Logistics (SHED: LN)**. The Portfolio Managers and Investment team maintain our views that they both benefit from structural growth drivers, but the shares have rallied and additional capital raising is likely during Q4.

On the capital markets front, we are seeing increased activity from new issues such as HOME Reit (focus on sheltered accommodation), Round Hill Music (music royalties) and Triple Point Energy Efficiency Trust (focus on low carbon energy production and efficiency). On the secondary side **Greencoat UK Wind (UKW: LN)** is raising capital for growth and repayment of their revolving credit facilities.

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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
Elevate
Fidelity
FNZ
Fusion
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Market Commentary

A mixed month for the markets, on the equity side the FTSE 100 ended the month almost flat whilst the S&P500 powered to an all-time high (driven principally by a handful of tech-related stocks), yet price action within treasuries and gilts tell a different story with yields at multi-decade lows. The markets are outlining a dichotomy in the way investors view the economic recovery ahead. In the near term we have an eclectic mix of events on the horizon for Q4, with four “knowns”:

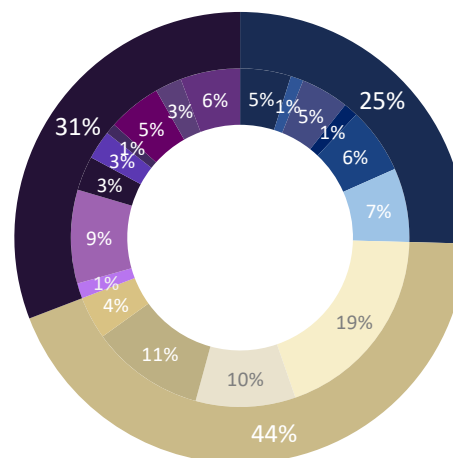
1. US Presidential Elections
2. Covid 2nd Wave
3. Brexit
4. Run-off of the employment and corporate support schemes

This will mean for the fund that we will be focused on a) maintaining ample liquidity, b) close monitoring of the fundamental performance of our holdings and c) opportunistic purchases to take advantage of any further event-driven volatility.

Allocation Split¹

Specialist Real Estate

Secured Real Assets



Infrastructure

- 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	-	-	1.2313	-	-	-	-	-	3.87p
NAV ⁽²⁾	117.22	114.31	98.52	102.28	106.21	107.87	110.90	112.28	-	-	-	-	-
NAV monthly return ⁽²⁾	0.30%	(2.48%)	(13.82%)	3.82%	3.84%	1.57%	2.80%	1.25%	-	-	-	-	(3.94%)

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	5.2%
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	4.8%
Empiric Student Property PLC	Property - Specialist (Student)	4.7%
Impact Healthcare Reit PLC	Property - Specialist (Healthcare)	4.5%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	4.3%
International Public Partnersh	Infrastructure - PPP - Core	4.0%
Renewables Infrastructure Grou	Infrastructure - Renewables, Mixed	3.9%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	3.5%
3i Infrastructure PLC	Infrastructure - PPP - Core	3.3%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	3.2%
JLEN Environmental Assets Grou	Infrastructure - Renewables, Mixed	3.1%
Hipgnosis Songs Fund Ltd/The F	Debt - Specialist	2.9%
Sdcl Energy Efficiency Income	Infrastructure - PPP - Core	2.6%
NB Global Floating Rate Income	Debt - Asset Backed - Secured Loans	2.6%
EGBLFN 6 1/4 10/30/25	Debt - Real Estate	2.6%
Civitas Social Housing PLC	Property - Specialist (Residential)	2.5%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	2.1%
BBGI SICAV SA/Fund	Infrastructure - PPP - Core	2.1%
LXI REIT plc	Property - Specialist (Other)	1.9%
NEMEAN 7 3/8 02/01/24	Debt - Specialist	1.7%
Real Estate Credit Investments	Debt - Real Estate	1.6%
VOYCAR 5 7/8 05/01/23	Debt - Specialist	1.6%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	1.6%
AEW UK REIT PLC	Property - UK Commercial	1.5%
AMIGLN 7 5/8 01/15/24	Debt - Direct Lending	1.4%
Schroder European Real Estate	Property - Europe Regional	1.3%
GCP Infrastructure Investments	Infrastructure - PPP - Core	1.3%
TwentyFour Select Monthly Inco	Debt - Diversified	1.3%
IPFLN 5 3/4 04/07/21	Debt - Direct Lending	1.3%
Aquila European Renewables Inc	Infrastructure - Renewables, Mixed	1.2%
Bluefield Solar Income Fund Lt	Infrastructure - Renewables, Solar	1.2%
GCP Asset Backed Income Fund L	Debt - Asset Backed - Secured Loans	1.2%
Supermarket Income Reit PLC	Property - Specialist (Retail)	0.9%
IPFLN 7 3/4 12/14/23	Debt - Direct Lending	0.9%
Starwood European Real Estate	Debt - Real Estate	0.9%
APN Convenience Retail REIT	Property - Specialist (Other)	0.9%
Urban Logistics REIT PLC	Property - UK Commercial	0.8%
US Solar Fund PLC/Fund	Infrastructure - Renewables, Solar	0.7%
BRUNT 6 02/25/25	Debt - Real Estate	0.7%
Blackstone/GSO Loan Financing	Debt - CLOs	0.6%
Alcentra European Floating Rat	Debt - Asset Backed - Secured Loans	0.6%
RM Secured Direct Lending plc	Debt - Direct Lending	0.6%
Fair Oaks Income Ltd	Debt - CLOs	0.5%
Octopus Renewables Infrastruct	Infrastructure - Renewables, Mixed	0.3%
Charter Hall Social Infrastruc	Property - Specialist (Other)	0.3%
NEMEAN Float 02/01/23	Debt - Specialist	0.2%
Primary Health Properties PLC	Property - Specialist (Healthcare)	0.1%
Atlantica Sustainable Infrastr	Infrastructure - Renewables, Mixed	0.1%
Infratil Ltd	Infrastructure - PPP - Core	0.1%
Assura PLC	Property - Specialist (Healthcare)	0.1%
TransAlta Renewables Inc	Infrastructure - Renewables, Mixed	0.1%
Restricted Cash		0.95%
Unrestricted Cash		7.61%

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