



# VT RM Alternative Income Fund

Monthly Factsheet – 30<sup>th</sup> September 2020

Company Overview		
Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 <sup>th</sup> June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£86.13	
Classification:	Non-Complex	
Sector:	IA Specialist	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	110.10
GBP Accumulation (R)	GB00BYVZQ252	109.91
GBP Income (I)	GB00BD6SVR23	99.27
GBP Income (R)	GB00BYVZPZ16	98.21
Next Dividend Ex Date:	31/10/2020	
Dividend Pay Dates:	March, June, September, December.	
Annual Management Charges <sup>1</sup> :	Institutional (F): 0.45%	
	Institutional (I): 0.70%	
	Retail (R): 0.80%	
Target Fund Objectives <sup>2</sup> :	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	
<sup>1</sup> The OCF (Ongoing Charges Figure) for all share classes is capped at 0.85%		
<sup>2</sup> 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.		
<sup>3</sup> Fund data is based upon the VT RM Alternative Income Fund Institutional GBP accumulation class.		

## Overview

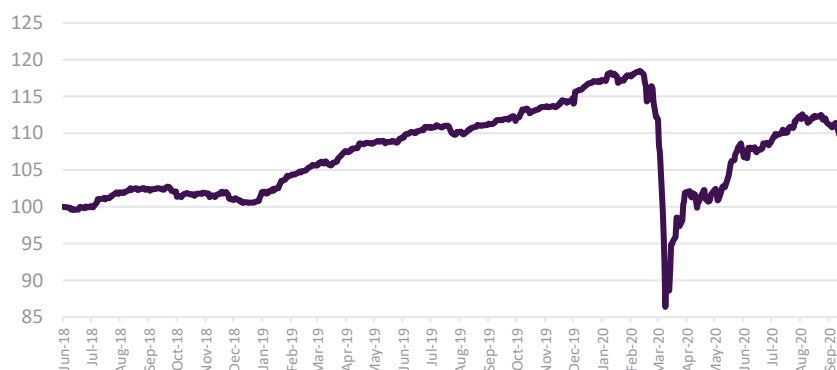
VT RM Alternative Income Fund (the “Fund” or “RMAI”) seeks to provide income whilst preserving capital over the medium to long-term. The focus is real asset investments across three sectors; Secured Real Assets, Infrastructure and Specialist Real Estate. The Fund seeks to meet its objectives by investing 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 return<sup>3</sup> for the month of September was -1.94%. Since the Fund’s inception on the 11th June 2018 the return has been 10.1% 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 11<sup>th</sup> June 2018 to 30<sup>th</sup> September 2020. Capital is at risk; returns are not guaranteed and past performance is no guarantee of future performance.

## Portfolio Activity

September ushered in a wave of activity in both the primary and secondary markets. On the primary front the Investment team met with Round Hill Music Team, Triple Point Energy Efficiency Trust, Home REIT and EcoFin. On the secondary side, we met with **SHED: LN**, **GRID: LN**, **UKW: LN**, **INPP: LN**, **AERI: LN**, **SUPR: LN**, and **JLG: LN**. During the period we reduced our exposure to general credit, however this isn’t immediately reflected in the allocations split, as we increased our exposure to Voyage Care (which sits within our secured real asset allocation). We took part in a handful of placings (**SONG: LN**, **SHED: LN** and **UKW: LN**), albeit we are being highly selective moving into Q4 2020.

The investment team’s focus has been on the analysis of the underlying business fundamentals of the companies and assets we are invested in and the degree of resilience such assets have to the current economic climate and any potential second wave considerations. Overall, the Fund Managers and investment team feel the portfolio is performing in-line with expectations – yet market sentiment is weighing on certain segments irrespective of underlying asset performance.

## Advisory & Administration

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Valu-Trac Investment Management LTD

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The prospectus, KIID, and Investment Updates can be found on our website. [www.rm-funds.co.uk](http://www.rm-funds.co.uk)

### Platforms

7IM  
AJ Bell  
Aegon  
AllFunds  
Alliance Trust  
Ascentric  
Aviva  
Charles Stanley  
Cofunds  
Elevate  
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.

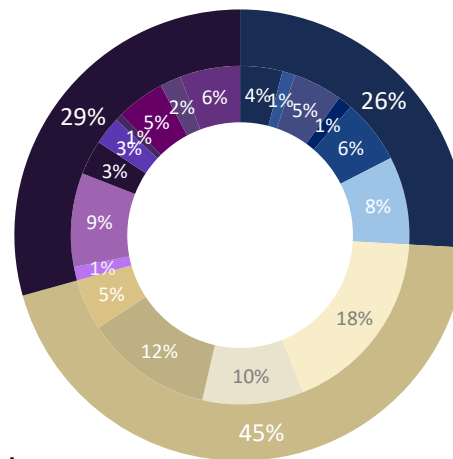
## Market Commentary

The S&P 500 ended the month down -3.92% with the FTSE All-share off by -1.69%. The market weakness primarily driven by concerns over a 2<sup>nd</sup> wave, the tapering of furlough schemes and the impending US Presidential elections. Policy action by central banks appears to be in a holding pattern as central bankers look for direction in the data. The macro data looks mixed with US Unemployment dropping to around 8.40% (from 10.20%) initially encouraging, but offset by what looks like a considerable on-coming wave of corporate defaults and layoffs across both sides of the Atlantic.

## Allocation Split<sup>1</sup>

### 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

<sup>1</sup>Percentages 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 <sup>(1)</sup>	1.2500	-	-	1.3842	-	-	1.2313	-	-	-	-	-	3.87p
NAV <sup>(2)</sup>	117.22	114.31	98.52	102.28	106.21	107.87	110.90	112.28	110.10	-	-	-	-
NAV monthly return <sup>(2)</sup>	0.30%	(2.48%)	(13.82%)	3.82%	3.84%	1.57%	2.80%	1.25%	-1.94%	-	-	-	(5.80%)

NAV & Dividend History – 2019													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p <sup>(1)</sup>	1.2472	-	-	1.2218	-	-	1.2500	-	-	1.2500	-	-	4.97p
NAV <sup>(2)</sup>	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 <sup>(2)</sup>	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 <sup>(1)</sup>	-	-	-	-	-	-	0.2977	-	-	1.4591	-	-	1.76p
NAV <sup>(2)</sup>	-	-	-	-	-	100.02	101.23	102.35	102.51	101.62	101.80	100.59	-
NAV monthly return <sup>(2)</sup>	-	-	-	-	-	0.02%	1.22%	1.10%	0.16%	(0.87%)	0.18%	(1.19%)	0.59%

<sup>(1)</sup> Institutional GBP Income Class      <sup>(2)</sup> 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	5.27%
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	5.19%
Impact Healthcare Reit PLC	Property - Specialist (Healthcare)	4.74%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	4.31%
Empiric Student Property PLC	Property - Specialist (Student)	4.24%
Renewables Infrastructure Grou	Infrastructure - Renewables, Mixed	4.04%
International Public Partnersh	Infrastructure - PPP - Core	3.93%
VOYCAR 5 7/8 05/01/23	Debt - Specialist	3.93%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	3.93%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	3.33%
3i Infrastructure PLC	Infrastructure - PPP - Core	3.32%
JLEN Environmental Assets Grou	Infrastructure - Renewables, Mixed	3.05%
EGBLFN 6 1/4 10/30/25	Debt - Real Estate	2.67%
NB Global Monthly Income Fund	Debt - Asset Backed - Secured Loans	2.49%
Civitas Social Housing PLC	Property - Specialist (Residential)	2.46%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	2.33%
BBGI SICAV SA/Fund	Infrastructure - PPP - Core	2.16%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	2.16%
LXI REIT plc	Property - Specialist (Other)	1.81%
NEMEAN 7 3/8 02/01/24	Debt - Specialist	1.72%
GCP Infrastructure Investments	Infrastructure - PPP - Core	1.71%
AMIGLN 7 5/8 01/15/24	Debt - Direct Lending	1.63%
Real Estate Credit Investments	Debt - Real Estate	1.60%
AEW UK REIT PLC	Property - UK Commercial	1.43%
Bluefield Solar Income Fund Lt	Infrastructure - Renewables, Solar	1.27%
Aquila European Renewables Inc	Infrastructure - Renewables, Mixed	1.27%
TwentyFour Select Monthly Inco	Debt - Diversified	1.24%
IPFLN 5 3/4 04/07/21	Debt - Direct Lending	1.22%
Schroder European Real Estate	Property - Europe Regional	1.19%
Hipgnosis Songs Fund Ltd/The F	Debt - Specialist	1.16%
GCP Asset Backed Income Fund L	Debt - Asset Backed - Secured Loans	1.12%
Sdcl Energy Efficiency Income	Infrastructure - PPP - Core	1.00%
APN Convenience Retail REIT	Property - Specialist (Other)	0.92%
IPFLN 7 3/4 12/14/23	Debt - Direct Lending	0.86%
US Solar Fund PLC/Fund	Infrastructure - Renewables, Solar	0.77%
Starwood European Real Estate	Debt - Real Estate	0.70%
Hipgnosis Songs Fund Ltd/The F	Debt - Specialist	0.68%
BRUNT 6 02/25/25	Debt - Real Estate	0.66%
Blackstone/GSO Loan Financing	Debt - CLOs	0.63%
Supermarket Income Reit PLC	Property - Specialist (Retail)	0.62%
RM Secured Direct Lending plc	Debt - Direct Lending	0.60%
Fair Oaks Income Ltd	Debt - CLOs	0.50%
Urban Logistics REIT PLC	Property - UK Commercial	0.41%
Octopus Renewables Infrastruct	Infrastructure - Renewables, Mixed	0.31%
Charter Hall Social Infrastruc	Property - Specialist (Other)	0.29%
NEMEAN Float 02/01/23	Debt - Specialist	0.21%
Primary Health Properties PLC	Property - Specialist (Healthcare)	0.13%
Infratil Ltd	Infrastructure - PPP - Core	0.11%
Atlantica Sustainable Infrastr	Infrastructure - Renewables, Mixed	0.10%
Alcentra European Floating Rat	Debt - Asset Backed - Secured Loans	0.08%
TransAlta Renewables Inc	Infrastructure - Renewables, Mixed	0.06%
<i>Restricted Cash</i>		<b>1.23%</b>
<i>Unrestricted Cash</i>		<b>7.16%</b>

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