



# VT RM Alternative Income Fund

Monthly Factsheet – 31<sup>st</sup> October 2020

## Company Overview

<b>Fund Name:</b>	VT RM Alternative Income Fund	
<b>Launch Date:</b>	11 <sup>th</sup> June 2018	
<b>Regulatory Status:</b>	FCA Authorised	
<b>Fund Size:</b>	£86.22mm	
<b>Classification:</b>	Non-Complex	
<b>Sector:</b>	IA Specialist	
<b>Share Classes:</b>	Income & Accumulation	
<b>Currencies:</b>	GBP, EUR, USD	
<b>Share Class</b>	<b>ISIN</b>	<b>NAV</b>
GBP Accumulation (I)	GB00BD6SVV68	110.08
GBP Accumulation (R)	GB00BYVZQ252	109.88
GBP Income (I)	GB00BD6SVR23	98.06
GBP Income (R)	GB00BYVZPZ16	96.97
<b>Next Dividend Ex Date:</b>	31/01/2021	
<b>Dividend Pay Dates:</b>	March, June, September, December.	
<b>Annual Management Charges<sup>1</sup>:</b>	Institutional (F): 0.45%	
	Institutional (I): 0.70%	
	Retail (R): 0.80%	
<b>Target Fund Objectives<sup>2</sup>:</b>	Capital preservation 5.00% Net Dividend on issue price 7-8% Total Return on issue price over medium term	
<b>Dealing Frequency:</b>	Daily Liquidity	
<b>Valuation Frequency:</b>	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

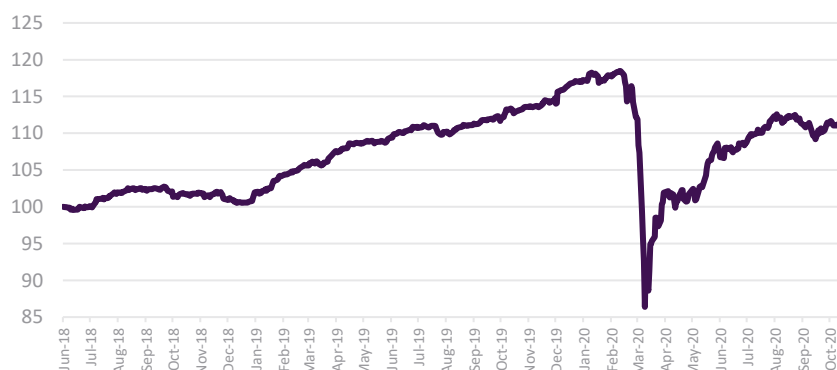
VT RM Alternative Income Fund (the “Fund” or “RMAI”) seeks to provide income whilst preserving capital over the medium to long-term. The focus is real asset investments across three sectors; Secured Real Assets, Infrastructure and Specialist Real Estate. The Fund seeks to meet its objectives by investing 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 October was -0.03%. 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> October 2020. Capital is at risk; returns are not guaranteed and past performance is no guarantee of future performance.

## Portfolio Activity

October was a busy period for the investment team. On the primary front, we allocated to **HOME: LN**, **SUPR: LN** and **GRP: LN**.

**Home REIT PLC (HOME: LN 2.00%)** Offers an attractive blend of income and capital growth through exposure to an important segment of the social housing sector (sheltered accommodation). The team are attracted to the strong governance, mix of high-grade counterparties, with assets/services underpinned by legislation and regulation.

On the secondary front, the Portfolio Managers and Investment team continued to reduce exposure to credit, currently c.23%, exiting the position in **SWEF: LN**. The fund also exited its position in **SONC: LN** (noting the fund still holds a small position in **SONG: LN**) and reduced its position in **INPP: LN** and **3IN: LN**. The investment team met with c.14 management teams during the month. Finally, during the period, the fund declared its 4<sup>th</sup> distribution for the calendar year of 1.1795p, YTD 5.05p.

## Advisory & Administration

ACD  
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

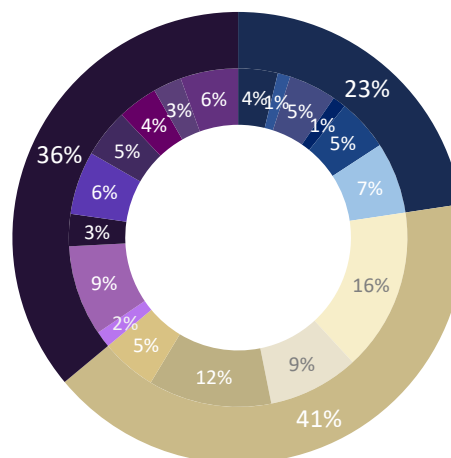
European markets sold off heavily during the month driven by concerns over the economic impact of a second lock-down. The CAC, DAX and FTSE were all off by -4.36%, -9.44% and -4.95% respectively. UK GDP data came in weaker than expected, whilst Eurozone data appeared to reverse Q2s decline, questions remain around a reopening and the impact this will have on Q4 data. Lagarde indicated the ECB would prepare further stimulus as and when it is needed.

In the US the focus was on the Presidential race, with Biden predicted to win. The outcome will no doubt be contested, with the markets main concerns centred around a potential split between the Senate and House leading to a four-year term of entrenched negotiations to pass any legislation.

## 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 (Retail)
- Property - Specialist (Social)
- 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	-	-	1.1795	-	-	5.05p
NAV <sup>(2)</sup>	117.22	114.31	98.52	102.28	106.21	107.87	110.90	112.28	110.10	110.08	-	-	-
NAV monthly return <sup>(2)</sup>	0.30%	(2.48%)	(13.82%)	3.82%	3.84%	1.57%	2.80%	1.25%	-1.94%	-0.03%	-	-	(5.82%)

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  
 Capital is at risk; returns are not guaranteed and past performance is no guarantee of future performance.

<i>Position</i>	<i>Sector Classification</i>	<i>% of the Portfolio</i>
Supermarket Income Reit PLC	Property - Specialist (Retail)	5.8%
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	5.5%
Tritax Big Box REIT PLC	Property - UK Long Leases	5.3%
Impact Healthcare Reit PLC	Property - Specialist (Healthcare)	4.8%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	4.6%
Renewables Infrastructure Grou	Infrastructure - Renewables, Mixed	4.0%
VOYCAR 5 7/8 05/01/23	Debt - Specialist	3.9%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	3.8%
Empiric Student Property PLC	Property - Specialist (Student)	3.7%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	3.5%
International Public Partnersh	Infrastructure - PPP - Core	3.2%
JLEN Environmental Assets Grou	Infrastructure - Renewables, Mixed	3.0%
3i Infrastructure PLC	Infrastructure - PPP - Core	2.8%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	2.8%
EGBLFN 6 1/4 10/30/25	Debt - Real Estate	2.5%
NB Global Monthly Income Fund	Debt - Asset Backed - Secured Loans	2.5%
Civitas Social Housing PLC	Property - Specialist (Social)	2.4%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	2.3%
Home Reit PLC	Property - Specialist (Social)	2.0%
BBI Global Infrastructure S.A	Infrastructure - PPP - Core	2.0%
LXI REIT plc	Property - Specialist (Other)	1.8%
NEMEAN 7 3/8 02/01/24	Debt - Specialist	1.7%
AMIGLN 7 5/8 01/15/24	Debt - Direct Lending	1.7%
GCP Infrastructure Investments	Infrastructure - PPP - Core	1.6%
Real Estate Credit Investments	Debt - Real Estate	1.6%
Schroder European Real Estate	Property - Europe Regional	1.5%
AEW UK REIT PLC	Property - UK Commercial	1.4%
TwentyFour Select Monthly Inco	Debt - Diversified	1.2%
Bluefield Solar Income Fund Lt	Infrastructure - Renewables, Solar	1.2%
IPFLN 5 3/4 04/07/21	Debt - Direct Lending	1.2%
Aquila European Renewables Inc	Infrastructure - Renewables, Mixed	1.2%
Urban Logistics REIT PLC	Property - UK Commercial	1.2%
GCP Asset Backed Income Fund L	Debt - Asset Backed - Secured Loans	1.1%
IPFLN 7 3/4 12/14/23	Debt - Direct Lending	0.9%
APN Convenience Retail REIT	Property - Specialist (Other)	0.9%
US Solar Fund PLC/Fund	Infrastructure - Renewables, Solar	0.8%
Hipgnosis Songs Fund Ltd/The F	Debt - Specialist	0.7%
BRUNT 6 02/25/25	Debt - Real Estate	0.7%
Blackstone/GSO Loan Financing	Debt - CLOs	0.6%
Sdcl Energy Efficiency Income	Infrastructure - PPP - Core	0.6%
RM Secured Direct Lending plc	Debt - Direct Lending	0.6%
Fair Oaks Income Ltd	Debt - CLOs	0.5%
Charter Hall Social Infrastruc	Property - Specialist (Other)	0.3%
NEMEAN Float 02/01/23	Debt - Specialist	0.2%
Infratil Ltd	Infrastructure - PPP - Core	0.1%
Atlantica Sustainable Infrastr	Infrastructure - Renewables, Mixed	0.1%
Alcentra European Floating Rat	Debt - Asset Backed - Secured Loans	0.1%
TransAlta Renewables Inc	Infrastructure - Renewables, Mixed	0.1%
<i>Restricted Cash</i>		<i>0.81%</i>
<i>Unrestricted Cash</i>		<i>3.30%</i>

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