



# VT RM Alternative Income Fund

Monthly Factsheet – 31<sup>st</sup> July 2021

## 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>	£115.03m	
<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	127.61
GBP Accumulation(R)	GB00BYVZQ252	127.30
GBP Income (I)	GB00BD6SVR23	109.91
GBP Income (R)	GB00BYVZPZ16	108.64
<b>Next Dividend Ex Date:</b>	31/10/2021	
<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) is capped at 0.85% for Class I and R shareholders and 0.45% for Class F shareholders.

<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

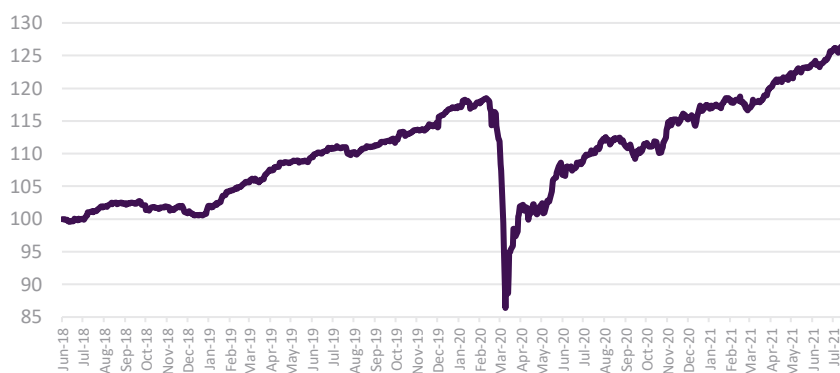
VT RM Alternative Income Fund (the “Fund” or “RMAI”) seeks to provide income whilst preserving capital over the medium to long-term. The focus is real asset investments across three sectors; Secured Real Assets, Infrastructure and Specialist Real Estate. The Fund seeks to meet its objectives by investing 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 July was 2.60%. Since the Fund’s inception on the 11th of June 2018 the return has been 27.61% 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 31<sup>st</sup> July 2021. Capital is at risk; returns are not guaranteed, and past performance is no guarantee of future performance.

## Portfolio Activity

July was an incredibly busy period for equity markets. With issuance from **LXI: LN**, **ORIT: LN**, **RHM: LN**, **BSIF: LN**, **SONG: LN**, **SHED: LN**. **INPP: LN**, **GRID: LN** and **TMI: LN**. The fund participated in a number of these placings, as most names are existing holdings within the fund and represented an attractive entry point to increase or maintain our allocation. On the secondary side, we began increasing our exposure to UK solar assets (**NESF: LN** and **FSFL: LN**), as base load power continued to trend above £100 MWh (the implication being a positive read across to underlying Net Asset Values). However, we did trim **TRIG: LN** in favour of re-establishing a position in **ORIT: LN** (on a relative value basis).

Furthermore, we saw M&A activity within the social real estate theme, specifically student accommodation, with **DIGS: LN** receiving a consortium bid. The investment team capitalised on this, whilst also benefiting from the general sector rerating, where the fund also holds **ESP: LN**.

## Advisory & Administration

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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)

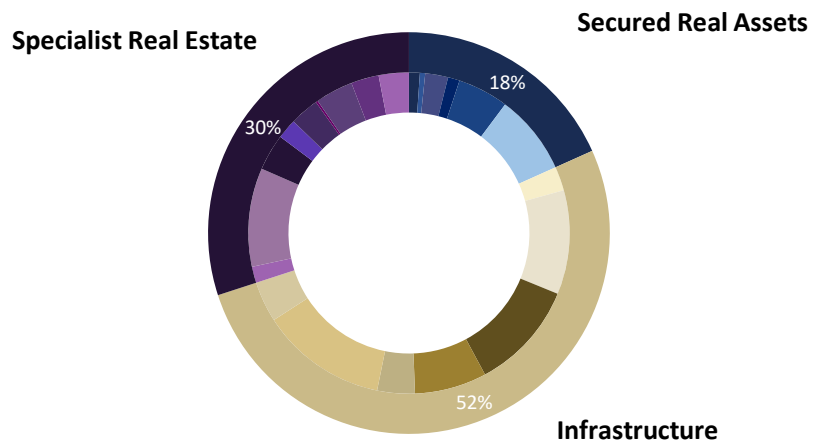
**Platforms**  
7IM  
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Hargreaves Lansdown  
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## Market Commentary

Macro continued to dominate the summer holiday narrative. Whilst the start of July began with a risk-off tone, the markets appear to have settled in the interim, and continued pushing higher. Bond prices/yields are noteworthy, with many of the European “PIGS” government bond yields pushing into negative territory, with US Treasury yields continuing to fall despite the higher July inflation prints. Whether this is due to concerns about the delta variant impacting the reopening, the markets buying the “transitory” argument, or an accommodative FED is one of the key reasons why the Portfolio Managers have increased the fund’s exposure to index-linked cash flows.

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



- Debt - Asset Backed - Secured Loans - 1.1%
- Debt - CLOs - 0.5%
- Debt - Direct Lending - 2.3%
- Debt - Diversified - 1.2%
- Debt - Real Estate - 5.1%
- Debt - Specialist - 8.1%
- Infrastructure - Demand - 2.4%
- Infrastructure - Digital - 10.5%
- Infrastructure - PPP - Core - 11%
- Infrastructure - Renewables, Mixed - 7.3%
- Infrastructure - Renewables, Other/Special - 3.8%
- Infrastructure - Renewables, Solar - 12.7%
- Infrastructure - Renewables, Wind - 4.1%
- Property - Europe Regional - 1.6%
- Property - Specialist (Healthcare) - 9.9%
- Property - Specialist (Other) - 3.7%
- Property - Specialist (Residential) - 2%
- Property - Specialist (Retail) - 2.9%
- Property - Specialist (Social) - 0.2%
- Property - Specialist (Student) - 3.8%
- Property - UK Commercial - 2.8%
- Property - UK Long Leases - 3%

<sup>1</sup>Percentages may not add up to 100% due to rounding. Excludes cash and cash equivalents.

Please note digital assets are currently categorised within the infrastructure segment, RM Funds aims to separately categorise this segment in the coming factsheets.

Please note transaction costs are currently -0.25%.

# VT RM Alternative Income Fund

Monthly Factsheet – 31<sup>st</sup> July 2021

NAV & Dividend History – 2021													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p <sup>(1)</sup>	0.7516	-	-	1.8566	-	-	1.0027	-	-	-	-	-	3.61p
NAV <sup>(2)</sup>	117.36	117.90	118.43	121.53	123.13	124.38	127.61	-	-	-	-	-	-
NAV monthly return <sup>(2)</sup>	0.67%	0.46%	0.45%	2.62%	1.31%	1.01%	2.60%	-	-	-	-	-	9.46%

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	115.05	116.57	-
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%)	4.52%	1.33%	(0.26%)

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	-	-	1.4560	-	-	1.75p
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.

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<i>Position</i>	<i>Sector Classification</i>	<i>% of the Portfolio</i>
Digital 9 Infrastructure PLC/Fund	Infrastructure - Digital	7.0%
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	4.9%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	4.7%
Impact Healthcare Reit PLC	Property - Specialist (Healthcare)	3.9%
Empiric Student Property PLC	Property - Specialist (Student)	3.4%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	3.3%
Sienna Senior Living Inc	Property - Specialist (Healthcare)	3.2%
VOYCAR 5 7/8 05/01/23	Debt - Specialist	3.1%
Renewables Infrastructure Group Ltd/The	Infrastructure - Renewables, Mixed	2.9%
JLEN Environmental Assets Group Ltd	Infrastructure - Renewables, Mixed	2.8%
Tritax Big Box REIT PLC	Property - UK Long Leases	2.7%
Supermarket Income Reit PLC	Property - Specialist (Retail)	2.7%
Taylor Maritime Investments Ltd	Infrastructure - Demand	2.2%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	2.2%
Gore Street Energy Storage Fund PLC/The Fund	Infrastructure - Renewables, Other/Special	2.1%
LXI REIT Plc	Property - Specialist (Other)	2.0%
EGBLFN 6 1/4 10/30/25	Debt - Real Estate	1.9%
International Public Partnerships Ltd	Infrastructure - PPP - Core	1.9%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	1.8%
Triple Point Social Housing Reit PLC	Property - Specialist (Residential)	1.8%
GCP Infrastructure Investments Ltd	Infrastructure - PPP - Core	1.7%
BBGI Global Infrastructure S.A.	Infrastructure - PPP - Core	1.7%
Bluefield Solar Income Fund Ltd	Infrastructure - Renewables, Solar	1.7%
Hipgnosis Songs Fund Ltd/The Fund	Debt - Specialist	1.6%
Cordiant Digital Infrastructure Ltd/Fund	Infrastructure - Digital	1.5%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	1.5%
Schroder European Real Estate Investment Trust PLC	Property - Europe Regional	1.5%
NEMEAN 7 3/8 02/01/24	Debt - Specialist	1.5%
Gresham House Energy Storage Fund PLC/The Fund	Infrastructure - Renewables, Other/Special	1.4%
AEW UK REIT PLC	Property - UK Commercial	1.3%
3i Infrastructure PLC	Infrastructure - PPP - Core	1.3%
Real Estate Credit Investments Ltd/Fund	Debt - Real Estate	1.3%
Urban Logistics REIT PLC	Property - UK Commercial	1.2%
TwentyFour Select Monthly Income Fund Ltd	Debt - Diversified	1.1%
GCP Asset Backed Income Fund Ltd	Debt - Asset Backed - Secured Loans	1.0%
Cordiant Digital Infrastructure Ltd/Fund	Infrastructure - Digital	0.9%
EGBLFN 6 1/4 03/30/26	Debt - Real Estate	0.9%
IPFLN 9 3/4 11/12/25	Debt - Direct Lending	0.8%
IPFLN 7 3/4 12/14/23	Debt - Direct Lending	0.8%
Round Hill Music Royalty Fund Ltd/Fund	Debt - Specialist	0.7%
Octopus Renewables Infrastructure Trust PLC	Infrastructure - Renewables, Mixed	0.7%
APN Convenience Retail REIT	Property - Specialist (Other)	0.6%
BRUNT 6 02/25/25	Debt - Real Estate	0.6%
SmartCentres Real Estate Investment Trust	Property - Specialist (Other)	0.6%
RM Infrastructure Income Plc	Debt - Direct Lending	0.5%
Fair Oaks Income Ltd	Debt - CLOs	0.5%
Round Hill Music Royalty Fund Ltd/Fund	Debt - Specialist	0.5%
US Solar Fund PLC/Fund	Infrastructure - Renewables, Solar	0.2%
Charter Hall Social Infrastructure REIT	Property - Specialist (Other)	0.2%
Home Reit PLC	Property - Specialist (Social)	0.2%
Atlantica Sustainable Infrastructure PLC	Infrastructure - Renewables, Mixed	0.1%
TransAlta Renewables Inc	Infrastructure - Renewables, Mixed	0.1%
<i>Restricted Cash</i>		<i>0.00%</i>
<i>Unrestricted Cash</i>		<i>9.37%</i>

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