



# VT RM Alternative Income Fund

Monthly Factsheet – 31<sup>st</sup> October 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>	£135.33m	
<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	129.03
GBP Accumulation(R)	GB00BYVZQ252	128.69
GBP Income (I)	GB00BD6SVR23	109.78
GBP Income (R)	GB00BYVZPZ16	108.47
<b>Next Dividend Ex Date:</b>	31/01/2022	
<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.

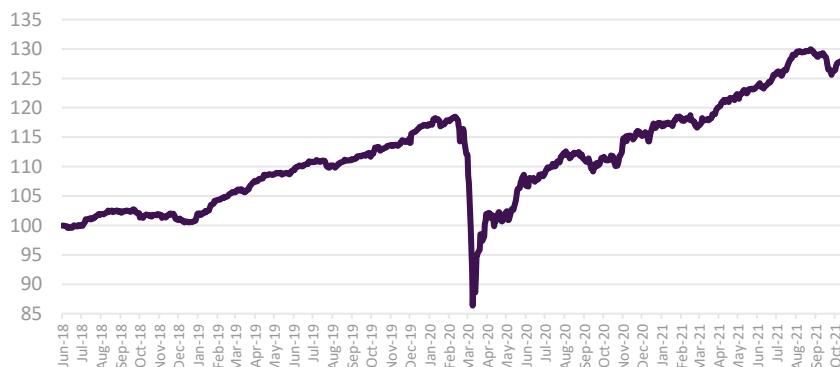
## Monthly NAV Performance & Dividend

The 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.

The Fund’s percentage total return<sup>3</sup> for the month of October was 1.57%. Since the Fund’s inception on the 11th of June 2018 the return has been 29.03% net of fees.

During the period the fund went ex, with a declared distribution of 1.3583p per unit (institutional income units), this takes the calendar year distributions to 4.97p per unit.

VT RM Alternative Income - Institutional - Accumulation Units  
Unit Price



Period shown from 11<sup>th</sup> June 2018 to 31<sup>st</sup> October 2021. Capital is at risk; returns are not guaranteed, and past performance is no guarantee of future performance.

## Portfolio Activity

Primary market activity calmed during the period, with several new IPOs announced including Harmony Energy Income Trust (**HEIT: LN**), Alinda Capital Infrastructure Investments (Ticker: TBC), Pantheon Infrastructure (**PINT: LN**), Atrato Onsite Energy (**ROOF: LN**) and Life Sciences REIT (Ticker: TBC). On the secondary follow-on side, **SUPR: LN**, and **GRP: LN** both announced their intention to raise additional capital.

The Investment team intends take part in a number of these IPOs, as part of a gradual pivot (subject to overall global economic recovery and Covid health policy) towards energy storage and demand-based infrastructure. In terms of follow-on issuance, we increased the exposure to Supermarket REIT (**SUPR: LN**).



## Advisory & Administration

### ACD

Valu-Trac Investment Management LTD

### Investment Manager

RM Capital Markets Limited, 7 Castle Street, Edinburgh EH2 3AH

### Portfolio Managers

#### Pietro Nicholls

Investment Management  
+44 (0) 20 3697 1768  
Pietro.Nicholls@rm-funds.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

#### 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](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  
James Hay  
Novia  
Nucleus  
Old Mutual  
Pershing  
Raymond James  
RL360  
Standard Life  
Stocktrade  
Transact  
Wealthtime  
Zurich

If your platform is not listed, please contact our distribution team or Valu-Trac directly.

During the month, secondary investment activity was muted by the Investment Team. The fund modestly increased its exposure to Civitas Social Housing REIT (**CSH: LN**) and reduced its exposure to Roundhill Music (**RHM: LN**). The Portfolio Managers remain focused on the performance of existing holdings, remain acutely aware of the macro-economic outlook and are cautiously optimistic for the performance of real assets within this context.

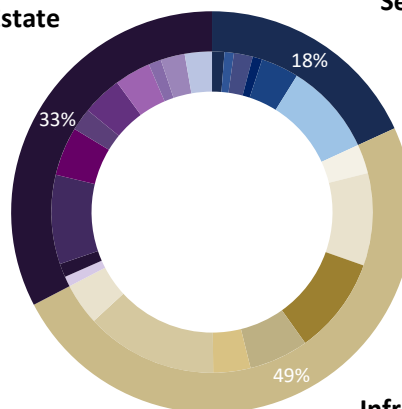
## Market Commentary

Equity markets struggled to find direction early in the month, primarily over concerns relating to interest rates moving higher, but also wider concerns about the US government shutdown. The Portfolio Managers are cognisant that we could see a policy misstep by policy makers, the emergence of stagflation or a material reflationary environment. Whilst central bankers are shifting their policy language towards a “return to normal”, the practical issue facing allocators and investors alike is that a shift higher in rates will materially impact long duration bonds, in particular long-dated investment grade credit and government bonds. Although this isn’t a major risk for the fund, the investment team remain on the lookout for changes in equity risk premia. Despite the turbulence at the start of the month, major equity markets were in the green by month end including the S&P 500, the FTSE100, CAC, DAX and ASX200. Credit spreads across IG and HY were largely unchanged on the month. The Portfolio Managers believe real assets continue to display attractive characteristics with low volatility, limited correlation to rates, and an attractive level of income (including a degree of inflation-linked cash flows).

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

### Specialist Real Estate

### Secured Real Assets



### Infrastructure

■ Debt - Asset Backed - Secured Loans - 1.2%	■ Debt - CLOs - 0.9%
■ Debt - Direct Lending - 1.9%	■ Debt - Diversified - 1%
■ Debt - Real Estate - 3.8%	■ Debt - Specialist - 9.3%
■ Infrastructure - Demand - 2.9%	■ Infrastructure - Digital - 9.3%
■ Infrastructure - Infrastructure Mixed - 0%	■ Infrastructure - PPP - Core - 9.8%
■ Infrastructure - Renewables, Mixed - 6%	■ Infrastructure - Renewables, Other/Special - 3.7%
■ Infrastructure - Renewables, Solar - 13.3%	■ Infrastructure - Renewables, Wind - 4.2%
■ Property - Europe Commercial - 1%	■ Property - Europe Regional - 1.4%
■ Property - Real Estate - 0%	■ Property - Specialist (Healthcare) - 9%
■ Property - Specialist (Other) - 4.9%	■ Property - Specialist (Residential) - 2.3%
■ Property - Specialist (Retail) - 4%	■ Property - Specialist (Social) - 3.6%
■ Property - Specialist (Student) - 1.3%	■ Property - UK Commercial - 2.4%
■ Property - UK Long Leases - 2.7%	

<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 -0.31%.

# VT RM Alternative Income Fund

Monthly Factsheet – 31<sup>st</sup> October 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	-	-	1.3583	-	-	4.97p
NAV <sup>(2)</sup>	117.36	117.90	118.43	121.53	123.13	124.38	127.61	129.65	127.03	129.03	-	-	-
NAV monthly return <sup>(2)</sup>	0.67%	0.46%	0.45%	2.62%	1.31%	1.01%	2.60%	1.60%	(2.02%)	1.57%	-	-	10.69%

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.

# VT RM Alternative Income Fund

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

<i>Position</i>	<i>Sector Classification</i>	<i>% of the Portfolio</i>
Digital 9 Infrastructure PLC/Fund	Infrastructure - Digital	7.3%
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	5.9%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	4.7%
VOYCAR 5 7/8 05/01/23	Debt - Specialist	4.4%
Supermarket Income Reit PLC	Property - Specialist (Retail)	3.7%
Sienna Senior Living Inc	Property - Specialist (Healthcare)	3.5%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	3.3%
Renewables Infrastructure Group Ltd/The	Infrastructure - Renewables, Mixed	2.7%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	2.7%
Greencoast Renewables PLC	Infrastructure - Renewables, Wind	2.5%
Tritax Big Box REIT PLC	Property - UK Long Leases	2.5%
JLEN Environmental Assets Group Ltd Foresight Group Holdings	Infrastructure - Renewables, Mixed	2.5%
Taylor Maritime Investments Ltd	Infrastructure - Demand	2.2%
Gore Street Energy Storage Fund PLC/The Fund	Infrastructure - Renewables, Other/Special	2.2%
Impact Healthcare Reit PLC	Property - Specialist (Healthcare)	2.2%
Triple Point Social Housing Reit PLC	Property - Specialist (Residential)	2.1%
Home Reit PLC	Property - Specialist (Social)	1.9%
SmartCentres Real Estate Investment Trust	Property - Specialist (Other)	1.8%
LXI REIT Plc	Property - Specialist (Other)	1.7%
International Public Partnerships Ltd	Infrastructure - PPP - Core	1.6%
EGBLFN 6 1/4 10/30/25	Debt - Real Estate	1.6%
Bluefield Solar Income Fund Ltd	Infrastructure - Renewables, Solar	1.5%
GCP Infrastructure Investments Ltd	Infrastructure - PPP - Core	1.5%
Real Estate Credit Investments Ltd/Fund	Debt - Real Estate	1.5%
Civitas Social Housing PLC	Property - Specialist (Social)	1.4%
Hipgnosis Songs Fund Ltd/The Fund	Debt - Specialist	1.4%
Greencoast UK Wind PLC/Funds	Infrastructure - Renewables, Wind	1.4%
Cordiant Digital Infrastructure Ltd/Fund	Infrastructure - Digital	1.3%
Schroder European Real Estate Investment Trust PLC	Property - Europe Regional	1.3%
Gresham House Energy Storage Fund PLC/The Fund	Infrastructure - Renewables, Other/Special	1.3%
NEMEAN 7 3/8 02/01/24	Debt - Specialist	1.2%
3i Infrastructure PLC	Infrastructure - PPP - Core	1.2%
AEW UK REIT PLC	Property - UK Commercial	1.2%
Empiric Student Property PLC	Property - Specialist (Student)	1.2%
GCP Asset Backed Income Fund Ltd	Debt - Asset Backed - Secured Loans	1.1%
Sdcl Energy Efficiency Income Trust PLC	Infrastructure - PPP - Core	1.1%
Urban Logistics REIT PLC	Property - UK Commercial	1.0%
Tritax EuroBox PLC	Property - Europe Commercial	1.0%
TwentyFour Select Monthly Income Fund Ltd	Debt - Diversified	0.9%
Fair Oaks Income Ltd	Debt - CLOs	0.9%
VMED 4 1/4 01/15/30	Debt - Specialist	0.7%
IPFLN 9 3/4 11/12/25	Debt - Direct Lending	0.7%
IPFLN 7 3/4 12/14/23	Debt - Direct Lending	0.7%
BRUNT 6 02/25/25	Debt - Real Estate	0.5%
Dexus Convenience Retail REIT	Property - Specialist (Other)	0.5%
Tufton Oceanic Assets Ltd/The Fund	Infrastructure - Demand	0.5%
RM Infrastructure Income Plc	Debt - Direct Lending	0.4%
Round Hill Music Royalty Fund Ltd/Fund	Debt - Specialist	0.4%
Global Net Lease Inc	Property - Specialist (Other)	0.4%
Round Hill Music Royalty Fund Ltd/Fund	Debt - Specialist	0.4%
BBGI Global Infrastructure SA	Infrastructure - PPP - Core	0.3%
Charter Hall Social Infrastructure REIT	Property - Specialist (Other)	0.2%
Octopus Renewables Infrastructure Trust PLC	Infrastructure - Renewables, Mixed	0.2%
US Solar Fund PLC/Fund	Infrastructure - Renewables, Solar	0.2%
Atlantica Sustainable Infrastructure PLC	Infrastructure - Renewables, Mixed	0.1%
TransAlta Renewables Inc	Infrastructure - Renewables, Mixed	0.0%
<i>Restricted Cash</i>		<i>3.0%</i>
<i>Unrestricted Cash</i>		<i>4.5%</i>

Disclaimer - This Report is intended solely for the information of the person to whom it is provided by the Company, the Investment Manager or the Administrator. This Report does not constitute an offer or solicitation for the purchase or sale of any investment or financial instrument in the Company and should not be relied on by any person for the purpose of accounting, legal or tax advice or for making an investment decision. The payment of dividends and the repayment of capital are not guaranteed by the Company. Any forecast, projection or target is indicative only and not guaranteed in any way, and any opinions or views expressed in this Report are those of the Investment Manager, and do not constitute investment advice and are subject to change without notice, and neither the Company nor the Investment Manager is under any obligation to update

# VT RM Alternative Income Fund

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

such opinions. Whether the Company proceeds with any investment is dependent on multiple factors including, but not limited to the completion of satisfactory due diligence. Past performance is not a reliable indicator of future performance, and investors may not get back the original amount invested. Unless otherwise stated, the sources for all information contained in this report are the Investment Manager and the Administrator. Information contained in this Report is believed to be accurate at the date of publication, but none of the Company, the Investment Manager and the Administrator gives any representation or warranty as to the Report's accuracy or completeness. This report does not contain and is not to be taken as containing any financial product advice or financial product recommendation. None of the Company, the Investment Manager and the Administrator accepts any liability whatsoever for any loss (whether direct or indirect) arising from any use of this Report or its contents. RM Capital Markets Limited is authorised and regulated by the Financial Conduct Authority (registration number 562209), registered in Scotland (Registered Number: SC380707).