



VT RM Alternative Income Fund

Monthly Factsheet – 31st December 2021

Company Overview

Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 th June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£164.15m	
Classification:	Non-Complex	
Sector:	IA Infrastructure	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	132.58
GBP Accumulation(R)	GB00BYVZQ252	132.22
GBP Income (I)	GB00BD6SVR23	112.80
GBP Income (R)	GB00BYVZPZ16	111.45
Next Dividend Ex Date:	31/01/2022	
Dividend Pay Dates:	March, June, September, December.	
Annual Management Charges¹:	Institutional (F): 0.45%	
	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	
Valuation Frequency:	Daily	

¹The OCF (Ongoing Charges Figure) is capped at 0.85% for Class I and R shareholders and 0.45% for Class F shareholders.

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 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 return³ for the month of December was 2.77%. Since the Fund’s inception on the 11th of June 2018 the return has been 32.58% net of fees.

VT RM Alternative Income - Institutional - Accumulation Units
Unit Price



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

Portfolio Activity

During the period UK primary market activity halted as the market headed into the festive season. Further afield, however, Singapore saw two new IPOs of note, **Daiwa House Logistics Trust (DHLT: SP)** and **Digital Core REIT (DCREIT: SP)**. The former was very attractively priced, and the fund established an initial position in the Company.

Daiwa House Logistics Trust (DHLT: SP): Owns a portfolio of 14 logistics assets located in Japan. The assets are strategically located in key transport hubs across Japan. The majority (c.70%) of assets are let to TSE listed companies including their parentCos and/or subsidiaries. The weighted unexpired lease length is 7.2 years with occupancy currently at 96.3%. Importantly, c.95.7% of properties are “Certified Green” by recognised agencies with c.13.5MW of rooftop solar located on most properties, in turn generating additional revenues for the company whilst reducing the respective tenants’ carbon footprint.

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

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

On the secondary side, the Portfolio Managers and Investment team reduced the fund's holdings in **SEIT: LN, GRID: LN, THRL: LN, SHIP: LN** and **HOME: LN** and selectively increased the fund's holdings in **SIA: CN, SRU: CN, ESP: LN** and **FSFL: LN**.

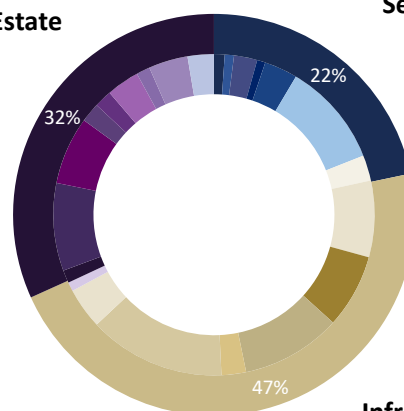
As we move into 2022, the Portfolio Managers are positioning the fund to benefit from higher inflation. The areas of focus include digital infrastructure assets (logistics assets, towerCos, and data centres et al), demand-based infrastructure (linked to the transportation of goods, and people), and social & healthcare real estate, which should see improvements in occupancy levels as countries return to normal.

Market Commentary

Equity markets rallied going into year end with main global indices ranging from the S&P500 to FTSE 100 up c.4%+ over the period. Credit spreads tightened with Euro Investment grade spreads tighter by c.9bps and high yield credit spreads tighter by c.45bps. On the macro front markets were preoccupied with the inflation data on both sides of the Atlantic. Going into the year-end US CPI figures came in "as expected" at 6.8%, whilst on this side of the pond UK CPI reached 5.1% and RPI c.7.1%. During the reference period, markets look to have priced in a c.75% chance of a BOE rate hike by February 2022.

Allocation Split¹

Specialist Real Estate Secured Real Assets



- | | |
|---|--|
| <ul style="list-style-type: none"> ■ Debt - Asset Backed - Secured Loans - 1% ■ Debt - Direct Lending - 2.3% ■ Debt - Real Estate - 3.2% ■ Infrastructure - Demand - 2.5% ■ Infrastructure - Infrastructure Mixed - 0% ■ Infrastructure - Renewables, Mixed - 9.7% ■ Infrastructure - Renewables, Solar - 13.3% ■ Property - Europe Commercial - 0.9% ■ Property - Real Estate - 0% ■ Property - Specialist (Other) - 6.6% ■ Property - Specialist (Retail) - 1.7% ■ Property - Specialist (Student) - 1.3% ■ Property - UK Long Leases - 2.6% | <ul style="list-style-type: none"> ■ Debt - CLOs - 0.9% ■ Debt - Diversified - 0.8% ■ Debt - Specialist - 10.1% ■ Infrastructure - Digital - 7.4% ■ Infrastructure - PPP - Core - 7.2% ■ Infrastructure - Renewables, Other/Special - 2.4% ■ Infrastructure - Renewables, Wind - 4% ■ Property - Europe Regional - 1.2% ■ Property - Specialist (Healthcare) - 8.5% ■ Property - Specialist (Residential) - 1.9% ■ Property - Specialist (Social) - 3.2% ■ Property - UK Commercial - 3.8% |
|---|--|

¹Percentages 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 categories this segment in the coming factsheets.

Please note transaction costs are currently -0.297%

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NAV & Dividend History – 2021													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p ⁽¹⁾	0.7516	-	-	1.8566	-	-	1.0027	-	-	1.3583	-	-	4.97p
NAV ⁽²⁾	117.36	117.90	118.43	121.53	123.13	124.38	127.61	129.65	127.03	129.03	129.01	132.58	-
NAV monthly return ⁽²⁾	0.67%	0.46%	0.45%	2.62%	1.31%	1.01%	2.60%	1.60%	(2.02%)	1.57%	(0.02%)	2.77%	13.73%

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	-	-	1.1795	-	-	5.05p
NAV ⁽²⁾	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 ⁽²⁾	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 ⁽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	-	-	1.4560	-	-	1.75p
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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Position	Sector Classification	% of the Portfolio
Digital 9 Infrastructure PLC/Fund	Infrastructure - Digital	5.7%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	5.6%
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	5.1%
Sienna Senior Living Inc	Property - Specialist (Healthcare)	3.9%
VOYCAR 5 7/8 05/01/23	Debt - Specialist	3.7%
UKT 0 1/8 01/31/23	Debt - Government	3.0%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	2.9%
JLEN Environmental Assets Group Ltd Foresight Group Holdings	Infrastructure - Renewables, Mixed	2.6%
Urban Logistics REIT PLC	Property - UK Commercial	2.4%
Tritax Big Box REIT PLC	Property - UK Long Leases	2.3%
Renewables Infrastructure Group Ltd/The	Infrastructure - Renewables, Mixed	2.3%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	2.1%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	2.1%
Taylor Maritime Investments Ltd	Infrastructure - Demand	2.0%
SmartCentres Real Estate Investment Trust	Property - Specialist (Other)	1.9%
VMED 4 1/8 08/15/30	Debt - Specialist	1.8%
Impact Healthcare Reit PLC	Property - Specialist (Healthcare)	1.8%
Triple Point Social Housing Reit PLC	Property - Specialist (Residential)	1.7%
Gore Street Energy Storage Fund PLC/The Fund	Infrastructure - Renewables, Other/Special	1.6%
Supermarket Income Reit PLC	Property - Specialist (Retail)	1.6%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	1.5%
Harmony Energy Income Trust PLC	Infrastructure - Renewables, Mixed	1.5%
Home Reit PLC	Property - Specialist (Social)	1.5%
Civitas Social Housing PLC	Property - Specialist (Social)	1.4%
LXI REIT Plc	Property - Specialist (Other)	1.4%
EGBLFN 6 1/4 10/30/25	Debt - Real Estate	1.3%
Bluefield Solar Income Fund Ltd	Infrastructure - Renewables, Solar	1.3%
Pantheon Infrastructure PLC	Infrastructure - Renewables, Mixed	1.2%
GCP Infrastructure Investments Ltd	Infrastructure - PPP - Core	1.2%
Real Estate Credit Investments Ltd/Fund	Debt - Real Estate	1.2%
VMED 4 1/4 01/15/30	Debt - Specialist	1.2%
Empiric Student Property PLC	Property - Specialist (Student)	1.2%
Hipgnosis Songs Fund Ltd/The Fund	Debt - Specialist	1.1%
Schroder European Real Estate Investment Trust PLC	Property - Europe Regional	1.1%
AEW UK REIT PLC	Property - UK Commercial	1.0%
Cordiant Digital Infrastructure Ltd/Fund	Infrastructure - Digital	1.0%
Octopus Renewables Infrastructure Trust PLC	Infrastructure - Renewables, Mixed	1.0%
NEMEAN 7 3/8 02/01/24	Debt - Specialist	1.0%
RM Infrastructure Income Plc	Debt - Direct Lending	0.9%
GCP Asset Backed Income Fund Ltd	Debt - Asset Backed - Secured Loans	0.9%
Life Science Reit PLC	Property - Specialist (Other)	0.9%
3i Infrastructure PLC	Infrastructure - PPP - Core	0.9%
International Public Partnerships Ltd	Infrastructure - PPP - Core	0.8%
Fair Oaks Income Ltd	Debt - CLOs	0.8%
Tritax EuroBox PLC	Property - Europe Commercial	0.8%
TwentyFour Select Monthly Income Fund Ltd	Debt - Diversified	0.7%
Global Net Lease Inc	Property - Specialist (Other)	0.7%
Gresham House Energy Storage Fund PLC/The Fund	Infrastructure - Renewables, Other/Special	0.6%
IPFLN 9 3/4 11/12/25	Debt - Direct Lending	0.6%
IPFLN 7 3/4 12/14/23	Debt - Direct Lending	0.5%
Sddl Energy Efficiency Income Trust PLC	Infrastructure - PPP - Core	0.5%
Dexus Convenience Retail REIT	Property - Specialist (Other)	0.4%
Daiwa House Logistics Trust	Property - Specialist (Other)	0.4%
BRUNT 6 02/25/25	Debt - Real Estate	0.4%
Round Hill Music Royalty Fund Ltd/Fund	Debt - Specialist	0.3%
BBGI Global Infrastructure SA	Infrastructure - PPP - Core	0.3%
Tufton Oceanic Assets Ltd/The Fund	Infrastructure - Demand	0.3%
Charter Hall Social Infrastructure REIT	Property - Specialist (Other)	0.2%
US Solar Fund PLC/Fund	Infrastructure - Renewables, Solar	0.2%
Atrato Onsite Energy PLC	Infrastructure - Renewables, Mixed	0.1%
Atlantica Sustainable Infrastructure PLC	Infrastructure - Renewables, Mixed	0.1%
TransAlta Renewables Inc	Infrastructure - Renewables, Mixed	0.04%
Pantheon Infrastructure PLC	Infrastructure - Renewables, Mixed	0.01%
Restricted Cash		0.3%
Unrestricted Cash		9.0%

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