



# VT RM Alternative Income Fund

Monthly Factsheet – 30<sup>th</sup> June 2022

Company Overview		
Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 <sup>th</sup> June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£248.86m	
Classification:	Non-Complex	
Sector:	IA Infrastructure	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	132.35
GBP Accumulation(R)	GB00BYVZQ252	131.93
GBP Income (I)	GB00BD6SVR23	110.03
GBP Income (R)	GB00BYVZPZ16	107.92
Next Dividend Ex Date:	31/07/2022	
Dividend Pay Dates:	March, June, September, December.	
Annual Management Charges <sup>1</sup> :	Institutional (F): 0.45% / Synthetic OCF: 1.35%	
	Institutional (I): 0.70% / Synthetic OCF: 1.64%	
	Retail (R): 0.80% / Synthetic OCF: 1.74%	
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 Investment Manager of the Fund has undertaken to absorb any costs that would otherwise cause the class F/I/R shares of the Fund to have ongoing charges (excluding underlying collective investment undertaking holding charges) in excess of 0.45% (F) and 0.85% (I & R) respectively.		
Due to FCA reporting requirements UCITS funds must now report synthetic costs from underlying investments within the OCF calculation (contained in the KIID). For the avoidance of doubt the cash amount charged by the Investment Manager has not changed.		
<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.		

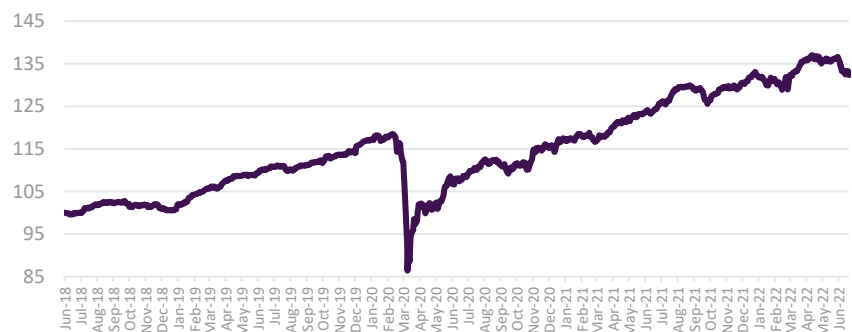
## Overview

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 June was (2.64%). Since the Fund’s inception on the 11th of June 2018 the return has been 32.35% net of fees.

VT RM Alternative Income - Institutional - Accumulation Units  
Unit Price



Period shown from 11<sup>th</sup> June 2018 to 30<sup>th</sup> June 2022. Capital is at risk; returns are not guaranteed, and past performance is no guarantee of future performance.

## Portfolio Activity

During the period the Portfolio Manager and Investment Team adopted a risk-off approach. The Portfolio Managers expected a material deterioration in market conditions driven by a high US CPI print and the probable subsequent central bank policy actions. The Investment Team reduced exposure to both lower yielding securities, and those sensitive to an economic slowdown. The fund’s cash position increased to 15.2% with an additional 2.00% held in short-dated gilts.

During the period, the fund trimmed its investments in **DGI9: LN**, **HEIT: LN**, **SHIP: LN**, **RHM: LN**, **ESP: LN**, and **SUPR: LN**. The fund exited its investments in **USF: LN** and **SEIT: LN**. The Investment Team topped up the fund’s holdings in **NESF: LN** and **THRL: LN** and established a new position in Arqiva.

**Arqiva (ARQIVA)** is an effective monopoly within the United Kingdom. As the sole provider of digital terrestrial TV and radio broadcasting. In addition to this unique digital infrastructure asset the company is a market leader in direct to home satellite communications and metering networks (for the utility companies). Revenues are inflation-linked, contracted and long-dated (ranging from 4 to 20+ years). The security yields c.10%. As a side note. **DGI9: LN** an existing



## 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	Interactive Investor
AJ Bell	James Hay
Aegon	Novia
AllFunds	Nucleus
Alliance Trust	Old Mutual
Ascentric (M&G)	Pershing
Aviva	Praemium
Charles Stanley	Raymond James
Cofunds	RL360
Elevate	Standard Life
Fidelity	Stocktrade
FNZ	Transact
Fusion	Wealthtime
Hargreaves Lansdown	Zurich
Hubwise	

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

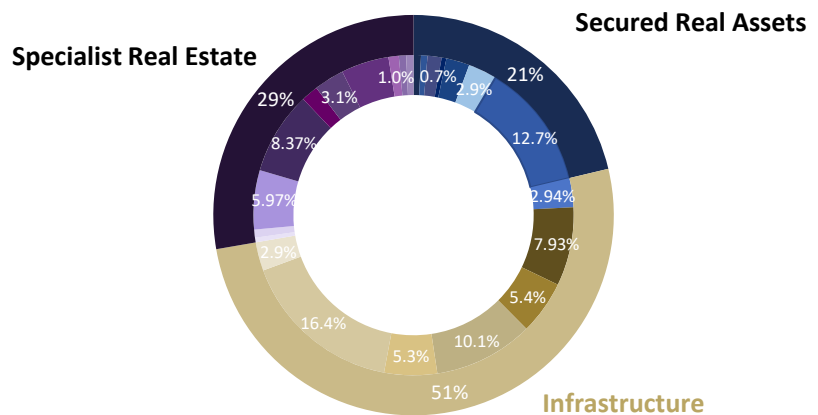
holding with the fund recently purchased a 48% equity holding for c.£460m in Arqiva, providing an attractive valuation entry point. However, from a risk management perspective we therefore reduced our holding in **DGI9: LN** as a consequence.

## Market Commentary

Markets shifted rapidly into risk-off mode during the period. Equity markets were softer with the S&P 500 down -7.70% over the period (YTD -20.58%) and the FTSE 100 -4.83% over the period (YTD -2.92%). Credit spreads also shifted much wider with the ITrax IG +30bps and Xover +136bps. The Bloomberg Barclays aggregate bond index dropped a further -2.66% over the period (YTD -13.91%).

The Portfolio Managers views remain firm, to remain cautious, maintain dry powder, reduce volatility & correlation and where possible opportunistically deploy capital into attractive inflation-linked securities. As to the market view, the Portfolio Managers expect central bankers' hands to be forced by the continued acceleration in global inflation rates. An emerging risk now is that inflation appears to be becoming "built-in" whilst commodity prices have started to soften, the risk is the market begins pricing in softer inflation prints, despite other components now feeding through – catching the market off-guard and forcing further capitulation in traditional equities and corporate bonds.

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



- Debt - Asset Backed - Secured Loans - 0.7%
- Debt - CLOs - 0.7%
- Debt - Diversified - 0.5%
- Debt - Real Estate - 2.9%
- Debt - Direct Lending - 1.4%
- Debt - Government - 2.4%
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- Debt - Government - 2.4%
- Debt - Specialist - 12.7%
- Infrastructure - Demand - 2.9%
- Infrastructure - PPP - Core - 5.4%
- Infrastructure - Renewables, Other/Special - 5.3%
- Infrastructure - Renewables, Wind - 2.9%
- Infrastructure - Renewables, Mixed - 10.1%
- Infrastructure - Renewables, Solar - 16.4%
- Infrastructure - Digital - 7.9%
- Infrastructure - Digital - 7.9%
- Infrastructure - Digital - 7.9%
- Infrastructure - Digital - 7.9%
- Property - Europe Commercial - 0.5%
- Property - Europe Regional - 0.8%
- Property - Specialist (Healthcare) - 6%
- Property - Specialist (Retail) - 3.1%
- Property - Specialist (Residential) - 1.7%
- Property - Specialist (Social) - 4.8%
- Property - Specialist (Student) - 1%
- Property - UK Commercial - 0.7%
- Property - UK Long Leases - 0.7%

<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 categories this segment in the coming factsheets.

Please note transaction costs are currently -0.33%

# VT RM Alternative Income Fund

Monthly Factsheet – 30<sup>th</sup> June 2022

NAV & Dividend History – 2022													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p <sup>(1)</sup>	1.2500	-	-	1.3467	-	-							2.60p
NAV <sup>(2)</sup>	130.75	130.07	134.96	136.74	135.94	132.35							-
NAV monthly return <sup>(2)</sup>	(1.38%)	(0.52%)	3.76%	1.32%	(0.58%)	(2.64%)							(0.18%)

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	129.01	132.58	-
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%	(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 <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.

Position	Sector Classification	% of the Portfolio
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	5.7%
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	5.2%
Renewables Infrastructure Group Ltd/The	Infrastructure - Renewables, Mixed	4.6%
Gore Street Energy Storage Fund PLC/The Fund	Infrastructure - Renewables, Other/Special	4.2%
Digital 9 Infrastructure PLC/Fund	Infrastructure - Digital	4.2%
Sienna Senior Living Inc	Property - Specialist (Healthcare)	3.3%
Bluefield Solar Income Fund Ltd	Infrastructure - Renewables, Solar	2.9%
Supermarket Income Reit PLC	Property - Specialist (Retail)	2.6%
Cordiant Digital Infrastructure Ltd/Fund	Infrastructure - Digital	2.5%
LXI REIT Plc	Property - Specialist (Other)	2.5%
Home Reit PLC	Property - Specialist (Social)	2.5%
JLEN Environmental Assets Group Ltd Foresight Group Holdings	Infrastructure - Renewables, Mixed	2.4%
VOYCAR 5 7/8 02/15/27	Debt - Specialist	2.2%
UKT 0 1/8 01/31/23	Debt - Government	2.0%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	1.8%
Daiwa House Logistics Trust	Property - Specialist (Other)	1.8%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	1.8%
ARQVA 6 3/4 09/30/23	Debt - Specialist	1.7%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	1.7%
Civitas Social Housing PLC	Property - Specialist (Social)	1.6%
EGBLFN 6 1/4 10/30/25	Debt - Real Estate	1.4%
Tufton Oceanic Assets Ltd/The Fund	Infrastructure - Demand	1.4%
ASSDLN 4 1/2 02/16/26	Debt - Specialist	1.3%
ASSDLN 3 1/4 02/16/26	Debt - Specialist	1.3%
SmartCentres Real Estate Investment Trust	Property - Specialist (Other)	1.3%
Triple Point Social Housing Reit PLC	Property - Specialist (Residential)	1.2%
Taylor Maritime Investments Ltd	Infrastructure - Demand	1.1%
GCP Infrastructure Investments Ltd	Infrastructure - PPP - Core	1.1%
International Public Partnerships Ltd	Infrastructure - PPP - Core	1.0%
VMED 4 1/8 08/15/30	Debt - Specialist	1.0%
PRMHLN Float 03/01/27	Debt - Specialist	0.9%
Hipgnosis Songs Fund Ltd/The Fund	Debt - Specialist	0.9%
Harmony Energy Income Trust PLC	Infrastructure - Renewables, Mixed	0.9%
Empiric Student Property PLC	Property - Specialist (Student)	0.9%
Real Estate Credit Investments Ltd/Fund	Debt - Real Estate	0.8%
Dexus Convenience Retail REIT	Property - Specialist (Other)	0.8%
Schroder European Real Estate Investment Trust PLC	Property - Europe Regional	0.7%
VMED 4 1/4 01/15/30	Debt - Specialist	0.7%
NEMEAN 7 3/8 02/01/24	Debt - Specialist	0.6%
GCP Asset Backed Income Fund Ltd	Debt - Asset Backed - Secured Loans	0.6%
Tritax Big Box REIT PLC	Property - UK Long Leases	0.6%
RM Infrastructure Income Plc	Debt - Direct Lending	0.6%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	0.6%
Global Net Lease Inc	Property - Specialist (Other)	0.6%
Fair Oaks Income Ltd	Debt - CLOs	0.6%
3i Infrastructure PLC	Infrastructure - PPP - Core	0.5%
AEW UK REIT PLC	Property - UK Commercial	0.5%
Octopus Renewables Infrastructure Trust PLC	Infrastructure - Renewables, Mixed	0.4%
TwentyFour Select Monthly Income Fund Ltd	Debt - Diversified	0.4%
Tritax EuroBox PLC	Property - Europe Commercial	0.4%
Socl Energy Efficiency Income Trust PLC	Infrastructure - PPP - Core	0.4%
IPFLN 7 3/4 12/14/23	Debt - Direct Lending	0.3%
Gresham House Energy Storage Fund PLC/The Fund	Infrastructure - Renewables, Other/Special	0.3%
IPFLN 9 3/4 11/12/25	Debt - Direct Lending	0.3%
BRUNT 6 02/25/25	Debt - Real Estate	0.3%
Residential Secure Income PLC	Property - Specialist (Residential)	0.2%
Pantheon Infrastructure PLC	Infrastructure - Renewables, Mixed	0.2%
Urban Logistics REIT PLC	Property - UK Commercial	0.2%
Round Hill Music Royalty Fund Ltd/Fund	Debt - Specialist	0.1%
Charter Hall Social Infrastructure REIT	Property - Specialist (Other)	0.1%
Pantheon Infrastructure PLC	Infrastructure - Renewables, Mixed	0.01%
<i>Restricted Cash</i>		0.4%
<i>Unrestricted Cash</i>		15.2%

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