



VT RM Alternative Income Fund

Monthly Factsheet – 31st July 2022

Company Overview		
Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 th June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£264.75m	
Classification:	Non-Complex	
Sector:	IA Infrastructure	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	135.91
GBP Accumulation(R)	GB00BYVZQ252	135.47
GBP Income (I)	GB00BD6SVR23	111.75
GBP Income (R)	GB00BYVZPZ16	109.57
Next Dividend Ex Date:	31/10/2022	
Dividend Pay Dates:	March, June, September, December.	
Annual Management Charges¹:	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 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	
¹ 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.		
² 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.		
³ Fund data is based upon the VT RM Alternative Income Fund Institutional GBP accumulation class.		

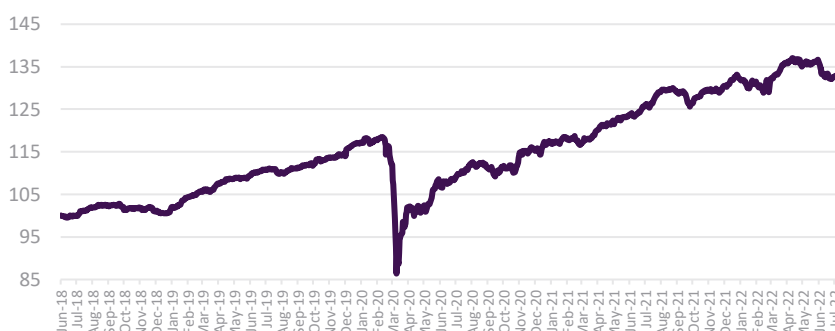
Overview

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 July was 2.69%. Since the Fund’s inception on the 11th of June 2018 the return has been 35.91% net of fees.

VT RM Alternative Income - Institutional - Accumulation Units
Unit Price



Period shown from 11th June 2018 to 31st July 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-rotation strategy, reducing securities where it was felt there was limited additional upside whilst rotating into higher yielding liquid securities. The Portfolio Manager reduced exposure to a significant number of holdings within the fund, crystallising gains where applicable. Overall, exposure to the following names were reduced: **DG19: LN, HEIT: LN, 3IN: LN, SHIP: LN, TMI: LN, ESP: LN, SUPR: LN, HOME: LN, LXI: LN** and **BBOX: LN**. The fund exited its investments in **RHM: LN** and **SEIT: LN**. The Investment team increased the funds’ exposure to **FSFL: LN, NESF: LN** and **HICL: LN**.

The Portfolio Manager also sought to capitalise on the sell-off which has occurred in the corporate bond market, by adding exposure to Asda Supermarkets via the Company’s senior secured bonds (**ASSDLN**) – the bonds were acquired with a yield to worst of approximately 10%.

Finally, during the period, the fund declared a distribution for each class of income units, of 1.25 pence per unit.



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The prospectus, KIID, and Investment Updates can be found on our website. 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	Tillit
Fusion	Transact
Hargreaves Lansdown	Wealthtime
Hubwise	Zurich

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

Market Commentary

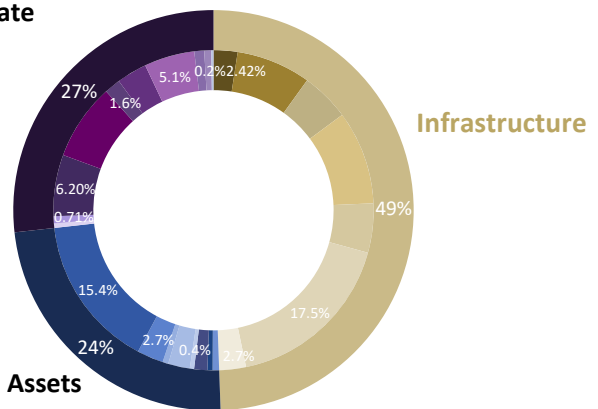
Overall, July was characterised as a firm risk-on month. Global equity markets shrugged off the high single digit inflation prints and the US (GDP data) technical recession, instead focusing on the falling price of commodities and the potential implications for inflation and monetary policy over the remainder of the year.

Despite this bullish market tone, inflation across most developed markets remains a real concern, with Eurozone inflation hitting 8.90% during the period, c.20bps higher than consensus, with energy and food the main contributors. The BOE has choreographed its expected double digit inflation – a view shared by the RM Funds investment team.

The outlook for the funds’ sectors of focus remains constructive and attractive. M&A activity has increased with several transactions announced, including Deutsche Telekom divesting a majority stake in its towerCo business to Brookfield and DigitalBridge group, and **HICL: LN** announcing the purchase from Vodafone NZ/ Infratil (**IFT: NZ**) of its New Zealand towerCo assets. Turning to the near-term macro-economic outlook, holiday season is upon the markets, therefore we expect a reduction in volatility and limited new or follow-on issuance – with most investment banks gearing up for a September reopening.

Allocation Split¹

Specialist Real Estate



Secured Real Assets

- Infrastructure - Demand - 2.4%
- Infrastructure - PPP - Core - 4.9%
- Infrastructure - Renewables, Other/Special - 5%
- Infrastructure - Renewables, Wind - 2.7%
- Debt - CLOs - 0.5%
- Debt - Diversified - 0.4%
- Debt - Infrastructure - 0.6%
- Debt - Specialist - 15.4%
- Property - Europe Regional - 0.7%
- Property - Specialist (Other) - 7.7%
- Property - Specialist (Retail) - 3.1%
- Property - Specialist (Student) - 1%
- Property - UK Long Leases - 0.2%
- Infrastructure - Digital - 7.5%
- Infrastructure - Renewables, Mixed - 9.5%
- Infrastructure - Renewables, Solar - 17.5%
- Debt - Asset Backed - Secured Loans - 0.7%
- Debt - Direct Lending - 1.3%
- Debt - Government - 2.2%
- Debt - Real Estate - 2.7%
- Property - Europe Commercial - 0.5%
- Property - Specialist (Healthcare) - 6.2%
- Property - Specialist (Residential) - 1.6%
- Property - Specialist (Social) - 5.1%
- Property - UK Commercial - 0.7%

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 categorise this segment in the coming factsheets.

Please note transaction costs are currently -0.33%

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	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p ⁽¹⁾	1.2500	-	-	1.3467	-	-	1.2500						3.85p
NAV ⁽²⁾	130.75	130.07	134.96	136.74	135.94	132.35	135.91						-
NAV monthly return ⁽²⁾	(1.38%)	(0.52%)	3.76%	1.32%	(0.58%)	(2.64%)	2.69%						2.51%

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
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	6.0%
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	5.6%
Renewables Infrastructure Grou	Infrastructure - Renewables, Mixed	4.5%
Digital 9 Infrastructure PLC/F	Infrastructure - Digital	4.0%
Gore Street Energy Storage Fun	Infrastructure - Renewables, Other/Special	3.9%
Bluefield Solar Income Fund Lt	Infrastructure - Renewables, Solar	3.3%
Sienna Senior Living Inc	Property - Specialist (Healthcare)	3.2%
VOYCAR 5 7/8 02/15/27	Debt - Specialist	2.8%
Supermarket Income Reit PLC	Property - Specialist (Retail)	2.6%
ARQVA 6 3/4 09/30/23	Debt - Specialist	2.6%
Cordiant Digital Infrastructur	Infrastructure - Digital	2.4%
JLEN Environmental Assets Grou	Infrastructure - Renewables, Mixed	2.3%
Home Reit PLC	Property - Specialist (Social)	2.2%
Civitas Social Housing PLC	Property - Specialist (Social)	2.1%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	2.1%
LXI REIT Plc	Property - Specialist (Other)	2.0%
Daiwa House Logistics Trust	Property - Specialist (Other)	1.9%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	1.9%
UKT 0 1/8 01/31/23	Debt - Government	1.9%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	1.8%
ASSDLN 4 1/2 02/16/26	Debt - Specialist	1.6%
EGBLFN 6 1/4 10/30/25	Debt - Real Estate	1.3%
SmartCentres Real Estate Inves	Property - Specialist (Other)	1.3%
ASSDLN 3 1/4 02/16/26	Debt - Specialist	1.2%
Triple Point Social Housing Re	Property - Specialist (Residential)	1.2%
Taylor Maritime Investments Lt	Infrastructure - Demand	1.1%
Tufton Oceanic Assets Ltd/The	Infrastructure - Demand	1.0%
GCP Infrastructure Investments	Infrastructure - PPP - Core	1.0%
VMED 4 1/8 08/15/30	Debt - Specialist	1.0%
International Public Partnersh	Infrastructure - PPP - Core	0.9%
PRMHLD Float 03/01/27	Debt - Specialist	0.9%
Empiric Student Property PLC	Property - Specialist (Student)	0.9%
Hipgnosis Songs Fund Ltd/The F	Debt - Specialist	0.8%
Harmony Energy Income Trust PL	Infrastructure - Renewables, Mixed	0.8%
Dexus Convenience Retail REIT	Property - Specialist (Other)	0.8%
HTHROW 4 3/4 03/01/24	Debt - Specialist	0.7%
Real Estate Credit Investments	Debt - Real Estate	0.7%
VMED 4 1/4 01/15/30	Debt - Specialist	0.7%
Schroder European Real Estate	Property - Europe Regional	0.6%
NEMEAN 7 3/8 02/01/24	Debt - Specialist	0.6%
Global Net Lease Inc	Property - Specialist (Other)	0.6%
RM Infrastructure Income Plc	Debt - Direct Lending	0.6%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	0.6%
GCP Asset Backed Income Fund L	Debt - Asset Backed - Secured Loans	0.6%
Sequoia Economic Infrastructur	Debt - Infrastructure	0.5%
AEW UK REIT PLC	Property - UK Commercial	0.5%
Fair Oaks Income Ltd	Debt - CLOs	0.4%
Octopus Renewables Infrastruct	Infrastructure - Renewables, Mixed	0.4%
Tritax EuroBox PLC	Property - Europe Commercial	0.4%
3i Infrastructure PLC	Infrastructure - PPP - Core	0.4%
TwentyFour Select Monthly Inco	Debt - Diversified	0.4%
HTHROW 6 1/4 03/03/25	Debt - Specialist	0.4%
Gresham House Energy Storage F	Infrastructure - Renewables, Other/Special	0.3%
IPFLN 7 3/4 12/14/23	Debt - Direct Lending	0.3%
IPFLN 9 3/4 11/12/25	Debt - Direct Lending	0.3%
BRUNT 6 02/25/25	Debt - Real Estate	0.2%
Residential Secure Income PLC	Property - Specialist (Residential)	0.2%
Tritax Big Box REIT PLC	Property - UK Long Leases	0.2%
Urban Logistics REIT PLC	Property - UK Commercial	0.2%
Pantheon Infrastructure PLC	Infrastructure - Renewables, Mixed	0.2%
Charter Hall Social Infrastruc	Property - Specialist (Other)	0.1%
<i>Restricted Cash</i>		<i>0.03%</i>
<i>Unrestricted Cash</i>		<i>14.4%</i>

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