



VT RM Alternative Income Fund

Monthly Factsheet – 30th September 2023

Company Overview

Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 th June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£166.34m	
Classification:	Non-Complex	
Sector:	IA Infrastructure	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	115.89
GBP Accumulation(R)	GB00BYVZQ252	115.42
GBP Income (I)	GB00BD6SVR23	89.60
GBP Income (R)	GB00BYVZPZ16	87.78
Next Dividend Ex Date:	31/10/2023	
Dividend Pay Dates:	March, June, September, December.	
Annual Management Charges¹:	Institutional (F): 0.45% / OCF incl. synthetic costs: 1.10%	
	Institutional (I): 0.70% / OCF incl. synthetic costs: 1.38%	
	Retail (R): 0.80% / OCF incl. synthetic costs: 1.48%	
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 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.

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.



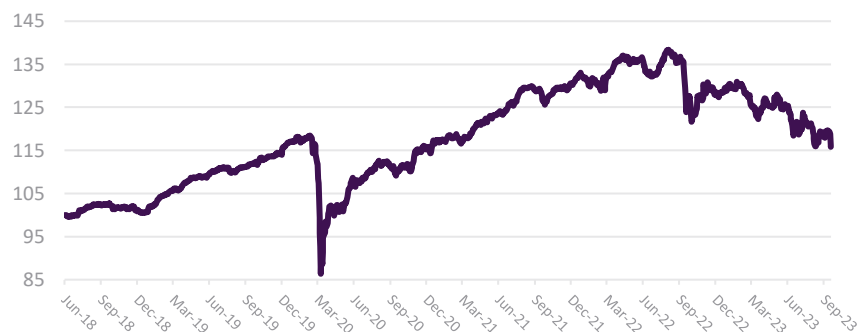
Overview

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 August was (2.55%). Since the Fund’s inception on the 11th of June 2018 the return has been 15.89% net of fees.

VT RM Alternative Income - Institutional - Accumulation Units
Unit Price



Period shown from 11th June 2018 to 30th September 2023. Capital is at risk; returns are not guaranteed, and past performance is no guarantee of future performance.

Portfolio Activity

During the reporting period, various strategic actions were taken within the portfolio to optimise returns and manage risks.

Round Hill Music (RHM: LN) Cash Offer: The recommended cash offer for Round Hill Music (RHM: LN) had a positive impact on our legacy fund holding, Hipgnosis Songs Fund (SONG: LN). Recognising this opportunity, the Investment Team decided to exit this position, capitalising on the initial boost provided by the offer.

Exit from RECI: LN: The Investment Team made the decision to exit the position in RECI: LN. This decision was driven by concerns relating to property valuations, increased funding costs borne by borrowers, and heightened refinancing risks. These concerns outweighed the potential for capital appreciation and dividend yield.

Exit from SHIP: LN: Another strategic exit was made from SHIP: LN. This decision was based on the continued subdued performance of various indices representing different facets of the shipping industry. The Portfolio Manager traded the position on the offer side, thereby capturing additional value for unit holders.



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The prospectus, KIID, and Investment Updates can be found on our website. www.rm-funds.co.uk

Platforms

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

Increased Exposure to **Supermarket REIT (SUPR: LN)**: The Investment Team identified an opportunity to increase exposure to Supermarket REIT (SUPR: LN). This decision was grounded in our team's positive outlook regarding the quality of cashflows and revenue linked to market indices, the nature of assets with a focus on omni-channel operations, and the robustness of the balance sheet.

Market Volatility and Outlook: In the broader market context, it's important to note that there remains considerable volatility, particularly in rate-sensitive assets. Macro-economic data has dominated the narrative. However, both the Portfolio Manager and Investment Team find encouragement in the fund's exposure to non-cyclical operational real assets. Additionally, the limited primary supply of such assets in the market has created a valuable secondary market (in the underlying real assets), further enhancing our investment outlook.

These strategic moves reflect our commitment to optimising portfolio performance while navigating the complexities of the current financial landscape.

Market Commentary

UK housing faces challenges as interest rates begin to impact, but the medium-term outlook remains positive due to reduced primary supply. BOE Governor Bailey foresees declining inflation. Eurozone GDP barely reached positive territory, unsettling the market.

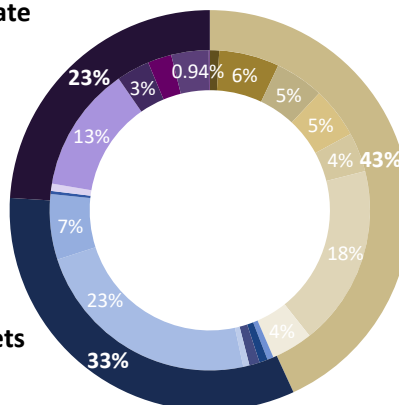
In the US, higher-than-expected 3.70% CPI, driven by gasoline prices amid geopolitical tensions, poses ongoing concerns. In the Eurozone, attention centres on ECB rates, with speculation about a final rate hike. Markets agree, with rate cuts priced in from April 2024.

Whilst the UK CPI aligning with expectations boosts rate-sensitive assets, divergence from the US economy prompts strategic considerations. The US FOMC maintained rates but hints at another 2023 hike, keeping the overarching narrative of prolonged higher rates.

The performance of ETFs tracking various indices varies: S&P down c.5%, FTSE 100 up c.1.90%, Eurostoxx 50 down c.2.50%, and SLXX tracking GBP corporate bonds down c.1.20%.

Allocation Split¹

Specialist Real Estate



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NAV & Dividend History – 2023													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p ⁽¹⁾	1.2969	-	-	1.6172	-	-	1.8677	-	-	-	-	-	4.7818
NAV ⁽²⁾	129.14	128.33	123.35	125.29	124.47	120.52	121.39	118.93	115.89	-	-	-	-
NAV monthly return ⁽²⁾	0.41%	(0.62%)	(3.88%)	1.57%	(0.65%)	(3.17%)	0.72%	(2.03%)	(2.55%)	-	-	-	(9.89%)

NAV & Dividend History – 2022													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p ⁽¹⁾	1.2500	-	-	1.3467	-	-	1.2500	-	-	1.2908	-	-	5.14p
NAV ⁽²⁾	130.75	130.07	134.96	136.74	135.94	132.35	135.91	136.90	126.66	126.90	129.20	128.61	-
NAV monthly return ⁽²⁾	(1.38%)	(0.52%)	3.76%	1.32%	(0.58%)	(2.64%)	2.69%	0.73%	(7.48)	0.19%	1.81%	(0.45%)	(2.99%)

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
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	6.7%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	6.0%
Primary Health Properties PLC	Property - Specialist (Healthcare)	5.6%
VMED 5 04/15/27	Debt - Infrastructure	4.8%
Bluefield Solar Income Fund Ltd	Infrastructure - Renewables, Solar	4.7%
VOYCAR 5 7/8 02/15/27	Debt - Infrastructure	4.1%
Renewables Infrastructure Group	Infrastructure - Renewables, Mixed	3.9%
Gore Street Energy Storage Fun	Infrastructure - Renewables, Other/Special	3.8%
Supermarket Income Reit PLC	Property - Specialist (Retail)	3.6%
GTWICK 4 3/8 04/07/26	Debt - Infrastructure	3.4%
Digital 9 Infrastructure PLC/Fund	Infrastructure - Digital	3.3%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	3.0%
Sienna Senior Living Inc	Property - Specialist (Healthcare)	2.9%
ASSDLN 4 1/2 02/16/26	Debt - Real Estate	2.7%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	2.5%
Cordiant Digital Infrastructure	Infrastructure - Digital	2.5%
VMED 4 1/4 01/15/30	Debt - Infrastructure	2.4%
Triple Point Social Housing Reit	Property - Specialist (Residential)	2.3%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	2.3%
IRM 3 7/8 11/15/25	Debt - Infrastructure	2.3%
Daiwa House Logistics Trust	Property - Specialist (Other)	2.2%
HTHROW 4 3/4 03/01/24	Debt - Infrastructure	1.9%
NGGLN 3 5/8 11/06/23	Debt - Infrastructure	1.9%
EGBLFN 6 1/4 10/30/25	Debt - Real Estate	1.8%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	1.7%
MRWLN 5 1/2 11/04/27	Debt - Real Estate	1.5%
International Public Partnership	Infrastructure - PPP - Core	1.2%
HTHROW 5 3/4 03/03/25	Debt - Infrastructure	1.1%
JLEN Environmental Assets Group	Infrastructure - Renewables, Mixed	1.0%
GCP Infrastructure Investments	Infrastructure - PPP - Core	1.0%
Taylor Maritime Investments Ltd	Infrastructure - Demand	0.9%
Dexus Convenience Retail REIT	Property - Specialist (Other)	0.9%
Home Reit PLC	Property - Specialist (Social)	0.8%
Fair Oaks Income Ltd	Debt - CLOs	0.8%
Schroder European Real Estate	Property - Europe Regional	0.7%
GCP Asset Backed Income Fund Ltd	Debt - Asset Backed - Secured Loans	0.6%
Impact Healthcare Reit PLC	Property - Specialist (Healthcare)	0.6%
TwentyFour Select Monthly Income	Debt - Diversified	0.6%
IPFLN 7 3/4 12/14/23	Debt - Direct Lending	0.5%
IPFLN 9 3/4 11/12/25	Debt - Direct Lending	0.5%
RM Infrastructure Income Plc	Debt - Infrastructure	0.4%
BRUNT 6 02/25/25	Debt - Real Estate	0.3%
Tritax EuroBox PLC	Property - Europe Commercial	0.3%
AEW UK REIT PLC	Property - UK Commercial	0.1%
Charter Hall Social Infrastructure	Property - Specialist (Other)	0.1%
Restricted Cash		0.5%
Unrestricted Cash		3.5%

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