



# SVS RM Infrastructure Bond

Monthly Factsheet – 30<sup>th</sup> November 2023

## Company Overview

|   |   |              |
|---|---|--------------|
| <b>Fund Name:</b>                             | SVS RM Infrastructure Bond Fund                             |              |
| <b>Launch Date:</b>                           | 15 <sup>th</sup> June 2023                                  |              |
| <b>Regulatory Status:</b>                     | FCA Authorised, UCITS                                       |              |
| <b>Classification:</b>                        | Non-Complex   |              |
| <b>Sector:</b>                                | IA Sterling Strategic Bond <sup>1</sup>                     |              |
| <b>Share Classes:</b>                         | Income & Accumulation                                       |              |
| <b>Currencies:</b>                            | GBP   |              |
| <b>Distribution Yield*</b>                    | 5.30%   |              |
| <b>Number of holdings</b>                     | 31  |              |
| <b>Duration</b>                               | 3.75 years  |              |
| <b>Share Class</b>                            | <b>ISIN</b>   | <b>Price</b> |
| GBP Accumulation (F)                          | GB00BR103F36  | 104.30       |
| GBP Accumulation(I)                           | GB00BR104F01  | 104.20       |
| GBP Income (F)                                | GB00BR104D86  | 100.00       |
| GBP Income (I)                                | GB00BR104G18  | 102.10       |
| <b>Next Dividend Ex Date:</b>                 | 31/01/2024  |              |
| <b>Dividend Pay Dates, month end:</b>         | March, June, September, December.                           |              |
| <b>Annual Management Charges<sup>1</sup>:</b> | F Class: 0.45% / OCF 0.50%                                  |              |
|   | I Class : 0.55% / OCF 0.60%                                 |              |
| <b>Target Fund Objectives:</b>                | Capital preservation.<br>Income returns greater than SONIA. |              |
| <b>Dealing Frequency:</b>                     | Daily   |              |
| <b>Valuation Frequency:</b>                   | Daily   |              |

*The Investment Manager of the Fund has undertaken to absorb any costs that would otherwise cause the class F/I/ shares of the Fund to have ongoing charges more than 0.50% (F) and 0.60% (I) respectively.*

*\*Distribution yield reflects the last quarterly dividend annualised as a percentage yield of the GBP Income I class and may not be reflective of the actual full year dividend yield.*

*Fund data is based upon the SVSRM Infrastructure Bond GBP F accumulation class.*

## Overview

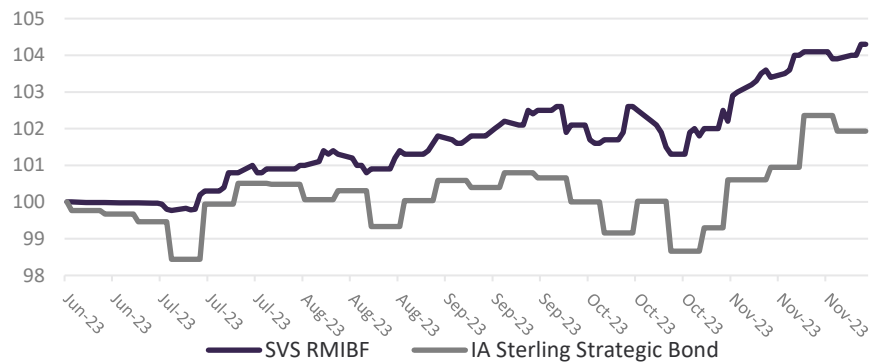
The investment objective of the SVS RM Infrastructure Bond fund, "RMIBF" or "the fund" is to provide income greater than Sterling Overnight Index Average ("SONIA") whilst preserving capital over the medium to longer term (3-5 years).

In normal market conditions, the Sub-fund seeks to meet its objectives by investing at least 80% directly into fixed income securities. These may include investment grade and sub investment grade bonds issued by companies operating in the infrastructure sector, for example, economic infrastructure, social infrastructure and energy, waste and water infrastructure companies.

## Monthly NAV Performance & Dividend

Referencing the F accumulation class, the fund's percentage total return for the period since the fund launch on 15<sup>th</sup> June 2023 has been 4.30% net of fees with a percentage total return for the month of 1.76%. Portfolio performance for the month was strong, albeit the fund was behind the benchmark as the portfolio was slightly shorter of duration than the benchmark.

SVS RM Infrastructure Bond - Accumulation "F" Class  
Share Price vs IA Sterling Strategic Bond TR in GBP



Period shown from 15<sup>th</sup> June 2023 to 30<sup>th</sup> November 2023. Capital is at risk; returns are not guaranteed, and past performance is no guarantee of future performance.

## Portfolio Activity

Allocations were largely unchanged over the month with the portfolio focused in the main on shorter-dated credit, entirely Investment Grade or implied Investment Grade, "IG". This defensive allocation in the range of 90 to 100% IG is categorised by RM as an 'upper credit profile' positioning and reflects our cautious view of the economy. The inverted shape of the UK yield curve is creating tight financial conditions and, given this shape, shorter-dated credit allocations within the portfolio offer an attractive running yield.

Portfolio duration is 3.74 years, which is slightly shorter than at the previous month-end, although this will be extended in early December to get the fund closer to neutral positioning versus the benchmark.

As credit remained firm, we saw new issuance towards the end of the month and the fund allocated into the Places for People 6.25% 2041 new transaction that priced at G+165.

## Advisory & Administration

### Authorised Corporate Director

Evelyn Partners Fund Solutions Limited “EPFL”

### Investment Manager

RM Capital Markets Limited trading as “RM Funds” or “RM”, 7 Castle Street, Edinburgh EH2 3AH.

### Portfolio Managers

#### James Robson

Investment Management

+44 (0) 131 603 7069

[James.Robson@rm-funds.co.uk](mailto:James.Robson@rm-funds.co.uk)

#### Pietro Nicholls

Investment Management

+44 (0) 20 3697 1768

[Pietro.Nicholls@rm-funds.co.uk](mailto:Pietro.Nicholls@rm-funds.co.uk)

### Sales & Distribution

#### James Satterthwaite

Sales & Distribution

+44 (0) 131 603 7068

[James.Satterthwaite@rm-funds.co.uk](mailto:James.Satterthwaite@rm-funds.co.uk)

#### David Watts

Sales & Distribution

+44 (0) 131 603 7064

[David.Watts@rm-funds.co.uk](mailto:David.Watts@rm-funds.co.uk)

### Dealing

EPFL Dealing Team

+44 (0) 141 222 1150

The prospectus, KIID, and Investment Updates can be found on our website. [www.rm-funds.co.uk](http://www.rm-funds.co.uk)

### Platforms (pending)

AllFunds  
AJ Bell  
Alliance Trust  
Ascentric (M&G)  
Charles Stanley  
Elevate  
Fidelity  
FNZ  
Fusion  
Hargreaves Lansdown  
Hubwise

Interactive Investor  
James Hay  
Nucleus  
Old Mutual  
Praemium  
Raymond James  
RL360  
Standard Life  
Stocktrade  
Tillit  
Transact  
Wealthtime  
Zurich

### Platforms (live)

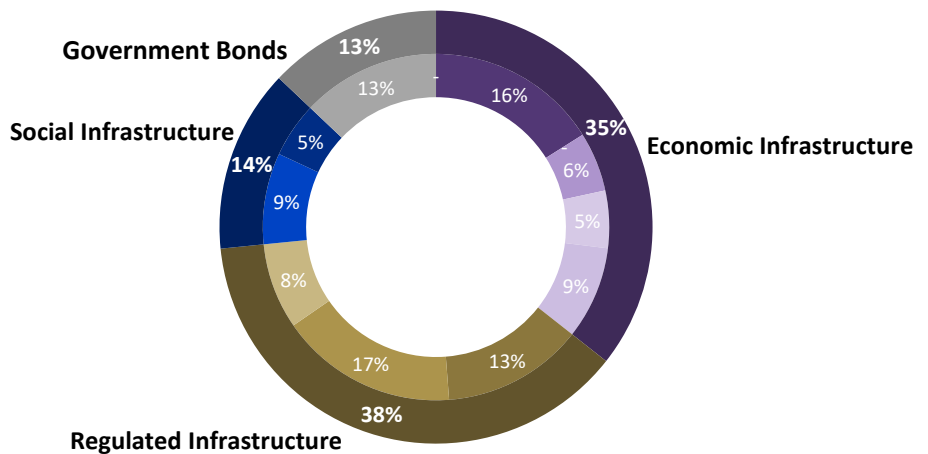
7IM  
Aegon  
Aviva  
Cofunds  
James Brearley  
NoviaPershing

If your platform is not listed, please contact our distribution team or Evelyn Partners directly.

## Market Commentary

**Rates:** A very strong month for government bonds with a real shift in expectations from the market, and a belief that, despite what the central banks say, the rate cycle will now be moving towards easing. During the month, 2-year yields fell 20bp from 4.80% to 4.60%, whilst 5-year yields fell circa 30bp from 4.47% to 4.17%. 30-year yields fell from 5.00% to 4.7%. Our outlook is that yields will remain lower, with strong performance forecast for government bonds.

**Credit:** Markit iTraxx Europe Crossover (high-yield focused credit index) tightened materially from 430 to 370, which is over 100bp tighter from the wider levels seen during the latter stages of October. The iTraxx Europe (investment grade focused credit index) tightened from 83 to 68 over the month. Our outlook for credit is more negative as we see tighter financial conditions feeding through into higher spreads during 2024.

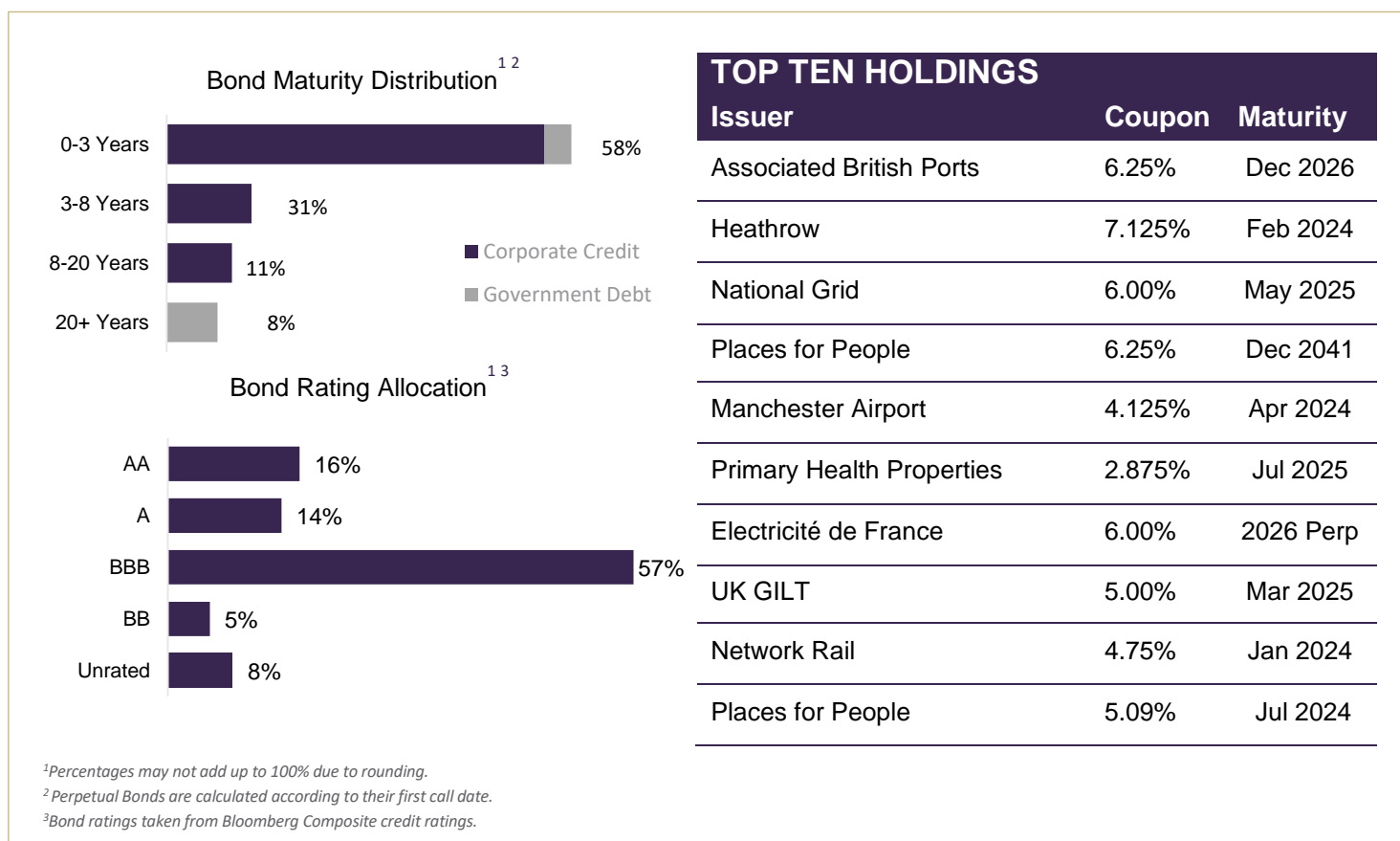


- Economic Infrastructure - Airports & Seaports - 16.1%
- Economic Infrastructure - General Infrastructure - 0%
- Economic Infrastructure - Diversified Energy Production & Distribution - 5.5%
- Economic Infrastructure - Telecoms Utility - 5.4%
- Economic Infrastructure - Road & Rail - 8.7%
- Regulated Infrastructure - Electric Utility - 13.2%
- Regulated Infrastructure - Distribution/Transmission - 16.6%
- Regulated Infrastructure - Water Utility - 8%
- Social Infrastructure - Housing Association - 8.5%
- Social Infrastructure - Healthcare - 5.1%
- Government Bonds - 12.9%

| Cumulative Performance & Dividend History – 2023 |     |     |     |     |     |     |        |         |         |         |        |     |       |
|--|-----|-----|-----|-----|-----|-----|--------|---------|---------|---------|--------|-----|-------|
|  | Jan | Feb | Mar | Apr | May | Jun | Jul    | Aug     | Sep     | Oct     | Nov    | Dec | YTD   |
| Dividends p <sup>(1)</sup>                       | -   | -   | -   | -   | -   | -   | -      | -       | -       | 2.044   | -      | -   | 2.044 |
| NAV <sup>(2)</sup>                               | -   | -   | -   | -   | -   | -   | 100.90 | 101.60  | 102.10  | 102.50  | 104.30 | -   | -     |
| NAV monthly return <sup>(2)</sup>                | -   | -   | -   | -   | -   | -   | 0.92%  | 0.69%   | 0.49%   | 0.39%   | 1.76%  | -   | 4.30% |
| IA Sterling Strategic Bond <sup>(3)</sup>        | -   | -   | -   | -   | -   | -   | 1.02%  | (0.05%) | (0.03%) | (0.71%) | 2.65%  | -   | 1.93% |

<sup>(1)</sup> GBP Income “I” Class    <sup>(2)</sup> GBP Accumulation “F” Class    <sup>(3)</sup> Benchmark - IA Sterling Strategic Bond TR in GB

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- The target benchmark for the Sub-fund is SONIA. The ACD has selected this benchmark as the ACD believes it best reflects the target returns over the medium to longer term (3 – 5 years). Investors may also compare overall performance of the Sub-fund against the IA Sterling Strategic Bond Sector. Comparison against this benchmark will give shareholders an indication of how the Sub-fund is performing against an industry wide measure of portfolios with a similar strategy. The ACD has selected this benchmark as the ACD believes it best reflects the asset allocation of the Sub-fund. This benchmark is not a target for the Sub-fund, nor is the Sub-fund constrained by the benchmark.

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