



# VT RM Alternative Income Fund

Monthly Factsheet – 31<sup>st</sup> December 2023

## Company Overview

<b>Fund Name:</b>	VT RM Alternative Income Fund	
<b>Launch Date:</b>	11 <sup>th</sup> June 2018	
<b>Regulatory Status:</b>	FCA Authorised	
<b>Fund Size:</b>	£192.67m	
<b>Classification:</b>	Non-Complex	
<b>Sector:</b>	IA Infrastructure	
<b>Share Classes:</b>	Income & Accumulation	
<b>Currencies:</b>	GBP, EUR, USD	
<b>Share Class</b>	<b>ISIN</b>	<b>NAV</b>
GBP Accumulation (I)	GB00BD6SVV68	124.87
GBP Accumulation (R)	GB00BYVZQ252	124.34
GBP Income (I)	GB00BD6SVR23	94.81
GBP Income (R)	GB00BYVZPZ16	92.87
<b>Next Dividend Ex Date:</b>	31/01/2024	
<b>Dividend Pay Dates:</b>	March, June, September, December.	
<b>Annual Management Charges<sup>1</sup>:</b>	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%	
<b>Target Fund Objectives<sup>2</sup>:</b>	Capital preservation 5.00% Net Dividend on issue price 7-8% Total Return on issue price over medium term	
<b>Dealing Frequency:</b>	Daily Liquidity	
<b>Valuation Frequency:</b>	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.



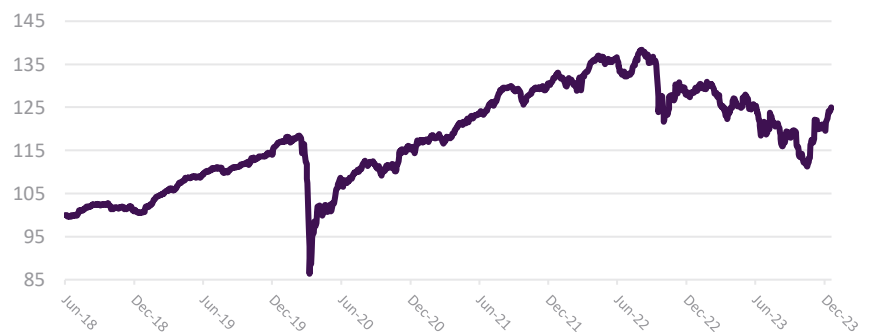
## Overview

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 December was 3.75%. Since the Fund’s inception on the 11th of June 2018 the return has been 24.87% net of fees.

VT RM Alternative Income - Institutional - Accumulation Units  
Unit Price



Period shown from 11<sup>th</sup> June 2018 to 31<sup>st</sup> December 2023. Capital is at risk; returns are not guaranteed, and past performance is no guarantee of future performance.

## Portfolio Activity

In the recent period, our Portfolio Management and Investment team strategically augmented the fund's equity allocation, specifically targeting listed real assets. Key increases to our portfolio holdings included notable entities such as Assura PLC (**AGR: LN**), Impact Healthcare REIT plc (**IHR: LN**), Bluefield Solar Fund (**BSIF: LN**), along with **SERE: LN**, **INPP: LN**, and Target Healthcare REIT plc (**THRL: LN**). Concurrently, we executed a strategic exit from our position in Taylor Maritime (**TMI: LN**).

On the fixed income front, the team adeptly expanded our holdings with the inclusion of several senior short-dated bonds, underpinned by infrastructure assets. These acquisitions comprise bonds from Manchester Airport Group (**MAGAIR 4.125% 24s**), Severn Trent (**SVTLN 6.125% 24s**), and UK Power Networks (**UKPONE 5.75% 24s**). Additionally, **EG Group** has fulfilled its obligations by redeeming their 6.25% 2025 bonds.

Our enhanced bond exposure is maintained as a highly tactical move. Predominantly comprising short-dated instruments (less than 12 months), this approach not only provides an attractive carry but also plays a crucial role in mitigating overall Net Asset Value (NAV) volatility. Moreover, it endows the Portfolio Manager with both optionality and liquidity, crucial for capitalising on



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

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

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

deep-value equity opportunities as market conditions oscillate between risk-on and risk-off scenarios.

## Active Corporate Engagement

RM Funds stands as a proactive, engagement-focused alternative investment manager. Our approach is grounded in constructive interaction with investee companies, particularly in instances where performance lapses or challenges emerge. We prioritise meaningful dialogue with executive leadership, non-executive board members, and key stakeholders to address these concerns.

In the spirit of transparency and accountability, RM Funds will release its inaugural Corporate Engagement Report in January 2024. This comprehensive document will delve into critical areas of Corporate Governance, as well as Environmental and Social factors, underscoring our commitment to responsible and effective engagement in our investment practices.

## Market Commentary

In recent market developments, the performance of major indices, particularly the S&P 500 and the FTSE All-Share, stood out. The S&P 500 ETFs experienced a notable uptick, climbing approximately 4% over the period. This surge can be attributed to a combination of stronger employment figures and the Federal Open Market Committee's (FOMC) decision to maintain interest rates, coupled with dovish market signals for the rate outlook. This combination spurred the market upwards, though it did result in losses for some short-sellers.

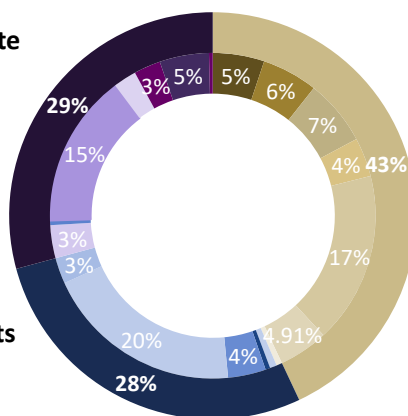
Meanwhile, ETFs tracking the FTSE All-Share also saw significant gains, albeit slightly lower than their American counterparts, with an increase of about 3.10% over December. This rise reflects a resilient UK market, despite facing slower wage growth and the Bank of England's decision to hold interest rates amidst some hawkish tones. The Purchasing Managers' Index (PMI) data from the UK, indicating potential challenges with inflation, did not seem to significantly dampen investor sentiment in the market. The end of Japan's negative interest rate policy marks a pivotal shift in its monetary policy, signalling a gradual move towards a more conventional economic stance. This development could have far-reaching implications for the Japanese market and global economic interactions.

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

### Specialist Real Estate

### Secured Real Assets

### Infrastructure



<sup>1</sup>Percentages may not add up to 100% due to rounding. Excludes cash and cash equivalents.

# VT RM Alternative Income Fund

Monthly Factsheet – 31<sup>st</sup> December 2023

NAV & Dividend History – 2023													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p <sup>(1)</sup>	1.2969	-	-	1.6172	-	-	1.8677	-	-	1.5653	-	-	6.35p
NAV <sup>(2)</sup>	129.14	128.33	123.35	125.29	124.47	120.52	121.39	118.93	115.89	113.20	120.35	124.87	-
NAV monthly return <sup>(2)</sup>	0.41%	(0.62%)	(3.88%)	1.57%	(0.65%)	(3.17%)	0.72%	(2.03%)	(2.55%)	(2.32%)	6.32%	3.75%	(2.91%)

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	-	-	1.2500	-	-	1.2908	-	-	5.14p
NAV <sup>(2)</sup>	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 <sup>(2)</sup>	(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 <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

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Position	Sector Classification	% of the Portfolio
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	6.1%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	5.7%
Primary Health Properties PLC	Property - Specialist (Healthcare)	5.6%
Supermarket Income REIT PLC	Property - Specialist (Retail)	4.7%
Bluefield Solar Income Fund Ltd	Infrastructure - Renewables, Solar	4.5%
VMED 5 04/15/27	Debt - Infrastructure	4.3%
Gore Street Energy Storage Fund	Infrastructure - Renewables, Other/Special	3.7%
Renewables Infrastructure Group	Infrastructure - Renewables, Mixed	3.6%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	3.5%
Tritax EuroBox PLC	Property - Europe Commercial	3.1%
GTWICK 4 3/8 04/07/26	Debt - Infrastructure	3.0%
HicI Infrastructure PLC	Infrastructure - PPP - Core	3.0%
VOYCAR 5 7/8 02/15/27	Debt - Infrastructure	2.7%
JLEN Environmental Assets Group	Infrastructure - Renewables, Mixed	2.6%
Digital 9 Infrastructure PLC/Fund	Infrastructure - Digital	2.6%
Triple Point Social Housing REIT	Property - Specialist (Residential)	2.5%
ASSDLN 4 1/2 02/16/26	Debt - Real Estate	2.5%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	2.4%
VMED 4 1/4 01/15/30	Debt - Infrastructure	2.3%
Cordiant Digital Infrastructure	Infrastructure - Digital	2.3%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	2.3%
Sienna Senior Living Inc	Property - Specialist (Healthcare)	1.9%
Daiwa House Logistics Trust	Property - Specialist (Other)	1.9%
UKT 1 04/22/24	Cash & Near Cash - Government	1.8%
UKT 1 04/22/24	Debt - Government	1.8%
Assura PLC	Property - Specialist (Healthcare)	1.8%
Impact Healthcare REIT PLC	Property - Specialist (Healthcare)	1.7%
HTHROW 4 3/4 03/01/24	Debt - Infrastructure	1.7%
International Public Partnership	Infrastructure - PPP - Core	1.5%
SVTLN 6 1/8 02/26/24	Debt - Infrastructure	1.0%
UKPONE 5 3/4 03/08/24	Debt - Infrastructure	1.0%
MAGAIR 4 1/8 04/02/24	Debt - Infrastructure	1.0%
HTHROW 5 3/4 03/03/25	Debt - Infrastructure	1.0%
GCP Infrastructure Investments	Infrastructure - PPP - Core	0.9%
GATAIR 5 1/4 01/23/24	Debt - Infrastructure	0.8%
Fair Oaks Income Ltd	Debt - CLOs	0.7%
GCP Asset Backed Income Fund Ltd	Debt - Asset Backed - Secured Loans	0.5%
IPFLN 9 3/4 11/12/25	Debt - Direct Lending	0.4%
Schroder European Real Estate	Property - Europe Regional	0.4%
Home REIT PLC	Property - Specialist (Social)	0.3%
Dexus Convenience Retail REIT	Property - Specialist (Other)	0.3%
Restricted Cash		0.3%
Unrestricted Cash		4.3%

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