



VT RM Alternative Income Fund

Monthly Factsheet – 31st January 2024

Company Overview

Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 th June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£184.88m	
Classification:	Non-Complex	
Sector:	IA Infrastructure	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	119.40
GBP Accumulation (R)	GB00BYVZQ252	118.89
GBP Income (I)	GB00BD6SVR23	89.39
GBP Income (R)	GB00BYVZPZ16	87.56
Next Dividend Ex Date:	30/04/2024	
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.



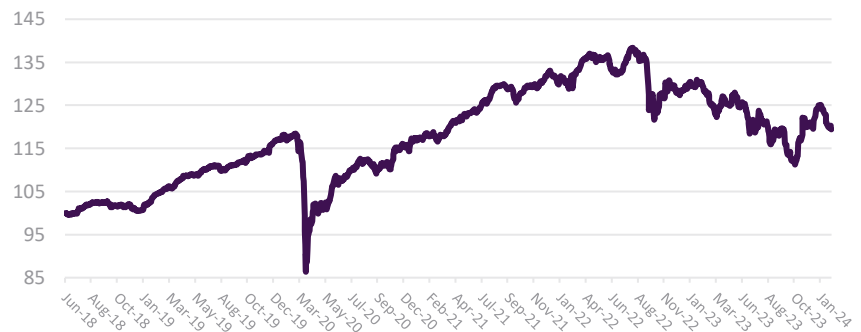
Overview

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 January was (4.38%). Since the Fund’s inception on the 11th of June 2018 the return has been 19.40% net of fees.

VT RM Alternative Income - Institutional - Accumulation Units
Unit Price



Period shown from 11th June 2018 to 31st January 2024. Capital is at risk; returns are not guaranteed, and past performance is no guarantee of future performance.

Portfolio Activity

Over the course of January, the Portfolio Manager and Investment Team demonstrated proactive and strategic investment manoeuvres amidst fluctuating market conditions influenced by macroeconomic indicators, yield curve dynamics and sector-specific volatility. Initially capitalising on a cautious market sentiment due to the CPI figures, the fund selectively added risk by acquiring and/or increasing positions in various stocks (including **AGR: LN**, **GCP: LN**, and **INPP: LN**), amassing around 27 million shares at significant discounts. This period of activity was not just about reacting to immediate data, but was a strategic positioning for the duration of interest rate levels.

Despite a quieter phase mid-month due to expected macroeconomic volatility, opportunities were seized to bolster positions in **HICL: LN** and **EBOX: LN**, which had seen retractions. The fund’s agility was further demonstrated through strategic reductions.

By late January, the underlying strategy remained vigilant, particularly towards the implications of short and long-term treasury yields on market assumptions, emphasizing the temporary irrelevance of corporate fundamentals outside of special situations. This strategic pause was complemented by the fund’s declaration of dividends, marking a commitment to shareholder



Advisory & Administration

ACD

Valu-Trac Investment Management LTD

Investment Manager

RM Capital Markets Limited, 7 Castle Street, Edinburgh EH2 3AH

Portfolio Managers

Pietro Nicholls

Investment Management
+44 (0) 20 3697 1768
Pietro.Nicholls@rm-funds.co.uk

James Robson

Investment Management
+44 (0) 131 603 7069
James.Robson@rm-funds.co.uk

Sales & Distribution

James Satterthwaite

Sales & Distribution
+44 (0) 131 603 7068
James.Satterthwaite@rm-funds.co.uk

David Watts

Sales & Distribution
+44 (0) 131 603 7064
David.Watts@rm-funds.co.uk

Dealing

Valu-Trac

Dealing
+44 (0) 1343 880 344
rmfunds@valu-trac.com

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

Platforms

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Aviva
Charles Stanley
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Elevate
Fidelity
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returns amidst a complex investment landscape. The fund's operations during this period highlight a nuanced understanding of market dynamics, the importance of active management, and an opportunistic stance towards investment, tailored to navigate through periods of uncertainty and volatility.

The fund went ex-dividend during the period, with the F ACC GBP declaring a 1.6639 and F INC GBP 1.2856 pence per unit.

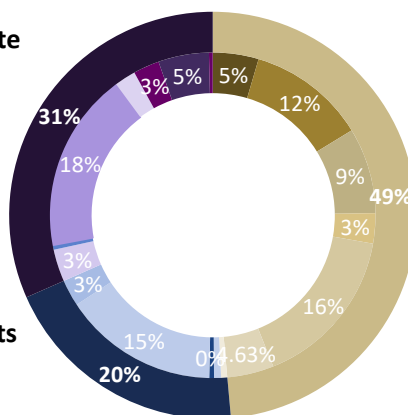
Market Commentary

The US Consumer Price Index (CPI) reported a slight uptick beyond expectations during the period, leading to a swift recalibration of market anticipations regarding interest rate cuts. As the month unfolded, we observed a suite of robust economic indicators: an uptick in payroll numbers, a decrease in unemployment claims, and an invigoration in retail sales, though this was juxtaposed against mixed PMI data and a softening in home sales. The prevailing narrative suggests a trajectory of sustained higher interest rates until inflationary pressures are effectively reined in. Exchange-Traded Funds (ETFs) mirroring the S&P 500 registered an approximate gain of 2.17% for the month. Meanwhile, the yield on the US 10-year Treasury note contracted by 2 basis points by month's end.

Shifting focus to the domestic scene, ETFs tracking the FTSE 100 experienced a downturn, closing the period down by approximately 1.18%. Concurrently, the UK's 10-year gilt yields escalated sharply by around 36 basis points, settling at 3.90%, indicative of a sell-off. This period also highlighted a series of concerning trends within the UK economy: diminishing retail sales, slowing wage increases, faltering corporate profits, and an inflation rate surpassing forecasts. In the credit market, Crossover (XO) credit spreads tightened by 8 basis points, while investment-grade (IG) credit spreads saw a modest tightening of approximately 2 basis points.

Allocation Split¹

Specialist Real Estate



Secured Real Assets

- Infrastructure - Digital - 4.5%
- Infrastructure - Renewables, Mixed - 8.5%
- Infrastructure - Renewables, Solar - 16.1%
- Debt - Asset Backed - Secured Loans - 0.6%
- Debt - Direct Lending - 0.5%
- Debt - Infrastructure - 15.4%
- Property - Europe Commercial - 3.2%
- Property - Specialist (Healthcare) - 17.8%
- Property - Specialist (Residential) - 2.6%
- Property - Specialist (Social) - 0.4%
- Infrastructure - PPP - Core - 11.7%
- Infrastructure - Renewables, Other/Special - 3%
- Infrastructure - Renewables, Wind - 4.6%
- Debt - CLOs - 0.7%
- Debt - Government - 0%
- Debt - Real Estate - 2.7%
- Property - Europe Regional - 0.5%
- Property - Specialist (Other) - 2.1%
- Property - Specialist (Retail) - 5%

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

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NAV & Dividend History – 2024													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p ⁽¹⁾	1.2668												1.2688
NAV ⁽²⁾	119.40												-
NAV monthly return ⁽²⁾	(4.38%)												(4.38%)

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	-	-	1.5653	-	-	6.35p
NAV ⁽²⁾	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 ⁽²⁾	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 ⁽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	5.8%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	5.5%
Primary Health Properties PLC	Property - Specialist (Healthcare)	5.4%
Supermarket Income REIT PLC	Property - Specialist (Retail)	4.9%
JLEN Environmental Assets Group	Infrastructure - Renewables, Mixed	4.8%
Bluefield Solar Income Fund Ltd	Infrastructure - Renewables, Solar	4.4%
Impact Healthcare REIT PLC	Property - Specialist (Healthcare)	4.3%
VMED 5 04/15/27	Debt - Infrastructure	3.9%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	3.9%
Renewables Infrastructure Group	Infrastructure - Renewables, Mixed	3.5%
HicI Infrastructure PLC	Infrastructure - PPP - Core	3.4%
GCP Infrastructure Investments	Infrastructure - PPP - Core	3.1%
Tritax EuroBox PLC	Property - Europe Commercial	3.1%
GTWICK 4 3/8 04/07/26	Debt - Infrastructure	3.1%
Gore Street Energy Storage Fund	Infrastructure - Renewables, Other/Special	2.9%
VOYCAR 5 7/8 02/15/27	Debt - Infrastructure	2.9%
ASSDLN 4 1/2 02/16/26	Debt - Real Estate	2.6%
Triple Point Social Housing REIT	Property - Specialist (Residential)	2.5%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	2.4%
VMED 4 1/4 01/15/30	Debt - Infrastructure	2.4%
Digital 9 Infrastructure PLC/Fund	Infrastructure - Digital	2.2%
Cordiant Digital Infrastructure	Infrastructure - Digital	2.2%
Sienna Senior Living Inc	Property - Specialist (Healthcare)	2.1%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	2.1%
Daiwa House Logistics Trust	Property - Specialist (Other)	1.8%
HTHROW 4 3/4 03/01/24	Debt - Infrastructure	1.7%
Assura PLC	Property - Specialist (Healthcare)	1.7%
International Public Partnership	Infrastructure - PPP - Core	1.6%
UKPONE 5 3/4 03/08/24	Infrastructure - Electric Utility	1.1%
SVTLN 6 1/8 02/26/24	Infrastructure - Water Assets & Services	1.1%
MAGAIR 4 1/8 04/02/24	Infrastructure - Airports & Seaports	1.1%
HTHROW 5 3/4 03/03/25	Debt - Infrastructure	1.0%
Fair Oaks Income Ltd	Debt - CLOs	0.7%
GCP Asset Backed Income Fund Ltd	Debt - Asset Backed - Secured Loans	0.6%
IPFLN 9 3/4 11/12/25	Debt - Direct Lending	0.5%
Schroder European Real Estate	Property - Europe Regional	0.5%
Home REIT PLC	Property - Specialist (Social)	0.4%
Dexus Convenience Retail REIT	Property - Specialist (Other)	0.3%
Restricted Cash		0.5%
Unrestricted Cash		2.2%

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