



# VT RM Alternative Income Fund

Monthly Factsheet – 31<sup>st</sup> July 2024

## 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>	£187.61m	
<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	124.19
GBP Accumulation (R)	GB00BYVZQ252	123.60
GBP Income (I)	GB00BD6SVR23	89.53
GBP Income (R)	GB00BYVZPZ16	87.66
<b>Next Dividend Ex Date:</b>	31/10/2024	
<b>Dividend Pay Dates:</b>	March, June, September, December.	
<b>Annual Management Charges<sup>1</sup>:</b>	Institutional (F): 0.50% / OCF incl. synthetic costs: 1.42%	
	Institutional (I): 0.75% / OCF incl. synthetic costs: 1.67%	
	Retail (R): 0.85% / OCF incl. synthetic costs: 1.77%	
<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.



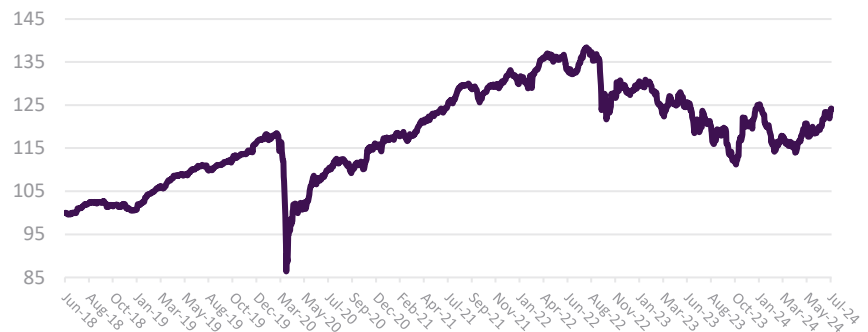
## Overview

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 July was 3.46%. Since the Fund’s inception on the 11th of June 2018 the return has been 24.19% 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> July 2024. Capital is at risk; returns are not guaranteed, and past performance is no guarantee of future performance.

## Portfolio Activity

During the recent period, the fund underwent an ex-distribution event. The GBP F Income class declared a distribution of 1.5188 pence per unit, while the GBP F Accumulation units declared a distribution of 2.0362 pence per unit.

Significant investment activities were carried out across various portfolio holdings. The Portfolio Manager increased the dry powder by trimming half of **VMED 27** senior bond holding as well as **DHLT: SP** – an Asian based logistic REIT. Capital is rotated into core and existing equity alternatives with a blended yield of 7%, including **Greencoat UK Wind (UKW: LN)**, **HICL Infrastructure PLC (HICL: LN)**, and **Primary Health Properties PLC (PHP: LN)**. A small position in **Impact Healthcare REIT (IHR: LN)** was added following an assessment of the government’s recent healthcare reform reversal. Additionally, a new equity position in **Octopus Renewable Infrastructure REIT (ORIT: LN)** was acquired through an opportunistic block trade.

July was particularly an active month in terms of *Governance* engagement, which the team believes is now a key potential source of alpha. The engagement campaign with **Next Energy Solar Fund (NESF: LN)** has been effective, with the Board initiating a share buyback, resulting in a 3.5% stock price increased over the last four weeks, outperforming peers such as **FSFL: LN**.



## 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	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.

The team also engaged in a productive dialogue with the Chair of **JLEN Environmental Asset Group JLEN: LN**, followed by a letter containing specific recommendations considering the upcoming discontinuation vote. This engagement led to a successful outcome, with the post-period announcement of a partial disposal of non-core assets. The proceeds will be used to reduce floating debt and initiate a share repurchase program, thereby returning value to shareholders. Share price accelerated c.2% post announcement.

On the *Environmental* and *Social* fronts, the dedicated ESG team has commenced our third reporting cycle, engaging with both existing and prospective investee companies to gather insights on their sustainability activities and progress. On a side note, our 2023 ESG report is now available on the website.

## Market Commentary

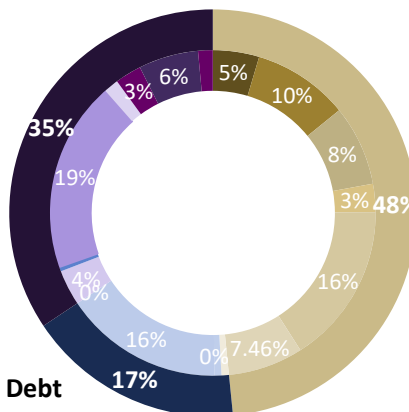
This month witnessed a considerable wave of macroeconomic data. In the UK, headline, core, and service CPI figures all rose less than expected, which supports the Bank of England's decision to cut rates in early August. This development has reduced the likelihood of a further rate cut in September, with expectations now leaning towards the possibility of two more rate cuts in November and December. However, the investment team views that the BOE would require further substantial evidence of economic undershooting before considering additional cuts, particularly given the economy's current solid footing.

In the US, macroeconomic data continues to soften, highlighted by a month-over-month increase in jobless claims. The team believes that once jobless claims begin to rise across multiple states simultaneously, it will signal that economic volatility may soon translate into market volatility.

In terms of asset class performance, ETFs linked to the S&P 500 rose by 1.00% during the period, while the yield on the US 10-year Treasury note dropped by 43 basis points. On the domestic front, ETFs representing the FTSE All-Share Index gained 3.00%, and in the bond market, short-term gilt yields fell by 37 basis points.

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

### Social & Digital Infrastructure



### Infrastructure Debt

- Infrastructure - Digital - 4.6%
- Infrastructure - PPP - Core - 9.5%
- Infrastructure - Renewables, Mixed - 8%
- Infrastructure - Renewables, Other/Special - 2.8%
- Infrastructure - Renewables, Solar - 16%
- Infrastructure - Renewables, Wind - 7.5%
- Debt - Asset Backed - Secured Loans - 0.7%
- Debt - CLOs - 0.7%
- Debt - Direct Lending - 0%
- Debt - Government - 0%
- Debt - Infrastructure - 15.8%
- Debt - Real Estate - 0%
- Property - Europe Commercial - 3.5%
- Property - Europe Regional - 0.4%
- Property - Specialist (Healthcare) - 18.9%
- Property - Specialist (Other) - 1.5%
- Property - Specialist (Residential) - 2.6%
- Property - Specialist (Retail) - 5.9%
- Property - Specialist (Social) - 1.4%

<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> July 2024

NAV & Dividend History – 2024													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Dividends p <sup>(1)</sup>	1.2668	-	-	1.8324	-	-	1.4943						3.1012
NAV <sup>(2)</sup>	119.40	116.18	116.05	116.90	118.42	120.04	124.19						-
NAV monthly return <sup>(2)</sup>	(4.38%)	(2.7%)	(0.11%)	0.74%	1.29%	1.37%	3.46%						(0.54%)

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  
*Capital is at risk; returns are not guaranteed, and past performance is no guarantee of future performance.*

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Monthly Factsheet – 31<sup>st</sup> July 2024

Position	Sector Classification	% of the Portfolio
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	5.7%
Primary Health Properties PLC	Property - Specialist (Healthcare)	5.4%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	5.2%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	5.0%
Supermarket Income REIT PLC	Property - Specialist (Retail)	4.6%
Impact Healthcare REIT PLC	Property - Specialist (Healthcare)	4.5%
Renewables Infrastructure Group	Infrastructure - Renewables, Mixed	4.4%
Bluefield Solar Income Fund Ltd	Infrastructure - Renewables, Solar	4.3%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	4.2%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	3.7%
Tritax EuroBox PLC	Property - Europe Commercial	3.3%
VOYCAR 5 7/8 02/15/27	Debt - Infrastructure	3.3%
JLEN Environmental Assets Group	Infrastructure - Renewables, Mixed	3.2%
GCP Infrastructure Investments	Infrastructure - PPP - Core	3.2%
GTWICK 4 3/8 04/07/26	Debt - Infrastructure	3.1%
Gore Street Energy Storage Fund	Infrastructure - Renewables, Other/Special	2.7%
Sienna Senior Living Inc	Property - Specialist (Healthcare)	2.6%
HTHROW 5 3/4 03/03/25	Debt - Infrastructure	2.6%
Triple Point Social Housing REIT	Property - Specialist (Residential)	2.5%
Cordiant Digital Infrastructure	Infrastructure - Digital	2.4%
VMED 4 1/4 01/15/30	Debt - Infrastructure	2.3%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	2.1%
Digital 9 Infrastructure PLC/F	Infrastructure - Digital	2.0%
International Public Partnership	Infrastructure - PPP - Core	1.7%
HTHROW 6 5/8 03/01/31	Debt - Infrastructure	1.7%
Assura PLC	Property - Specialist (Healthcare)	1.7%
Daiwa House Logistics Trust	Property - Specialist (Other)	1.1%
Xior Student Housing NV	Property - Specialist (Social)	1.1%
VMED 5 04/15/27	Debt - Infrastructure	1.1%
ASSDLN 8 1/8 05/14/30	Property - Specialist (Retail)	1.1%
UKT 0 5/8 06/07/25	Cash or near Cash	1.0%
UKT 3 1/2 10/22/25	Cash or near Cash	0.8%
GCP Asset Backed Income Fund Ltd	Debt - Asset Backed - Secured Loans	0.7%
Fair Oaks Income Ltd	Debt - CLOs	0.7%
NGGLN 3 7/8 10/17/24	Debt - Infrastructure	0.5%
Schroder European Real Estate	Property - Europe Regional	0.4%
Dexus Convenience Retail REIT	Property - Specialist (Other)	0.3%
Home REIT PLC	Property - Specialist (Social)	0.3%
MARSPE 6 06/12/25	Debt - Infrastructure	0.2%
SVS RM Infrastructure Bond Fund	Debt - Infrastructure	0.2%
<i>Restricted Cash</i>		0.0%
<i>Unrestricted Cash</i>		3.2%

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