



VT RM Alternative Income Fund

Monthly Factsheet – 30th September 2024

Company Overview

Fund Name:	VT RM Alternative Income Fund	
Launch Date:	11 th June 2018	
Regulatory Status:	FCA Authorised	
Fund Size:	£195.73m	
Classification:	Non-Complex	
Sector:	IA Infrastructure	
Share Classes:	Income & Accumulation	
Currencies:	GBP, EUR, USD	
Share Class	ISIN	NAV
GBP Accumulation (I)	GB00BD6SVV68	126.93
GBP Accumulation (R)	GB00BYVZQ252	126.31
GBP Income (I)	GB00BD6SVR23	91.51
GBP Income (R)	GB00BYVZPZ16	89.58
Next Dividend Ex Date:	31/10/2024	
Dividend Pay Dates:	March, June, September, December.	
Annual Management Charges:	Institutional (F): 0.50% / OCF: 0.54%	
	Institutional (I): 0.75% / OCF: 0.79%	
	Retail (R): 0.85% / OCF: 0.89%	
Target Fund Objectives¹:	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 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.

Fund data is based upon the VT RM Alternative Income Fund Institutional GBP accumulation class.



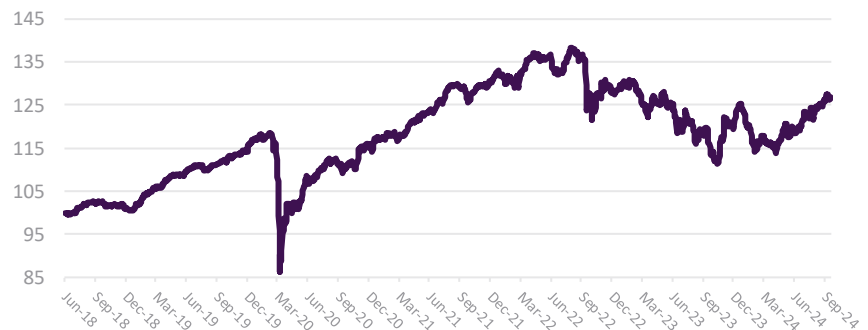
Overview

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 September was 1.48%. Since the Fund’s inception on the 11th of June 2018 the return has been 26.93% net of fees.

VT RM Alternative Income - Institutional - Accumulation Units
Unit Price



Period shown from 11th June 2018 to 30th September 2024. Capital is at risk; returns are not guaranteed, and past performance is no guarantee of future performance.

Portfolio Activity

Portfolio activity increased during the month.

Tritax Eurobox Plc (EBOX: LN): All-share Offer: The recommended all-share offer for **EBOX: LN** validates our investment thesis for this European industrial and logistics fund holding – the position was exited on the news.

Exit from VMED 27s: We exited our position in **VMED 27s**, which had performed well for us in terms of both capital appreciation and distribution income. However, with a yield of around 5%, it no longer provided relative value for the fund.

Increased exposure to **Schroder European Real Estate (SERE: LN):** The Investment Team identified an opportunity to increase exposure to **SERE: LN** – our second favoured name within the European logistics segment. This decision was based on our team’s positive outlook regarding the quality of cashflows and index-linked revenue, the nature of assets with a focus



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The prospectus, KIID, and Investment Updates can be found on our website. 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

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on industrial logistics, and the strength of the company's balance sheet. However, given its size, the name remains as a satellite holding in our portfolio.

Throughout the month, the team also concentrated on cash recycling and new inflows, with **ORIT: LN, INPP: LN, DXC: AU** being a key focus. Additionally, some gilts were added to the portfolio for cash management purposes.

This month's corporate engagement centred on the renewables sector, with Boards showing significant interest in gauging shareholder perspectives on sector activity. The team met with **GSF: LN, ORIT: LN, FSFL: LN** as well as **SOHO: LN** and **THRL: LN**.

Market Commentary

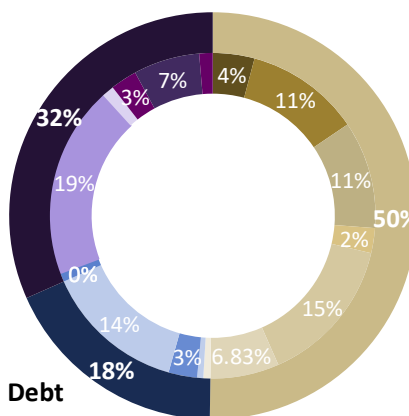
During the month, the Fed reduced its benchmark federal funds rate by 50 basis points, bringing it down to a new range of 4.75%-5%. The balance of risks has shifted from inflation concerns to the labour market, acknowledged by both the Fed and markets. Average hourly earnings increased to 3.8% on a three-month annualised basis, a rate that is too fast for inflation to align with the Fed's target. While this may not have an immediate impact, over time either wage growth will need to slow, or inflation is likely to bound.

Turning to the domestic market, UK employment data revealed a slowdown in wage growth, with weekly earnings excluding bonuses dropping to 5.1% from 5.4%, while the unemployment rate remained steady at 4.1%. Despite these figures, there is little urgency for the central bank to cut rates, although markets are anticipating a rate cut in November with a faster pace thereafter. However, the combination of a stagnating economy and a public debt-to-GDP ratio of 100% - the highest since the 1960s - has left markets anticipating tax increases and spending cuts in the forthcoming Budget.

The performance of ETFs tracking various indices varies: FTSE 100 down 2.5%, S&P up c.3.9%, Eurostoxx 50 down c.0.60% and SLXX tracking GBP corporate bonds down c.0.53%. Concurrently, the UK's 10-year gilt yields fell sharply in the middle of the month by 29.6 basis points, reaching 3.76%, signalling a rally before moving back to 4% at the end of month. In the credit markets, Crossover (XO) credit spreads widened by 22.5 basis points, while investment-grade (IG) credit spreads saw a slight increase of around 6 basis points.

Allocation Split¹

Social & Digital Infrastructure



Infrastructure Debt

- Infrastructure - Digital - 4.1%
- Infrastructure - Renewables, Mixed - 10.7%
- Infrastructure - Renewables, Solar - 14.7%
- Debt - Asset Backed - Secured Loans - 0.7%
- Debt - Direct Lending - 0%
- Debt - Infrastructure - 14%
- Property - Europe Commercial - 0%
- Property - Specialist (Healthcare) - 19%
- Property - Specialist (Residential) - 2.6%
- Property - Specialist (Social) - 1.3%
- Infrastructure - PPP - Core - 11.4%
- Infrastructure - Renewables, Other/Special - 2.5%
- Infrastructure - Renewables, Wind - 6.8%
- Debt - CLOs - 0.6%
- Debt - Government - 2.8%
- Debt - Real Estate - 0%
- Property - Europe Regional - 0.9%
- Property - Specialist (Other) - 1.2%
- Property - Specialist (Retail) - 6.6%

¹ Percentages 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	-	-	1.8324	-	-	1.4943	-	-	-	-	-	4.59p
NAV ⁽²⁾	119.40	116.18	116.05	116.90	118.42	120.04	124.19	125.08	126.93	-	-	-	-
NAV monthly return ⁽²⁾	(4.38%)	(2.7%)	(0.11%)	0.74%	1.29%	1.37%	3.46%	0.71%	1.48%	-	-	-	1.65%

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
Primary Health Properties PLC	Property - Specialist (Healthcare)	5.7%
NextEnergy Solar Fund Ltd	Infrastructure - Renewables, Solar	5.2%
Foresight Solar Fund Ltd	Infrastructure - Renewables, Solar	5.1%
Greencoat UK Wind PLC/Funds	Infrastructure - Renewables, Wind	4.7%
Impact Healthcare REIT PLC	Property - Specialist (Healthcare)	4.5%
Supermarket Income REIT PLC	Property - Specialist (Retail)	4.4%
Hicl Infrastructure PLC	Infrastructure - PPP - Core	4.3%
Renewables Infrastructure Group	Infrastructure - Renewables, Mixed	4.2%
Bluefield Solar Income Fund Ltd	Infrastructure - Renewables, Solar	4.1%
International Public Partnership	Infrastructure - PPP - Core	4.0%
Target Healthcare REIT PLC	Property - Specialist (Healthcare)	4.0%
VOYCAR 5 7/8 02/15/27	Debt - Infrastructure	3.3%
Octopus Renewables Infrastructure	Infrastructure - Renewables, Mixed	3.3%
GTWICK 4 3/8 04/07/26	Debt - Infrastructure	3.0%
Foresight Environmental Infrastructure	Infrastructure - Renewables, Mixed	2.9%
GCP Infrastructure Investments	Infrastructure - PPP - Core	2.8%
Sienna Senior Living Inc	Property - Specialist (Healthcare)	2.6%
Triple Point Social Housing REIT	Property - Specialist (Residential)	2.6%
Cordiant Digital Infrastructure	Infrastructure - Digital	2.5%
HTHROW 5 3/4 03/03/25	Debt - Infrastructure	2.5%
Gore Street Energy Storage Fund	Infrastructure - Renewables, Other/Special	2.4%
VMED 4 1/4 01/15/30	Debt - Infrastructure	2.3%
ASSDLN 8 1/8 05/14/30	Property - Specialist (Retail)	2.0%
Greencoat Renewables PLC	Infrastructure - Renewables, Wind	2.0%
Assura PLC	Property - Specialist (Healthcare)	1.7%
HTHROW 6 5/8 03/01/31	Debt - Infrastructure	1.7%
Digital 9 Infrastructure PLC/Fund	Infrastructure - Digital	1.5%
Xior Student Housing NV	Property - Specialist (Social)	1.0%
UKTB 0 10/21/24	Debt - Government	1.0%
UKT 0 5/8 06/07/25	Debt - Government	1.0%
Schroder European Real Estate	Property - Europe Regional	0.9%
UKT 3 1/2 10/22/25	Debt - Government	0.8%
GCP Asset Backed Income Fund Ltd	Debt - Asset Backed - Secured Loans	0.7%
Daiwa House Logistics Trust	Property - Specialist (Other)	0.7%
Fair Oaks Income Ltd	Debt - CLOs	0.6%
Dexus Convenience Retail REIT	Property - Specialist (Other)	0.5%
NGGLN 3 7/8 10/17/24	Debt - Infrastructure	0.5%
Home REIT PLC	Property - Specialist (Social)	0.3%
SVS RM Infrastructure Bond Fund	Debt - Infrastructure	0.2%
MARSPE 6 06/12/25	Debt - Infrastructure	0.2%
<i>Restricted Cash</i>		0.4%
<i>Unrestricted Cash</i>		2.0%

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