

OVERVIEW

- Aims to deliver a regular income expected to be 4.5% per annum after charges
- Preserve investors' capital throughout market cycles, with the potential for capital growth
- Invests in a diversified portfolio of global listed securities of companies involved in the operation, funding, construction, generation and supply of clean energy
- Offers exposure to companies engaged in the provision, storage, supply and consumption of clean energy

PERFORMANCE CHART

Simulated Portfolio (Total Return) 30 June 2015 to 29 December 2017



Hypothetical past performance is not necessarily indicative of future results. Simulated performance is before costs and fees.

As at July 2018, it does not yet have 12 months of performance data. In order to comply with the regulation on financial promotions (Cobs 4.6.2R), we are not permitted to show any past performance data relating to periods of less than one year.

RETURNS

	RETURN	VOLATILITY	CORRELATION	RETURNS	
				2016	2017
Simulated Portfolio (Total Return)	39.80%	11.57%	0.75	20.86%	14.50%
S&P Clean Energy GBP (Total Return)	1.10%	18.89%	—	-0.84%	10.46%

All stats to 29 December 2017.

Company overview

Name	VT Gravis Clean Energy Income Fund
Regulatory status	FCA Authorised OEIC UCITS V
Sector	Global
Launch date	18 December 2017
Launch price	£1
Share classes	Income and Accumulation (£, \$, €)
Min. investment	£100
Net Asset Value per share as at 31 August 2018	C Inc (£): 101.78p C Acc (£): 104.10p
Capped fund operating charges	0.8% (AMC & OMF)
Dividends	Quarterly
Objectives	4.5% dividend yield Capital preservation Inflation protection
Classification	Non-complex
£ ISINs	C Acc: GB00BFN4H792 C Inc: GB00BFN4H461



FUND ADVISER'S REPORT

The adviser believes the Fund is on track to achieve its full year objectives and looks forward to declaring the third quarter income distribution at the end of September.

The Fund performed well in August as some of the portfolio's larger positions, notably US Yield Cos, traded sharply higher and FX tailwinds combined to drive the Fund's unit price up to 104.10p (C GBP Acc).

Terraform Power, Hannon Armstrong Sustainable Infrastructure Capital and Pattern Energy – all within the portfolio's Top 5 holdings – reported strong second quarter results that beat analysts' forecasts on key performance metrics including adjusted EBITDA (a good indicator of cash available for distribution) and core earnings. Outlook statements were robust and reiterated full year dividend growth targets.

In the UK, NextEnergy Solar and The Renewables Infrastructure Group (TRIG) reported updated NAVs to 30 June that were in line with expectations. Firmer near-term electricity prices provided a boost to cash flows as expected and, in the case of TRIG, helped to offset a period of sub-trend wind speeds. While medium and long-term power price assumptions continue to act as a detractor from asset valuations, other factors including secondary market transaction prices are having a positive and offsetting influence on NAVs.

Partial sales of Endesa and Iberdrola were undertaken during the period at attractive levels. These Spanish power generators have some nuclear and coal assets within their portfolios and therefore the action had an additional benefit of reducing the Fund's (already modest) exposure to fossil fuels and more controversial energy sources.

Within the Fund's non-power generating 'bucket', Nibe Industrier, a Swedish producer of ground source heat pumps and other sustainable energy solutions, reported strong first half numbers. This prompted a re-rating of the shares, which at the time of writing have delivered a 37% total return year-to-date (local currency). Meanwhile, Universal Display Corp gained 27% (local currency) during August after reporting second quarter earnings ahead of forecasts and reiterated full year expectations.

This thematic element of the portfolio is more volatile when compared to the renewables assets that comprise the majority of the Fund and underpin the dividend objective, and the adviser will continue to be active in locking in gains at appropriate levels.

The adviser believes the Fund is on track to achieve its full year objectives and looks forward to declaring the third quarter income distribution at the end of September.

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Investment Adviser

Gravis Advisory Limited is owned and managed by Gravis Capital Management Ltd ("Gravis"). Gravis was established in May 2008 as a specialist investor in infrastructure and now manages c.£2.5bn of assets in the sector in the UK.

Funds under management include the FTSE 250 company GCP Infrastructure Investments Limited, which has invested over £1bn in UK infrastructure, and GCP Student Living Plc which has invested over £600m in UK student accommodation.

Gravis has won numerous awards for their alternative approach to long term, secure, income-generative investments.

Gravis Advisory Limited is Investment Adviser to the c.£260m VT Gravis UK Infrastructure Income Fund, which is the only OEIC focusing on investment in the UK's infrastructure sector.

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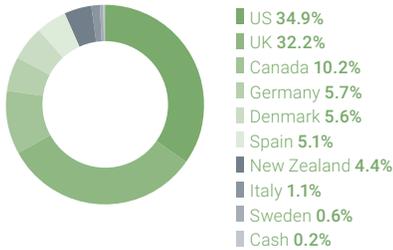
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Dealing

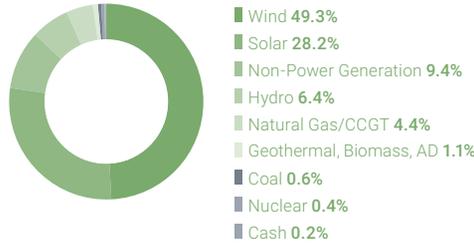
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PORTFOLIO

Geographic listing



Energy source



Currency



TOP 10 HOLDINGS ON 31 AUGUST 2018

HOLDING	%
TerraForm Power Inc	7.40
Greencoat UK Wind PLC	6.84
Hannon Armstrong Sustainable Infrastructure Capital Inc	5.63
Pattern Energy Group Inc	5.32
NRG Yield Inc	4.85
Nextera Energy Partners LP	4.52
Renewables Infrastructure Group	4.44
Meridian Energy Ltd	4.42
NextEnergy Solar Fund Ltd	4.40
Atlantica Yield PLC	4.38

SECURITY TYPE

Sectors



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