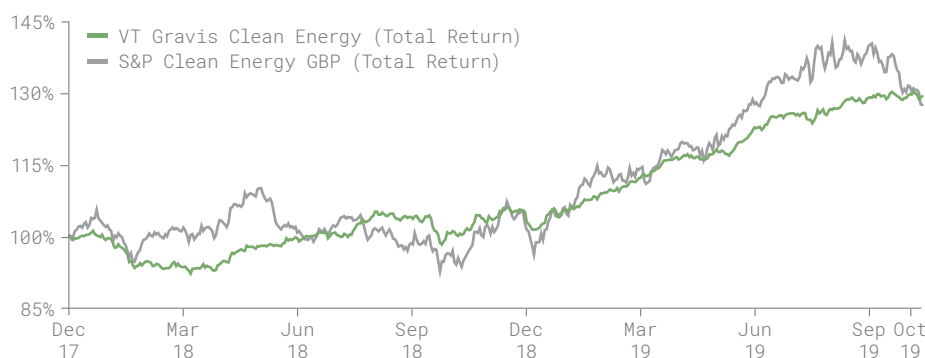


### OVERVIEW

- Aims to deliver a regular income expected to be 4.5%<sup>1</sup> 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 including Yield Co Equities, Investment Companies and Equities
- Offers exposure to companies engaged in the provision, storage, supply and consumption of clean energy

### PERFORMANCE CHART

VT Gravis Clean Energy Share Class C GBP Acc 18/12/2017 – 31/10/2019



### RETURNS

	OCTOBER 2019	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis Clean Energy	0.02%	2.78%	10.93%	27.81%	29.20%	7.24%
MSCI UK	-2.10%	-3.40%	-0.34%	5.74%	3.67%	12.38%
MSCI World Infrastructure	-3.75%	0.01%	9.25%	15.66%	15.75%	11.07%
S&P Global Clean Energy	-6.76%	-6.03%	7.36%	33.55%	27.41%	15.32%

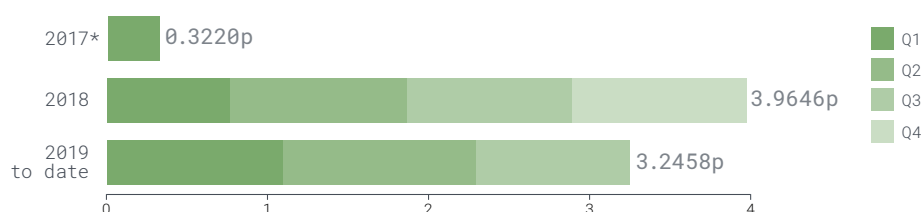
Past performance is not necessarily a guide to future performance.

Fund launched on 18 December 2017.

Fund performance is illustrated by the C GBP Net Accumulation share class.

### DIVIDENDS

Dividends paid net of charges since inception to 31 October 2019 for C GBP Income share class.



\* Part period from launch on 18 December 2017.

Company overview	
<b>Name</b>	VT Gravis Clean Energy Income Fund
<b>Regulatory status</b>	FCA Authorised OEIC UCITS V
<b>Sector</b>	IA Global
<b>Launch date</b>	18 December 2017
<b>Fund size</b>	£36.85m
<b>Launch price</b>	£1
<b>Share classes</b>	Income and Accumulation (£, \$, €)
<b>Min. investment</b>	£100
<b>Net Asset Value per share as at 31 October 2019</b>	C Acc (£): 129.20p C Inc (£): 120.33p I Acc (£): 122.77p I Inc (£): 104.93p
<b>Trailing 12 month net yield<sup>2</sup> as at 31 October 2019</b>	3.60%
<b>Annual turnover to 31 October 2019</b>	6.22%
<b>Charges<sup>2</sup></b>	0.8% (AMC & OMF)
<b>Dividends</b>	Quarterly
<b>Classification</b>	Non-complex
<b>£ ISINs</b>	C Acc: GB00BFN4H792 C Inc: GB00BFN4H461

1. This is an unofficial target and there is no guarantee it will be achieved.  
Per annum by reference to launch price of £1.00 per unit, payable quarterly, one month in arrears.
2. The OCF (Ongoing Charges Figure) for all share classes is capped at the AMC (Annual Management Charge) and any costs in excess of the OCF/AMC will be paid by the Investment Adviser.
3. Published dividends are net of charges which are taken from income.



**FUND ADVISER'S REPORT**

**A transition towards economically viable unsubsidised renewable energy generation is emerging**

While the performance of the underlying holdings diverged significantly throughout October, the Fund tracked sideways to record a 0.02% total return (C Accumulation GBP). The tactical currency hedge, which neutralises the impact of GBP/USD exchange rate movements within the portfolio, proved invaluable by reducing FX-driven volatility while protecting investors from the near-term losses suffered by other global infrastructure-focused Funds as GBP rallied sharply.

The currency hedge has contributed to an ongoing reduction in the Fund's annualised daily volatility profile, which now stands at 6.61% over the past twelve months. While the Adviser expects the strategy to deliver a volatility profile far lower than that displayed by global equities on an ongoing basis, it is unlikely that the present level may be improved upon markedly.

Late in the month the Federal Reserve cut interest rates for the third time in 2019, keeping investors' yield expectations firmly grounded. This dynamic remains in place across the majority of the Fund's key investment jurisdictions and means that the yields available from renewable energy assets are highly attractive on a relative basis and should underpin share prices.

As signalled in last month's commentary, the Fund participated in equity raises from Gresham House Energy Storage, Foresight Solar and SDCL Energy Efficiency at attractive prices. The former, an owner/operator of large-scale battery storage assets, was given an additional boost following the announcement that the UK's Capacity Market – a mechanism designed to ensure continuity of power supply to the grid at times of stress – was being reinstated after a near one-year suspension.

While this outcome was generally expected, it removes an overhang that could have potentially impacted the company's NAV negatively. More broadly, the reinstatement of the Capacity Market provides visibility for electricity suppliers and a greater incentive to invest in electricity generation and storage assets.

The most significant detractor from performance during the period was New Zealand-based Meridian Energy, a company which operates and generates electricity from a series of very large hydroelectric plants. The shares have been in decline following the announcement by a key offtaker, Rio Tinto, that it would be undertaking a review of operations at Tiwai Point, an aluminium smelter that sources power directly from one of Meridian's assets. The Fund had reduced its exposure to Meridian over the past year as the shares performed very strongly and gains were locked in. However, while the recent news is a source of unwelcome uncertainty, the Adviser believes the market has now over-discounted the inherent risk to the company and has started to acquire shares in Meridian Energy once again.

Closer to home, Greencoat UK Wind announced its intention to acquire another unsubsidised onshore wind asset (located in Scotland) from Innogy, upon completion, in 2021. It provides another demonstration that a transition towards economically viable unsubsidised renewable energy generation is emerging. The deal means that Greencoat's total commitments to unsubsidised assets are now in excess of £100m.

**Will Argent**  
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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.£2.7bn 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.£525m VT Gravis UK Infrastructure Income Fund, which is the only OEIC focusing on investment exclusively in the UK's infrastructure sector.

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**Available on the following platforms**

Aegon	James Hay
Alliance Trust Savings	Novia
All Funds	Nucleus
Aviva	Pershing
Co Funds	Transact
Funds Network	Zurich
Fusion	7IM
Hargreaves	Standard Life

**CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON**

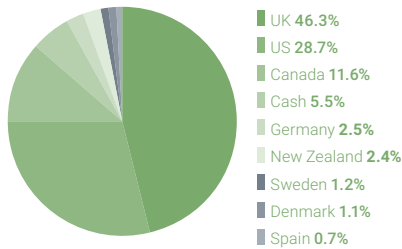
18 December 2017 – 31 October 2019

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Clean Energy	—	29.2%	7.2%	3.6%
MSCI UK	0.33	3.7%	12.4%	4.7%
MSCI World Infrastructure	0.27	15.7%	11.1%	3.9%
S&P Global Clean Energy	0.29	27.4%	15.3%	2.4%

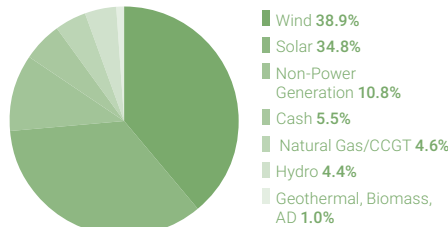
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**PORTFOLIO**

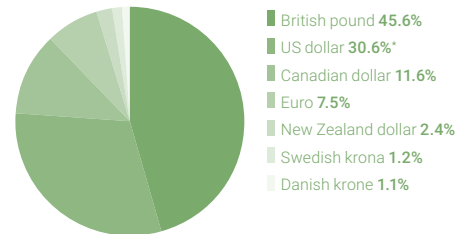
**Geographic listing**



**Energy source**



**Currency**



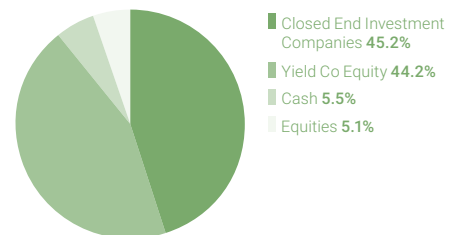
\* US dollar exposure is currently hedged, resulting in a total effective GBP exposure of 76.2%.

**TOP 10 HOLDINGS ON 31 OCTOBER 2019**

HOLDING	%
Atlantica Yield PLC	7.0
Renewables Infrastructure Group Ltd	7.0
NextEnergy Solar Fund Ltd	6.5
TransAlta Renewables Inc	6.3
Foresight Solar Fund Ltd	5.9
John Laing Environmental Assets Group Ltd	5.2
Pattern Energy Group Inc	4.7
Bluefield Solar Income Fund Ltd	4.6
TerraForm Power Inc	4.5
Hannon Armstrong Sustainable Infrastructure Capital Inc	4.1

**SECURITY TYPE**

**Sectors**



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