

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 October 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%

The above returns, volatility and correlation for the simulated portfolio and benchmark are from 30 June 2015 to 29 December 2017 (except for the annual returns covering 2016 and 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 October 2018	C Inc (£): 97.86 C Acc (£): 101.09
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

Thus far we have seen encouraging numbers and updates from a range of renewables-focused companies across the UK, Europe and North America.

Global financial markets recorded significant losses in October and while the portfolio was not immune to this challenging backdrop, the Fund held up very well compared to broader market declines. This was also despite a continuation, on balance, of FX-related headwinds and upward pressure on bond yields. At 31st October the NAV was 101.09p (C GBP Accumulation) and the volatility profile of the Fund continues to track at anticipated levels, materially below that of broader equity markets.

Towards the end of the month some Yield Cos began to publish third quarter results but the majority will be published in November. Thus far we have seen encouraging numbers and updates from a range of renewables-focused companies across the UK, Europe and North America. US Yield Cos appear to have had a strong quarter in particular; typically beating earnings and revenue forecasts and generating growth in cash available for distribution in line with guidance.

While in the UK, the Chancellor made little reference to renewables and the 'clean economy' in his Autumn budget statement, it must be noted that the UK was an early adopter of renewables technology and has primed the industry well through subsidy schemes and incentives. On a global view, however, many economies are in the earlier stages of building out renewables capacity and attractive subsidy schemes remain in place to support new investment and underpin cash flows. Alberta, for example, has recently announced a series of auctions to develop 700 MW of wind capacity (as part of a 5GW clean energy target by 2030) which will be supported via a contract-for-difference mechanism lasting 20 years.

Portfolio activity during the period included participation in equity raises from Foresight Solar and John Laing Environmental Assets at attractive levels. This is a more efficient way to acquire stock compared to secondary market purchases and the Adviser will seek to participate in such issuance where possible. The Fund's position in Bluefield Solar was reduced following a period of strong relative performance. The decision reflects a desire to maintain a prudent level of exposure and to lock in some strong gains that appear anomalous with trends in the broader UK solar peer group. The holding of Spanish utility Iberdrola was sold at attractive levels and this action further reduced the portfolio's small exposure to coal and nuclear power generation as part of an ongoing process to remove all exposure to such energy sources.

Elsewhere, the Fund committed to its first direct investment in battery storage technology through participation in the Initial Public Offering of Gresham House Energy Storage. The build out of battery storage is critical to harnessing the full potential of renewable energy sources owing to the intermittent nature of power supply from solar and wind generation. Several distinct income streams exist (of which some are long-term and availability-based in nature) to contribute to the potential revenue stack of battery operators and we are excited about the prospects for this new investment.

Will Argent
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Note: we are unable to refer to any numerical returns data, volatility stats etc. until the fund reaches its one-year anniversary.

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.£280m VT Gravis UK Infrastructure Income Fund, which is the only OEIC focusing on investment in the UK's infrastructure sector.

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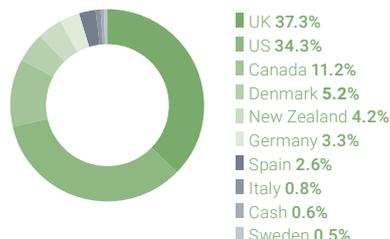
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Dealing

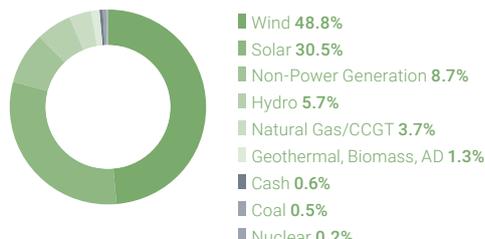
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PORTFOLIO

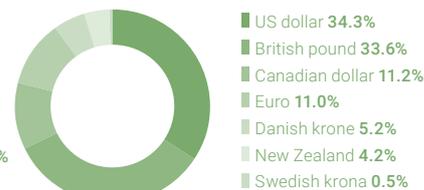
Geographic listing



Energy source



Currency



TOP 10 HOLDINGS ON 31 OCTOBER 2018

HOLDING	%
TerraForm Power Inc	6.94
Pattern Energy Group Inc Class A	6.68
John Laing Environmental Assets	6.33
NextEnergy Solar Ltd	6.31
Greencoat UK Wind PLC	5.85
Hannon Armstrong Sustainable Infrastructure Capital Inc	5.67
TransAlta Renewables	4.76
Foresight Solar	4.74
Renewables Infrastructure Group Ltd	4.44
Atlantica Yield PLC	4.33

SECURITY TYPE

Sectors



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