

### 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 – 30/08/2019



### RETURNS

	AUGUST 2019	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis Clean Energy	1.63%	9.12%	16.76%	22.73%	27.76%	7.43%
MSCI UK	-4.16%	1.71%	4.25%	1.25%	2.86%	12.42%
MSCI World Infrastructure	2.13%	9.35%	15.90%	17.52%	18.20%	10.98%
S&P Global Clean Energy	2.06%	14.50%	23.91%	37.41%	38.38%	15.28%

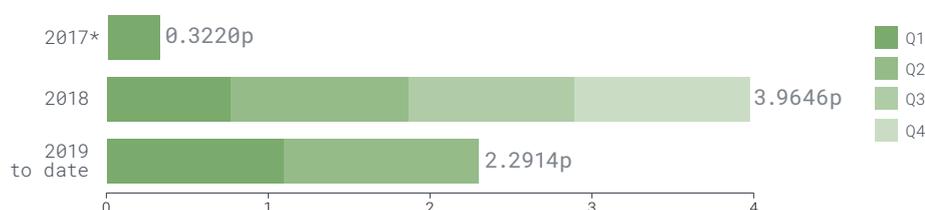
Past performance is not necessarily a guide to future performance.

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 30 August 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>	£25.28m
<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 30 August 2019</b>	C Acc (£): 127.76p C Inc (£): 119.93p I Acc (£): 121.38p I Inc (£): 104.60p
<b>Trailing 12 month net yield<sup>2</sup> as at 30 August 2019</b>	3.67%
<b>Annual turnover to 30 August 2019</b>	6.60%
<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

### The Fund's cash balance is significantly reduced month-on-month

While global equity markets experienced a spike in volatility and suffered from sizeable losses in August, the clean energy sector trended higher and the Fund, which returned 1.63% (C Accumulation GBP), achieved new highs. The tactical currency hedge taken against the portfolio's USD exposure, which has been employed throughout the Brexit-related maelstrom, detracted from absolute performance in the period but served its role in helping to reduce volatility at Fund level.

Towards the end of July, the market presented opportunities to acquire a range of existing portfolio companies at more attractive levels – particularly among those listed in the UK and Europe. Although the opportunity was relatively short lived, with prices rebounding by early August, a sizeable amount of cash was deployed such that the Fund's cash balance is significantly reduced month-on-month.

North American Yield Cos reported Q2 results throughout August, and in most instances there were 'beats' versus consensus expectations around key metrics and that has driven a swathe of upgrades from sell-side analysts. The Adviser is mindful that while strong capital appreciation across the Yield Co names has been very positive for the Fund's performance year-to-date, it has resulted in significant yield contraction as dividend growth has not kept pace. As a rule of thumb, Yield Cos are looking to deliver 5-10% dividend growth over the next few years.

One of the portfolio's relatively recent additions, Gresham House Energy Storage, reported positive maiden interim results, which reiterated the company's dividend target for 2019 and expectation of achieving a 229MW commissioned portfolio by the end of Q1 2020. The NAV improved modestly owing to lease extension initiatives, capacity additions and battery upgrades alongside robust operational performance. We note the portfolio is valued using a blended discount rate of 11.9%, which highlights the attractive internal rate of return anticipated on battery assets while also providing a level of comfort. A high discount rate could act as a buffer, absorbing any unforeseen negative impacts on the portfolio and still enabling a decent level of return for investors.

As the rate of GDP growth across major economies continues to slow and the threats from a range of geo-political events appear to be heightened, it is likely that financial markets will be prone to further bouts of volatility as they wrestle with this period of uncertainty. Under such conditions the relative security provided by the long-term, contracted cash flows generated by renewable energy assets should continue to attract investors.

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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.£481m 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

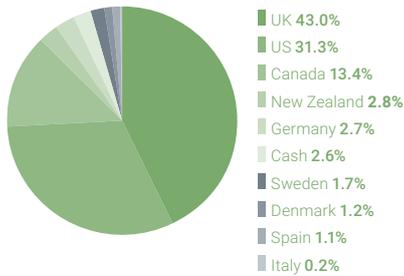
18 December 2017 – 30 August 2019

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Clean Energy	—	27.8%	7.4%	3.7%
MSCI UK	0.34	2.9%	12.4%	4.8%
MSCI World Infrastructure	0.26	18.2%	11.0%	4.1%
S&P Global Clean Energy	0.29	38.4%	15.3%	2.4%

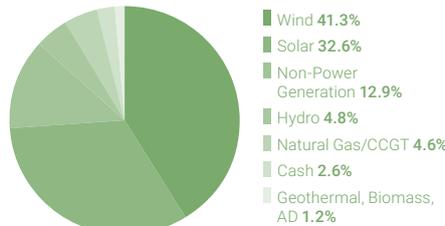
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**PORTFOLIO**

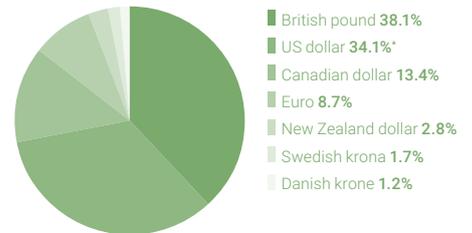
**Geographic listing**



**Energy source**



**Currency**



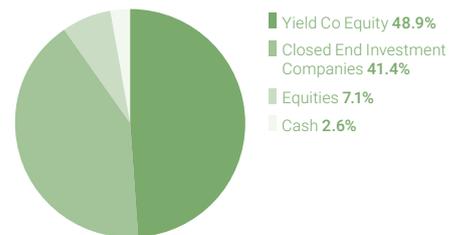
\* US dollar exposure is currently hedged, resulting in a total effective GBP exposure of 72.2%.

**TOP 10 HOLDINGS ON 30 AUGUST 2019**

HOLDING	%
TransAlta Renewables Inc	7.4
Pattern Energy Group Inc	7.4
Atlantica Yield PLC	6.7
John Laing Environmental Assets Group Ltd	6.0
NextEnergy Solar Fund Ltd	5.8
TerraForm Power Inc	5.1
Renewables Infrastructure Group Ltd	4.4
Foresight Solar Fund Ltd	4.3
Hannon Armstrong Sustainable Infrastructure Capital Inc	4.1
Greencoat UK Wind PLC	4.0

**SECURITY TYPE**

**Sectors**



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