

OVERVIEW

- Deliver a regular income expected to be 5%¹ per annum
- Preserve investors' capital throughout market cycles with the potential for capital growth and protection from inflation
- Invests in GBP UK Listed Securities including Investment Companies, Equities, Bonds and REITs
- Offers exposure to a vital sector for the UK's economy which is increasingly becoming a key component of any well-balanced investment portfolio

PERFORMANCE CHART

Share Class C GBP Acc 25/01/2016 – 30/09/2020



RETURNS

	SEPTEMBER 2020	3 MONTHS	12 MONTHS	36 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis UK Infrastructure Income Fund	-1.94%	-0.06%	-0.52%	15.48%	33.21%	9.41%
MSCI UK	-1.59%	-4.64%	-19.76%	-12.71%	17.60%	17.34%

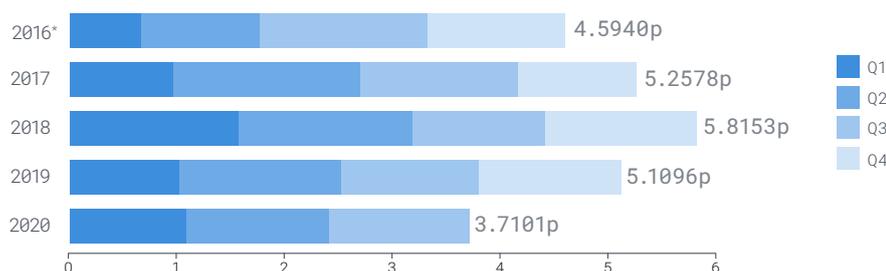
Past performance is not necessarily a guide to future performance.

Fund launched on 25 January 2016.

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

DIVIDENDS

Dividends paid net of charges since inception to 30 September 2020 for C GBP Income share class.



Note: * Part period from launch on 25 January 2016.

Company overview	
Regulatory status	FCA Authorised
Sector	IA Specialist
Launch date	25th January 2016
Fund size	£641.04m
Share classes	Income & Accumulation Clean & Institutional
Charges²	C: 0.75% pa I: 0.65% pa
Min. investment	C: £1,000 I: £5,000,000
Net Asset Value per share as at 30 September 2020	C Acc (£): 133.21p C Inc (£): 106.13p I Acc (£): 134.11p I Inc (£): 106.11p
Trailing 12 month net yield³ as at 30 September 2020	C: 4.74% I: 4.81%
Annual turnover to 30 September 2020	3.88%
Dividend ex dates	end of Dec, Mar, June, Sept
Dividend pay dates	end of Jan, Apr, July, Oct
Currencies	£, \$, €
Classification	Non-complex
£ ISINs	C Acc: GB00BYVB3M28 C Inc: GB00BYVB3J98 I Acc: GB00BYVB3T96 I Inc: GB00BYVB3Q65

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.



¹Independently risk-rated and assessed as Lowest Medium Risk

FUND ADVISER'S REPORT

Amidst a glut of dividend cuts and omissions across equity markets, the Adviser is pleased to report an increase in the amount of income to be distributed

The Fund conceded ground in September, recording a loss of 1.94% (C Accumulation GBP units). With the exception of water utilities and transmission companies (to which the portfolio is exposed via Pennon and National Grid, for example), weakness was broad-based across the sector as markets contended with fears over the likelihood of a reintroduction of tough restrictions in order to contain the secondary spike in coronavirus infection rates. While the future remains uncertain in this regard, the UK infrastructure sector has rallied strongly in the early stages of October and we believe the fundamentals of stable valuations, highly visible cash flow profiles and attractive yields will keep the sector underpinned.

John Laing Group (c.1.5% position in the portfolio) demonstrated the value inherent in its book of development assets and the ongoing demand for quality infrastructure projects as the group announced the sale of its 30% stake in InterCity Express Programme Phase 2 under which JLG (alongside Hitachi) delivered rolling stock for the UK's East Coast Main Line. Under the terms of the sale, JLG will receive up to £421m (in two tranches) representing an £88m/26.4% uplift on the carrying value in JLG's latest accounts. Under the company's dividend policy, shareholders receive 5-10% of gross proceeds from the sale of investments on an annual basis and so the transaction underpins special distributions from the company in the near-term.

During the period, the Fund participated in an equity raise undertaken by Greencoat UK Wind. The Placing was well supported and raised £400m of new capital for the company, which will be used to reduce company-level gearing and will enable Greencoat to acquire additional UK wind assets for its portfolio.

We expect Greencoat UK Wind will be among the first of the UK-listed renewables sector to report on Q3 performance in late October. As noted in our June commentary, recent trends in the UK spot electricity price, as well as futures prices, have shown significant improvement and are now above pre-pandemic levels. We believe this provides a basis to expect at least a hiatus (possibly an inflection) in the trend of lower power price assumptions that have provided a headwind for asset valuations in the renewable energy infrastructure sector over the past year or so.

Third quarter distribution announced

On 30th September, the Fund announced income distributions for the third quarter of 2020, payable in October. Against a backdrop of general yield contraction in the UK-listed infrastructure space and more notably, amidst a glut of dividend cuts and omissions across equity markets, the Adviser is pleased to report an increase in the amount of income to be distributed when compared to the same period in 2019. Holders of the C Income GBP units will receive 1.3016p per unit (Q3 2019: 1.2797p) and holders of the I Income GBP units will receive 1.3134p (Q3 2019: 1.2907p).

Will Argent

Fund Adviser
Gravis Advisory Ltd
william.argent@graviscapital.com

Investment Adviser

Gravis Advisory Limited is a wholly owned subsidiary of Gravis Capital Management Ltd, a specialist investment advisory firm focused primarily on UK infrastructure ("GCM"). GCM manages c.£2.7bn, including the FTSE 250 company GCP Infrastructure Investments Limited, which has a market capitalisation of over £1bn. GCM is authorised and regulated by the FCA.

Sales Contacts

William MacLeod 07836 695442
william.macleod@graviscapital.com

Ollie Matthews 07787 415151
ollie.matthews@graviscapital.com

Robin Shepherd 07971 836433
robin.shepherd@graviscapital.com

Nick Winder 07548 614184
nick.winder@graviscapital.com

Cameron Gardner 07835 142763
cameron.gardner@graviscapital.com

Dealing

Valu-Trac 01343 880344
UKInfrastructure@valu-trac.com

CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

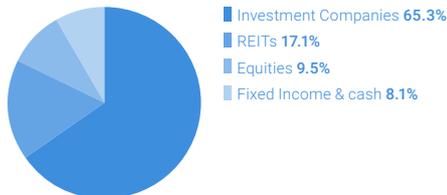
25 January 2016 – 30 September 2020

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Gravis UK Infrastructure Income Fund (C GBP Acc)	—	33.2%	9.4%	4.6%
MSCI UK	0.45	17.6%	17.3%	3.9%
MSCI World	0.26	88.1%	16.9%	2.0%
MSCI World Infrastructure	0.25	41.6%	15.6%	4.1%
UK 10 Yr Gilts	0.03	9.2%	6.1%	0.3%
MSCI World vs MSCI World Infrastructure	0.85			

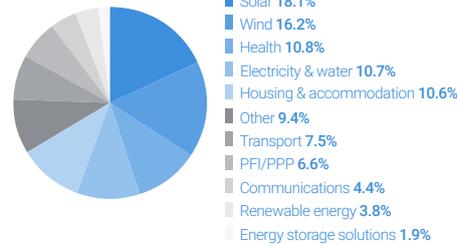
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PORTFOLIO

Sectors



Underlying Project Exposure



TOP 10 HOLDINGS ON 30 SEPTEMBER 2020

COMPANY	%
Sequoia Economic Infrastructure Income Fund Ltd	8.3%
Renewables Infrastructure Group Ltd	7.9%
GCP Infrastructure Investments Ltd	7.3%
JLEN Environmental Assets Group Limited	6.8%
GCP Asset Backed Income Fund Ltd	5.5%
HICL Infrastructure Fund Limited	4.8%
NextEnergy Solar Fund Limited	4.5%
Bluefield Solar Income Fund Ltd	4.4%
Foresight Solar Fund Ltd	4.3%
Greencoat UK WIND PLC	4.1%

Available on the following platforms

7IM	Moventum
Aegon	Novia
AJ Bell	Nucleus
ALEX	Old Mutual (Skandia)
Allfunds	OM Wealth
Alliance Trust	Parmenion
Amber	Pershing
Ascentric	Prudential*
Aviva	Raymond James
Axa Elevate	SEB International
Canada Life (Dublin)*	Life (Dublin)*
Cofunds	SEI
FNZ	Standard Life
Fidelity FundsNetwork	Stocktrade
Fusion	Transact
Hargreaves Lansdown	True Potential
James Brearley	Zurich
James Hay	*Offshore Bond wrappers

Suitable for:

Direct investors	Offshore bonds
SIPPs	Companies
ISAs	QROPS
Charities	

DRAWDOWNS

Fund	DRAWDOWN	START	END	FUND DURING DRAWDOWN
Fund	-26.46%	20 Jan 20	19 Mar 20	—
MSCI UK	-34.20%	17 Jan 20	23 Mar 20	-23.95%
MSCI World	-26.07%	20 Feb 20	16 Mar 20	-17.25%
MSCI World Infrastructure	-24.14%	20 Feb 20	23 Mar 20	-23.70%

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