

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 – 31/12/19



RETURNS

	DECEMBER 2019	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis UK Infrastructure Income Fund	2.42%	5.50%	8.61%	19.35%	41.27%	4.65%
MSCI UK	2.67%	2.28%	3.00%	16.37%	49.90%	12.63%

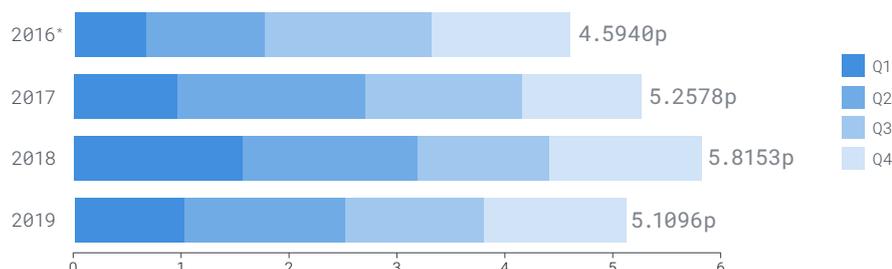
Past performance is not necessarily a guide to future performance.

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 31 December 2019 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	£571.92m
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 31 December 2019	C Acc (£): 141.27p C Inc (£): 116.58p I Acc (£): 142.12p I Inc (£): 116.53p
Trailing 12 month net yield³ as at 31 December 2019	C: 4.38% I: 4.43%
Annual turnover to 31 December 2019	8.42%
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

Despite ongoing economic uncertainty and risks posed by political events, the Fund was able to navigate a steady course throughout the year

The Fund recorded a 2.42% gain in December (C Accumulation GBP) thereby rounding off a very strong year of performance for the strategy in which it delivered a total return of 19.35% for investors. Despite ongoing economic uncertainty and risks posed by political events, the Fund was able to navigate a steady course throughout the year and displayed a 12 month daily annualised volatility profile of just 4.49%. With the exception of May, when NAV dipped very marginally, the Fund recorded a gain in every discrete monthly period during 2019.

Twelve months ago, we commented that ‘uncertainty reigns as we begin 2019’. Following the outcome of the recent General Election the political environment has stabilised in many respects and, most importantly for the UK infrastructure sector, the threat of a Corbyn-led government seeking to nationalise large swathes of it has now been removed. In contrast, the Conservatives have made clear their support for existing PFI concessions and have no intentions to challenge the private ownership of utility assets or power networks, for example. Rather, the Adviser now has greater optimism that new infrastructure projects will be instigated as part of the £600bn Infrastructure & Construction Pipeline identified by The Infrastructure & Projects Authority and that the private sector will be incentivised to participate.

The magnitude of the Conservative majority appears to clear the path for the Prime Minister to enact his Brexit deal.

While the UK’s departure from the bloc will result in more periods of economic and market uncertainty, it is important to highlight that although the Fund is UK-centric in nature (investing purely in UK listed securities with underlying exposure to UK infrastructure projects amounting to c.86% of the invested portfolio), the critical importance of many of the assets owned by the companies held within the Fund should ensure that cash flows maintain continuity regardless of broader economic stresses – a characteristic that is likely to continue to prove attractive for investors.

Fourth quarter dividend announced

On 31st December the Fund announced dividends for the fourth quarter of 2019, payable in January. Holders of the C Class Income units will receive 1.3167p and holders of the I Class Income units will receive 1.3415p. The total annual distribution for C Income unit holders is 5.1096p and while this is lower in absolute terms when compared to the income generated in 2018, it equates to a 5% yield on the Fund’s NAV at the start of the period – in line with the strategy’s target.

Yield is a function of price and so capital appreciation throughout the year has resulted in significant yield contraction across our investment universe. If prices remain firm, and notwithstanding any unforeseen special cash distributions from underlying holdings, investors should be cognizant that the strategy’s ability to meet its income target in 2020 will prove challenging. Nevertheless, in the context of UK 10-year sovereign yields of approximately 0.8%, the Adviser is confident that the strategy will continue to deliver a very attractive level of income for investors.

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.

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CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

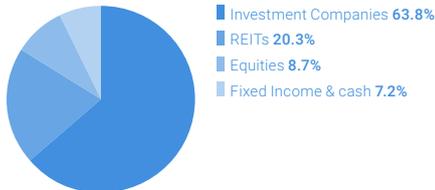
25 January 2016 – 31 December 2019

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Gravis UK Infrastructure Income Fund (C GBP Acc)	–	41.3%	4.7%	4.3%
MSCI UK	0.37	49.9%	12.6%	4.4%
MSCI World	0.09	80.5%	12.6%	2.3%
MSCI World Infrastructure	0.05	51.5%	11.5%	4.0%
UK 10 Yr Gilts	-0.13	5.6%	6.0%	0.8%
MSCI World vs MSCI World Infrastructure	0.76			

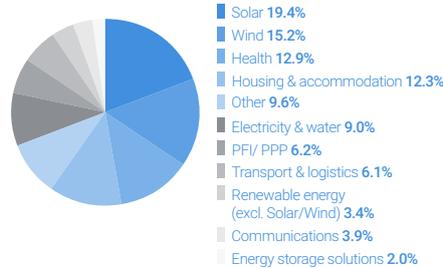
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PORTFOLIO

Sectors



Underlying Project Exposure



TOP 10 HOLDINGS ON 31 DECEMBER 2019

COMPANY	%
Renewables Infrastructure Group Ltd	8.1%
GCP Infrastructure Investments Ltd	8.0%
GCP Asset Backed Income Fund Ltd	6.4%
Sequoia Economic Infrastructure Income Fund Ltd	6.4%
JLEN Environmental Assets Group Ltd	6.2%
Foresight Solar Fund Ltd	4.8%
HICL Infrastructure Company Ltd	4.8%
Bluefield Solar Income Fund Ltd	4.7%
NextEnergy Solar Fund Ltd	4.6%
Primary Health Properties PLC	4.6%

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	-7.91%	25 May 17	26 Mar 18	—
MSCI UK	-14.30%	22 May 18	27 Dec 18	2.74%
MSCI World	-15.90%	28 Aug 18	24 Dec 18	-0.65%
MSCI World Infrastructure	-15.19%	23 Aug 17	26 Mar 18	-5.55%

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