

### OVERVIEW

- Deliver a regular income expected to be 5%<sup>1</sup> 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 25/1/16 – 29/06/18



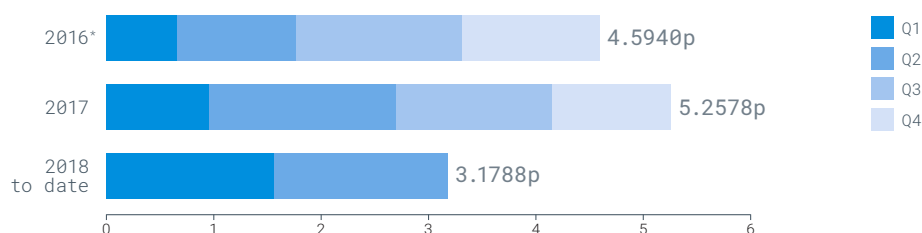
### RETURNS

	JUNE 18	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis UK Infrastructure Income Fund	1.93%	5.40%	0.10%	-0.56%	16.34%	4.78%
MSCI UK	-0.18%	9.38%	1.39%	8.24%	43.23%	12.84%

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 29 June 2018 for C GBP Income share class.



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

Company overview	
<b>Regulatory status</b>	FCA Authorised
<b>Sector</b>	IA Specialist
<b>Launch date</b>	25th January 2016
<b>Fund size</b>	£254.17m
<b>Share classes</b>	Income & Accumulation Clean & Institutional
<b>Charges<sup>2</sup></b>	C: 0.75% pa I: 0.65% pa
<b>Min. investment</b>	C: £1,000 I: £5,000,000
<b>Net Asset Value per share as at 29 June 2018</b>	C Acc: £116.34p C Inc: £103.06p I Acc: £116.78p I Inc: £102.78p
<b>Net yield<sup>3</sup> as at 29 June 2018</b>	C: 5.58% I: 5.75%
<b>Annual turnover to 29 June 2018</b>	14.54%
<b>Dividend ex dates</b>	end of Dec, Mar, June, Sept
<b>Dividend pay dates</b>	end of Jan, Apr, July, Oct
<b>Currencies</b>	£, \$, €
<b>Classification</b>	Non-complex
<b>£ ISINs</b>	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.

## FUND ADVISER'S REPORT

## We expect to deliver the Fund's 5% net yield objective comfortably in 2018.

## UKIIF

The Fund returned 1.93% in June (C Class Accumulation) rounding off a strong second quarter performance and marking a full recovery from the weakness experienced during the first quarter of the year. Despite recent strength, the infrastructure sector trades at a very modest premium on aggregate and at portfolio level the weighted average premium of the underlying holdings is 3.9%. Net Asset Values have trended higher, but prices have not moved in tandem thereby keeping premiums narrow.

Over the last quarter a relatively benign macro and political backdrop has persisted while UK interest rate expectations have been reset, now factoring in a 70% probability of a 25bps increase in August. This small and widely anticipated move is unlikely to impact medium term interest rate expectations. Similarly, at a micro level, news flow from portfolio companies has been minimal with the bulk of full year results season having completed. We have seen some acquisitive activity within the renewables space including NextEnergy Solar announcing the purchase of a portfolio of ten operational solar plants with total capacity of 46.6MW and The Renewables Infrastructure Group acquiring construction stage onshore wind farms located in Scotland and Northern France. The assets in France are expected to be commissioned in Q4

this year and have a combined capacity of 31.8MW while the asset in Scotland is expected to become operational in Q1 2020 and will have a capacity of 30MW. All of the acquired assets benefit from attractive and long-term subsidies in the form of Contracts for Difference or Feed-in Tariff. With a number of renewables-focused companies having now drawn material amounts from their revolving credit facilities it is unsurprising to see that many, including TRIG, are currently in the process of issuing equity.

Elsewhere there have been some positive developments within the property-focused companies within the portfolio. GCP Student Living announced it is in advanced negotiations to acquire and fund the construction of a second asset located in Brighton while MedicX completed a previously flagged off-market acquisition of a portfolio of 12 operational and fully let primary care medical centres.

## Second quarter dividend announced

On 29th June the Fund announced dividend distributions for the second quarter of 2018, payable in July. Holders of the I Class Income units will receive 1.6472p and holders of the C Class Income units will receive 1.6190p. Based on closing prices for 29th June, the trailing 12-month net yield on

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. £2.5bn, 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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## Dealing

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the I Income and C Income units is 5.75% and 5.58%, respectively.

We expect to deliver the Fund's 5% net yield objective comfortably in 2018. Our confidence is underpinned by the income already distributed and the high level of visibility with regards to dividend expectations across the infrastructure sector.

## Will Argent

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## CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

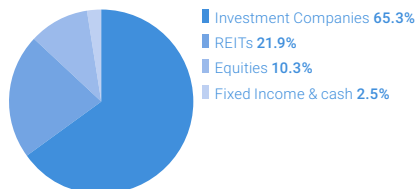
25 January 2016 – 29 June 2018

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Gravis UK Infrastructure Income Fund (C GBP Acc)	—	16.3%	4.8%	5.4%
MSCI UK	0.40	43.2%	12.8%	4.0%
MSCI World	0.08	56.0%	12.1%	2.4%
MSCI Global Infrastructure	0.05	27.3%	12.0%	4.4%
UK 10 Yr Gilts	-0.16	2.7%	6.3%	1.3%
MSCI World vs MSCI Global Infrastructure	0.81			

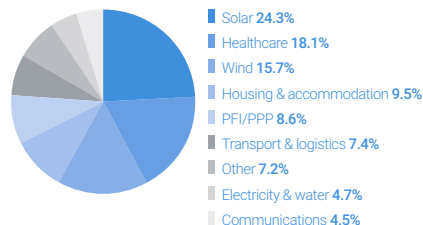
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## PORTFOLIO

## Sectors



## Underlying Project Exposure



## TOP 10 HOLDINGS ON 29 JUNE 2018

COMPANY	%
Renewables Infrastructure Group Ltd	9.4
Bluefield Solar Income Fund Ltd	9.4
GCP Infrastructure Investments Ltd	9.1
MedicX Fund Ltd	8.6
Sequoia Economic Infrastructure Income Fund Ltd	4.9
John Laing Environmental Assets Group Ltd	4.8
Greencoat UK Wind PLC	4.8
NextEnergy Solar Fund Ltd	4.7
HICL Infrastructure Company Ltd	4.6
Target Healthcare REIT Ltd	4.5

## Available on the following platforms

7IM	Novia
Aegon	Nucleus
AJ Bell	Old Mutual (Skandia)
Alex	OM Wealth
Allfunds	Parmenion
Alliance Trust	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	-10.68%	12 Jan 18	26 Mar 18	-5.72%
MSCI World	-10.00%	11 Jan 18	23 Mar 18	-5.91%
MSCI Global Infrastructure	-15.19%	23 Aug 17	26 Mar 18	-5.55%

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