



VT UK Infrastructure Income Fund

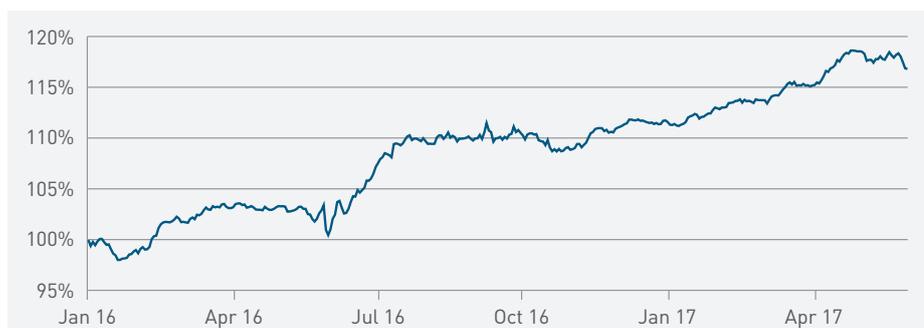
June 2017 Factsheet

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 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 – 30/6/17]



Returns

	June 17	3 Months	6 Months	12 Months	Since Inception	Volatility
VT UK Infrastructure Income Fund	-1.47%	2.68%	4.92%	14.13%	17.00%	4.94%
MSCI UK	-2.54%	0.81%	4.64%	16.65%	32.32%	14.09%

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.

Correlation, Performance and Volatility Comparison

25 January 2016 – 30 June 2017

	Correlation	Return	Volatility	Yield
VT UK Infrastructure Income Fund (C GBP Acc)	—	17.0%	4.9%	4.9%
MSCI UK	0.41	32.3%	14.1%	3.9%
MSCI World	0.00	42.8%	12.6%	2.4%
MSCI Global Infrastructure	-0.04	29.2%	13.0%	3.9%
UK 10 Yr Gilts	-0.18	5.0%	7.1%	1.3%
MSCI World vs MSCI Global Infrastructure	0.82			

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 will be capped at the AMC (Annual Management Charge) above until 31/12/18 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.

Regulatory Status	FCA Authorised
Sector	IA Specialist
Launch date	25th January 2016
Fund Size	£210.29m
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 Yield³ based on launch price of £1 from 25/1/16	C: 5.5231% I: 5.7227%
Turnover to 30 June 2017	3.69%
Dividend ex dates	end of Dec, Mar, June, Sept
Dividend pay dates	end of Jan, Apr, July, Oct
Currencies	£, \$, €
£ ISINs	C Acc: GB00BYVB3M28 C Inc: GB00BYVB3J98 I Acc: GB00BYVB3T96 I Inc: GB00BYVB3Q65

VT UK Infrastructure Income Fund

June 2017 Factsheet

Fund Adviser's Report

Income Generation, without increased risk, remains a core focus.

On 30th June the Fund announced its June (second quarter) dividends, payable in July.

There were 1.79p for the I class and 1.749p for the C Class.

Those dividends took the trailing 12 month figures to 5.72% (I Class) and 5.52% (C Class) net of all charges, based on launch price of £1 on 25th January 2016.

(Adjusted for current fund prices – the 30th June closing prices for the respective share classes of 109.19 and 109.51 – these trailing yields equate to 5.24% and 5.04%.)

As we wrote last month, portfolio changes remain minimal (turnover to 30th June 2017 remained low at 3.69%) and as such this level of income is the result of the careful and consistent positioning of the Fund over the long term to generate inflation adjusted income, and protect capital, rather than the Fund taking on any measurable increase in risk for short term purposes. The quarterly dividend income came from our long term holdings, with a boost in the quarter coming from the National Grid Special Dividend.

This dividend was received as the result of National Grid closing the 61% sale of its UK Gas Distribution business in April at an enterprise valuation of £13.8 billion, a very attractive premium to recorded value. Based on the National Grid share price at the time of the agreement of the sale, the implied premium to Regulatory Asset Value was 20 per cent, and as such the sale again demonstrates that the market price for infrastructure assets is persistently higher than recorded valuations. We foresee further realisations of this type given the demand for the underlying assets which the Fund's investments hold, and possible further special dividends in the sector; indeed National Grid retains 39% of the business referred to above and has agreed to a possible sale of a further 14% in 2019 to the same purchasing consortium.

The Fund generated a satisfactory overall result for the second quarter of +2.68% (C Accumulation Class), with the strong May performance (+3.03% C Accumulation class) followed by a weaker June (-1.47% C Accumulation Class). This was a satisfactory performance also in relative terms vs the MSCI UK Stock Index performance for the quarter of +0.81%. In the latter part of June the modest weakness in the Fund came from the softening in premiums of some of the Closed End Investment Companies and REITs (with both JLEN and GCP Student Living announcing placements for closing in early July) – the sector having performed strongly during 2017 due to investors' increasing demand for the long dated inflation linked cash flows that underlie these investments, against the background of persistently low interest rates and rising inflation – and also from general equity market weakness again following a good first half performance through to early June.

Stephen West,
Fund Adviser,
GCP Advisory Ltd
stephen.west@gcpuk.com

GCP 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 £900m. GCM is authorised and regulated by the FCA.

Sales Contacts

William MacLeod 07836 695442
wmacleod@highland-capital.net

Ollie Matthews 07787 415151
ollie@highland-capital.net

Robin Shepherd 07971 836433
rshepherd@highland-capital.net

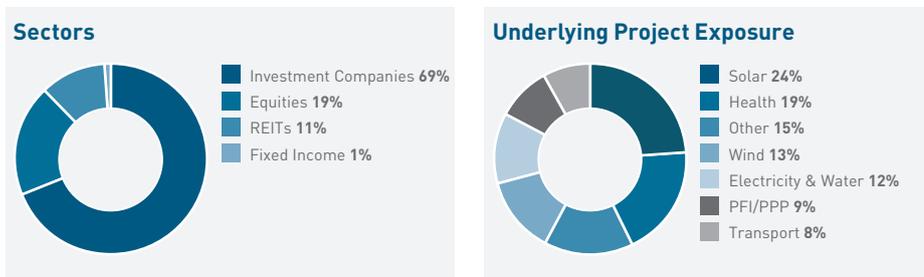
Dealing

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

VT UK Infrastructure Income Fund

June 2017 Factsheet

Portfolio



Top 10 holdings on 30 June 2017

Company	%
Bluefield Solar Income Fund Ltd	8.7
GCP Infrastructure Investments Ltd	8.5
Renewables Infrastructure Group Ltd	7.9
MedicX Fund Ltd	7.8
NextEnergy Solar Fund Ltd	4.7
Foresight Solar Fund Ltd	4.7
Sequoia Economic Infrastructure Income Fund Ltd	4.5
John Laing Environmental Assets Group Ltd	4.4
Stobart Group Ltd	4.3
National Grid PLC	3.9

Drawdowns

	Drawdown	Start	End	New High	Fund during Drawdown
Fund	-3.04%	29 Apr 16	27 Jun 16	04 Jul 16	—
MSCI UK	-8.81%	29 Jan 16	11 Feb 16	29 Feb 16	-1.84%
MSCI World	-7.54%	29 Jan 16	11 Feb 16	23 Feb 16	-1.84%
MSCI Global Infrastructure	-8.66%	17 Oct 16	14 Nov 16	30 Dec 16	-1.14%

Dividends

Dividends paid net of charges. Based on £1,000 invested since inception to 30 June 2017.

Dividends	May 16	Aug 16	Nov 16	Jan 17	Apr 17	Jul 17	Total Income	Total Return
UKIIF C GBP Income	£6.61	£10.99	£15.49	£12.85	£9.55	£17.35	£72.84	£1,172.30
UKIIF I GBP Income	£8.03	£11.47	£16.00	£13.33	£10.05	£17.85	£76.73	£1,173.46

Available on the following platforms

7IM	James Hay
Aegon	Novia
AJ Bell	Nucleus
Alex	Old Mutual (Skandia)
Allfunds	OM Wealth
Alliance Trust	Pershing
Ascentric	Prudential*
Aviva	Raymond James
Axa Elevate	SEB International
Canada Life (Dublin)*	Life (Dublin)*
Cofunds	SEI
FNZ	Standard Life
Fidelity	Stocktrade
FundsNetwork	Transact
James Brearley	True Potential

*Offshore Bond wrappers

Suitable for:

Direct investors	Offshore bonds
SIPPs	Companies
ISAs	QROPS
Charities	

Disclaimer

WARNING: The information in this report is presented by Valu-Trac Investment Management Limited using all reasonable skill, care and diligence and has been obtained from or is based on third party sources believed to be reliable but is not guaranteed as to its accuracy, completeness or timeliness, nor is it a complete statement or summary of any securities, markets or developments referred to. The information within this report should not be regarded by recipients as a substitute for the exercise of their own judgement.

The information in this report has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient and is published solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. In the absence of detailed information about you, your circumstances or your investment portfolio, the information does not in any way constitute investment advice. If you have any doubt about any of the information presented, please consult your stockbroker, accountant, bank manager or other independent financial advisor.

Value of investments can fall as well as rise and you may not get back the amount you have invested. Income from an investment may fluctuate in money terms. If the investment involves exposure to a currency other than that in which acquisitions of the investments are invited, changes in the rates of exchange may cause the value of the investment to go up or down. Past performance is not necessarily a guide to future performance.

Any opinions expressed in this report are subject to change without notice and Valu-Trac Investment Management Limited is not under any obligation to update or keep current the information contained herein. Sources for all tables and graphs herein are Valu-Trac Investment Management unless otherwise indicated.

The information provided is "as is" without any express or implied warranty of any kind including warranties of merchantability, non-infringement of intellectual property, or fitness for any purpose. Because some jurisdictions prohibit the exclusion or limitation of liability for consequential or incidental damages, the above limitation may not apply to you.

Users are therefore warned not to rely exclusively on the comments or conclusions within the report but to carry out their own due diligence before making their own decisions.

Unless otherwise stated Equity Market price indices used within this publication are sourced or derived from data supplied by MSCI Inc 2017.

Valu-Trac Investment Management Limited and its affiliated companies, employees of Valu-Trac Investment Management Limited and its affiliated companies, or individuals connected to them, may have or have had interests of long or short positions in, and may at any time make purchases and/or sales as principal or agent in, the relevant securities or related financial instruments discussed in this report. © 2017 Valu-Trac Investment Management Limited. Authorised and regulated by the Financial Conduct Authority (UK), registration number 145168. This status can be checked with the FCA on 0800 111 6768 or on the FCA website (UK). All rights reserved. No part of this report may be reproduced or distributed in any manner without the written permission of Valu-Trac Investment Management Limited. Valu-Trac™ is a registered trademark.