

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 – 30/11/17



RETURNS

	NOV 17	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis UK Infrastructure Income Fund	-1.16%	-1.53%	-4.22%	3.82%	13.74%	4.71%
MSCI UK	-1.79%	-0.94%	-0.94%	11.99%	34.50%	13.02%

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. Based on £1,000 invested since inception to 30 November 2017.

DIVIDENDS	MAY 16	AUG 16	NOV 16	JAN 17	APR 17	JUL 17	OCT 17	TOTAL INCOME	TOTAL RETURN
UKIIF C GBP Income	£6.61	£10.99	£15.49	£12.85	£9.55	£17.35	£14.60	£87.44	£1,139.74
UKIIF I GBP Income	£8.03	£11.47	£16.00	£13.33	£10.05	£17.85	£15.10	£91.83	£1,141.73

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.

Company overview	
Regulatory Status	FCA Authorised
Sector	IA Specialist
Launch date	25th January 2016
Fund Size	£244.48m
Share classes	Income & Accumulation Clean & Institutional
Charges ²	C: 0.75% pa I: 0.65% pa
Min. investment	C: £1,000 I: £5,000,000
Net Yield ³ as at 30 November 2017	C: 5.17% I: 5.38%
Annual turnover to 30 November 2017	10.70%
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

FUND ADVISER'S REPORT

We do not think any UK government would inflict the self-harm that actual expropriation of (PFI) assets would entail.

Investor sentiment remained cautious during November and modest declines were commonplace across the broader infrastructure sector. The Fund recorded a loss of 1.16% against the challenging backdrop (C Accumulation class), ending the month off the lows.

While the Fund's PFI-related holdings stabilised – HICL recorded a modest positive return, for example – investor concern rotated towards the renewable energy vehicles and REITs, where the greatest declines were observed. On a positive note the Fund's direct equity positions contributed approximately 40 basis points during the period, helping to offset the negative returns across the closed-end universe. This relatively small bucket of economically sensitive assets continues to add value over time and provides an additional element of diversification within the portfolio. The recent addition of Vodafone has been beneficial; in addition to improving the portfolio's expected yield, recent trading performance prompted management to increase full year guidance resulting in near-term capital gains and underpinning the shares' valuation at prevailing levels. Elsewhere, our decision to reduce exposure to UK energy companies during September has proved timely. The Fund sold its position in Centrica entirely and was not impacted by the material reduction in the company's value in recent weeks.

It is our view that the actual political risk is confined to the relatively small grouping of companies exposed to PFI projects and does not pose a threat to the broader infrastructure universe. We believe that a smaller number of high profile projects would be under scrutiny and at potential risk of termination, particularly where the local authority counterparty may be underfunded but we think that a scenario where contracts are reviewed and terminated on a wholesale basis is unlikely. Not only are the practical and financial challenges potentially too significant to overcome, but for every controversial PFI project there are multiple projects that do not have such stigma attached.

In the event that certain PFI agreements are targeted for termination, we believe the robustness of the contracts, the importance of the investors (the UK pension and insurance systems principally) and the rigour of the judicial process would mitigate the populist ideology and that appropriate compensation would be made; indeed any other result would impede future private investment in much needed, critical infrastructure in the UK and we do not think any UK government would inflict the self-harm that actual expropriation of assets would entail.

Despite the recent small rise in the Base Rate by the Bank of England, rates remain at historically low levels and the yield available on the reference UK 10 year Gilt is little changed year-to-date.

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As such, the search for alternative sources of yield remains a challenge for investors. The broader infrastructure sector generates dependable and often inflation-linked cash flows to support income distributions that are significantly higher than that achievable on sovereign debt and other fixed income assets. It must be noted that net asset values remain robust and we have not seen any impairment during this period of volatility. Weakness is purely at a share price level. We therefore have confidence that value investors will return to the sector in time.

Will Argent

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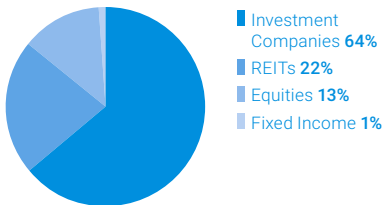
CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

25 January 2016 – 30 November 2017

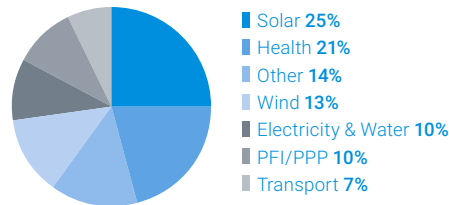
	CORRELATION	RETURN	VOLATILITY	YIELD
VT Gravis UK Infrastructure Income Fund (C GBP Acc)	—	13.7%	4.7%	5.0%
MSCI UK	0.39	34.5%	13.0%	4.0%
MSCI World	0.04	49.5%	12.0%	2.3%
MSCI Global Infrastructure	0.00	30.4%	12.3%	4.0%
UK 10 Yr Gilts	-0.16	3.5%	6.6%	1.3%
MSCI World vs MSCI Global Infrastructure	0.83			

PORTFOLIO

Sectors



Underlying Project Exposure



TOP 10 HOLDINGS ON 30 NOVEMBER 2017

COMPANY	%
Bluefield Solar Income Fund Ltd	9.4
GCP Infrastructure Investments Ltd	9.2
Renewables Infrastructure Group Ltd	9.2
MedicX Fund Ltd	8.9
NextEnergy Solar Fund Ltd	4.9
Foresight Solar Fund Ltd	4.7
John Laing Environmental Assets Group Ltd	4.5
Sequoia Economic Infrastructure Income Fund Ltd	4.4
HICL Infrastructure Company Ltd	4.4
Greencoat UK Wind PLC	4.4

Available on the following platforms

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

Suitable for:

Direct investors	Offshore bonds
SIPPs	Companies
ISAs	QROPS
Charities	

DRAWDOWNS

Fund	DRAWDOWN	START	END	FUND DURING DRAWDOWN
Fund	-5.32%	25 May 17	20 Nov 17	—
MSCI UK	-8.81%	29 Jan 16	11 Feb 16	-1.84%
MSCI World	-7.54%	29 Jan 16	11 Feb 16	-1.84%
MSCI Global Infrastructure	-8.66%	17 Oct 16	14 Nov 16	-1.14%

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