

## 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 25/01/2016 – 30/04/20



## RETURNS

	APRIL 2020	3 MONTHS	12 MONTHS	36 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis UK Infrastructure Income Fund	5.85%	-6.98%	1.14%	13.04%	30.29%	9.50%
MSCI UK	3.36%	-18.69%	-18.15%	-9.00%	17.85%	16.75%

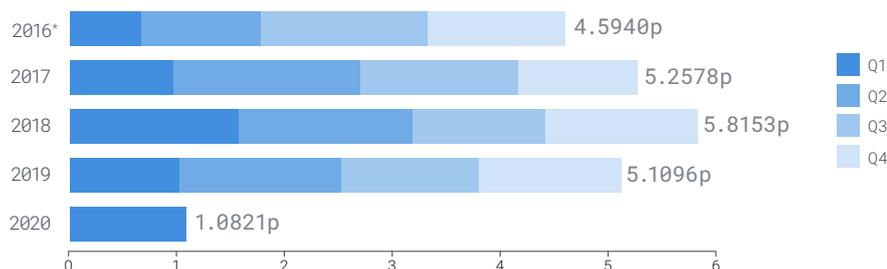
Past performance is not necessarily a guide to future performance.

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 April 2020 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>	£565.46m
<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 30 April 2020</b>	C Acc (£): 130.29p C Inc (£): 106.37p I Acc (£): 131.12p I Inc (£): 106.35p
<b>Trailing 12 month net yield<sup>3</sup> as at 30 April 2020</b>	C: 4.87% I: 4.91%
<b>Annual turnover to 30 April 2020</b>	8.47%
<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.



<sup>1</sup>Independently risk-rated and assessed as Lowest Medium Risk

## FUND ADVISER'S REPORT

Companies representing over 91% of the portfolio  
by weight have reaffirmed dividend expectations

The UK listed infrastructure sector continued to recover in April albeit in a stop-start fashion as investor sentiment appeared to be driven by daily news flow around the Covid-19 pandemic. The Fund recouped a further 5.85% over the course of the month (C Accumulation GBP) and is now well off the lows of mid-March.

We believe this recovery in share prices is warranted. On balance, the companies to which the portfolio is exposed have continued to provide encouraging updates, reporting minimal impact to operations as a direct result of the pandemic. This is certainly the reality for the portfolio's exposures to health facilities, PFI concessions, energy & water provision, and communications, among others. Exposure to GDP-driven, volume-based assets (toll roads and other transport-related operations and networks are good examples) is limited within the portfolio and in contrast there is a significant bias towards more resilient availability-based cash flows or long-term rental and lease agreements, as noted in our March commentary. Following the peak in market panic and the resulting indiscriminate selling pressure across capital markets, which impacted most asset classes, investors are now rationalising and becoming more confident in discerning where there is greatest risk of significant and permanent loss.

The infrastructure sector is a relative safe haven in this regard and the growing weight of investors sharing this view is now becoming more evident in market prices. However, that is not to say there will not be adjustments to valuations in some cases.

The discounted cash flow models utilised to value most of the securities held within the portfolio incorporate assumptions around various macro conditions such as inflation, long-term government yields or power prices, for example. There will be adjustments made in reaction to the prevailing levels of economic activity and economists' projections and some will prove a headwind to valuations in the near term.

However, valuations are based on long-term assumptions, which tend to become outdated as time passes. So, while energy consultancies are taking a knife to near and mid-term electricity price expectations and infrastructure lenders are incorporating movements in credit spreads to mark-to-market, we are cognisant that things are likely to look very different in a year's time.

In the very near term, we believe the dependability of cash flows is of greater importance and in this sense infrastructure should, in the main, prove highly resilient. This will ensure dividends are maintained broadly in line with expectations. It is therefore pleasing to report that companies representing over 91% of the portfolio by weight have reaffirmed (or indeed declared) dividends in line with expectations. By contrast, one company representing a 2% position in the Fund reduced its latest quarterly dividend by c.11% against prior expectations. The remaining part of the portfolio includes direct debt, where we see very little scope for default, and cash. Therefore the Adviser expects the Fund to declare a very typical second quarter distribution to unitholders at the end of June.

## 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

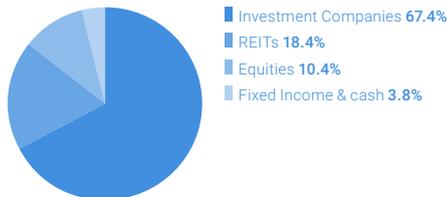
25 January 2016 – 30 April 2020

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Gravis UK Infrastructure Income Fund (C GBP Acc)	—	30.3%	9.5%	4.7%
MSCI UK	0.44	17.8%	16.7%	4.4%
MSCI World	0.25	66.0%	17.0%	2.4%
MSCI World Infrastructure	0.24	37.8%	15.6%	4.1%
UK 10 Yr Gilts	0.04	10.5%	6.2%	0.2%
MSCI World vs MSCI World Infrastructure	0.85			

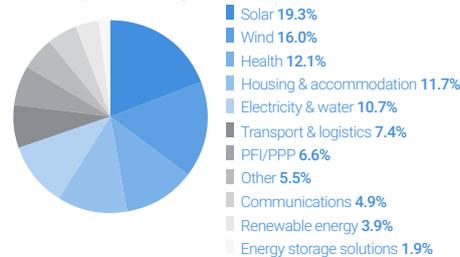
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## PORTFOLIO

## Sectors



## Underlying Project Exposure



## TOP 10 HOLDINGS ON 30 APRIL 2020

COMPANY	%
Sequoia Economic Infrastructure Income Fund Ltd	8.5%
GCP Infrastructure Investments Ltd	7.7%
JLEN Environmental Assets Group Limited	7.5%
Renewables Infrastructure Group Ltd	7.4%
GCP Asset Backed Income Fund Ltd	6.4%
NextEnergy Solar Fund Ltd	5.1%
HICL Infrastructure Company Ltd	4.9%
Foresight Solar Fund Ltd	4.7%
Primary Health Properties PLC	4.6%
Bluefield Solar Income Fund Ltd	4.5%

## 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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