



VT Chelsea Managed Cautious Growth

February 2019

VT CHELSEA
Managed
FUNDS



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Fund information

Launch date	5 th June 2017
Size	£8.2m
Number of holdings	27
Benchmark	IA Mixed Investment 20%–60% Shares
Share class & ISIN	VT Chelsea Managed Cautious Growth A Acc GB00BF0NMV81
Share class & ISIN	VT Chelsea Managed Cautious Growth A Inc GB00BF0NMW98
Indicated yield	1.79%
Income distribution	Half yearly ^{††}
Initial charge	0%
Ongoing charges figure	1.30%
Payment dates ^{††}	30 th June, 31 st December

Top 10 holdings

Cash	8.16%
Merian Global Equity Absolute Return	6.23%
Man GLG UK Absolute Value	5.75%
Fidelity Global Dividend	5.51%
Investec Global Special Situations	5.46%
SVS Churchouse Tenax Absolute Return Strategies	5.08%
Artemis Global Income	4.92%
Vontobel TwentyFour Absolute Return Credit	4.67%
Jupiter UK Special Situations	4.62%
Fundsmith Equity	4.60%

VT Chelsea Managed Cautious Growth

aims to produce capital growth over the long term, but with lower volatility than global equities[†]. The fund has a target weighting of between 40% and 50% in UK and overseas equities, although it may

also invest in assets including bonds, property, gold and targeted absolute return strategies. Exposure to assets will typically be via open-ended funds, investment trusts and exchange traded funds.

Fund commentary Due to ongoing concerns about faltering global growth, the period saw continued volatility. Initially, this led to significant market falls through December. As such almost all global markets returned negative figures for the calendar year. Since then markets have rebounded globally, with the MSCI UK Index up 8.27% since Christmas^{**}. We added to positions tactically in the lows but have maintained cash positions to take advantage of further volatility and value opportunities.

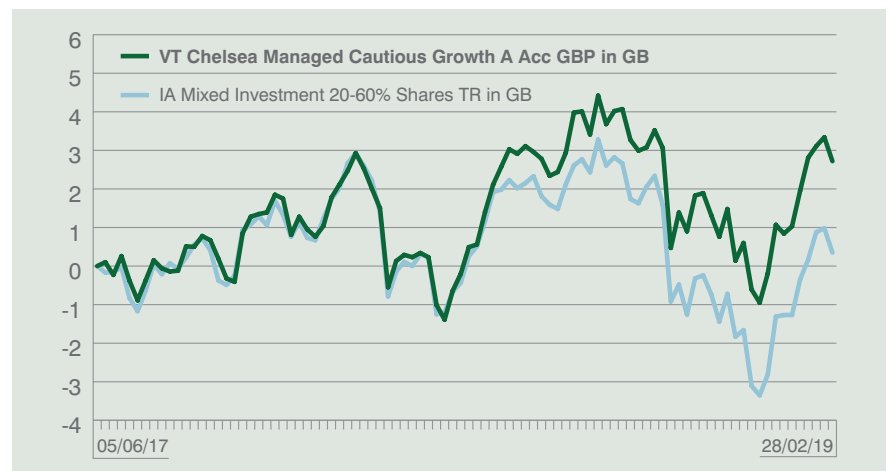
From the end of November to the end of February[^], our specialist investment trusts have been particularly strong performers. Target Healthcare (7.69%), John Laing Environmental Assets (5.69%) and Greencoat UK Wind (5.66%) have all

performed well, holding up in the sell off, and participating in the bounce back. Our Fidelity Asia Pacific Opportunities fund has done particularly well, protecting during the sell off before rising considerably in the new year.

One observation from our portfolio is that our value holdings have underperformed across multiple geographies. We have maintained a more style-neutral approach, and have looked to add selectively where possible.

Our biggest detractor has been our BMO Global Equity Market Neutral fund, losing 7.74%. Conversely, we are pleased that our position in Merian Gold & Silver has rewarded our patience, returning 14.74% in the period, showing its benefits to the portfolio in volatile markets.

Performance since launch (%)^{*}



Cumulative performance

	1 year	3 years	5 years	Since launch
Fund (%)	1.97	-	-	2.72
Benchmark (%)	-0.22	-	-	0.35

Calendar year performance

	YTD	2018	2017	2016
Fund (%)	3.19	-2.51	-	-
Benchmark (%)	3.65	-5.10	-	-

All data correct as at 28th February 2019.

[†]Long term is 5+ years.

^{††}Investors may receive payment later, depending upon platform.

^{*}FE Analytics – 05/06/2017-28/02/2019 benchmark is the IA Mixed Investment 20-60% Shares total return in sterling terms. On a bid to bid basis. ^{**}FE Analytics – performance of the MSCI United Kingdom Index from 27th December 2018 - 28th February 2019. [^]All individual fund performance data 30/11/2018-28/02/2019 total return in sterling on a bid to bid basis.

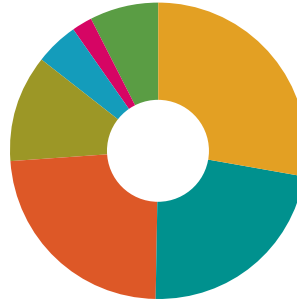
Asset allocation (%)



Equity	38.03%
Targeted Absolute Return	29.60%
Fixed Interest	9.85%
Cash	8.16%
Gold and Silver	3.57%
Alternatives	5.09%
Property	5.72%
Total	100.00%

Data correct as at 28th February 2019. Figures may not add up to 100% due to rounding.

Geographical equity allocation (%)



UK	27.81%
Europe ex UK	22.60%
USA	23.66%
Asia Pacific ex Japan	11.71%
Emerging Markets ex Asia	4.66%
Japan	2.33%
Other	7.24%
Total	100.00%

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