



# VT Chelsea Managed Monthly Income

February 2019

VT CHELSEA  
**Managed**  
FUNDS



The Chelsea research team (L to R): James Yardley, Senior Research Analyst; Darius McDermott, Managing Director; Juliet Schooling Latter, Research Director; Ryan Lightfoot-Brown, Senior Research Analyst

## Fund information

Launch date	5 <sup>th</sup> June 2017
Size	£17.4m
Number of holdings	26
Benchmark	IA Mixed Investment 20%–60% Shares
Share class & ISIN	VT Chelsea Managed Monthly Income A Acc GB00BF0NMS52
Share class & ISIN	VT Chelsea Managed Monthly Income A Inc GB00BF0NMT69
Indicated yield	4.46%
Income distribution	Monthly <sup>††</sup>
Initial charge	0%
Ongoing charges figure	1.16%
Payment dates <sup>††</sup>	Monthly, last day of the month

## Top 10 holdings

Man GLG UK Income	6.79%
Cash	6.75%
BlackRock Continental European Income	5.61%
Schroder Asian Income Maximiser	5.50%
Artemis Global Income	5.21%
Fidelity Global Enhanced Income	5.04%
M&G Global Dividend	4.57%
Sanlam Strategic Bond	4.37%
Jupiter Strategic Bond	4.16%
Target Healthcare REIT	4.10%

## VT Chelsea Managed Monthly Income

aims to produce monthly income with some capital growth over the long term, but with lower volatility than global equities<sup>†</sup>. The fund has a target weighting of between 40% and 60% 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<sup>^</sup>.

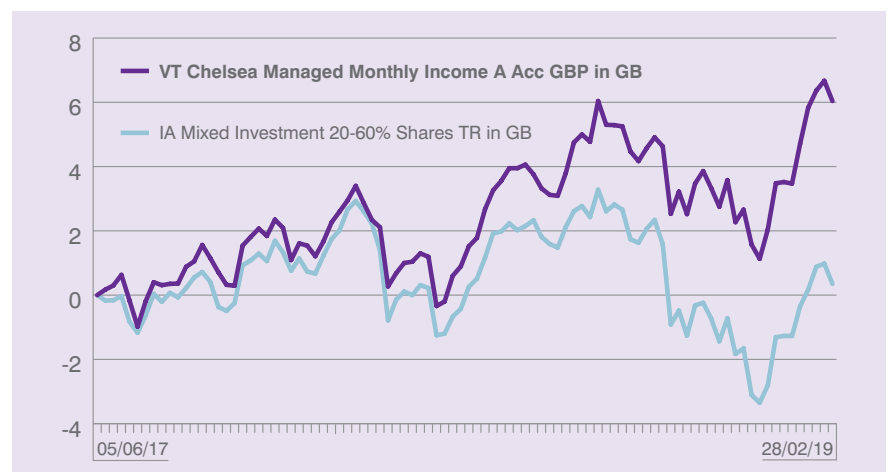
From the end of November to the end of February<sup>^</sup>, our specialist investment trusts have been particularly strong performers. Target Healthcare (7.69%), John Laing Environmental Assets (5.69%) and Greencoat UK Wind (5.66%) have all performed well, holding up in the sell off, and participating in the bounce back to generate good total returns for the fund. Our Premier Global Listed Infrastructure

fund also did very well providing significant stability during the market weakness and excellent performance in the new year.

Our position in Global X Silver Miners has rewarded our patience, returning 13.05% in the period, showing its benefits to the portfolio in volatile markets despite the small size.

Our European exposure has been a detractor to the portfolio. Blackrock Continental European Income has been the weakest overall performer down 2%, and Artemis Global Income, which holds considerable European exposure is down 0.97%. Conversely, our sole UK holding – Man GLG UK Income – has performed exceptionally delivering a 6.08% total return and contributing significantly to our yield outcome.

## Performance since launch (%)<sup>\*</sup>



## Cumulative performance

	1 year	3 years	5 years	Since launch
Fund (%)	4.44	-	-	6.04
Benchmark (%)	-0.22	-	-	0.35

## Calendar year performance

	YTD	2018	2017	2016
Fund (%)	4.35	-0.96	-	-
Benchmark (%)	3.65	-5.10	-	-

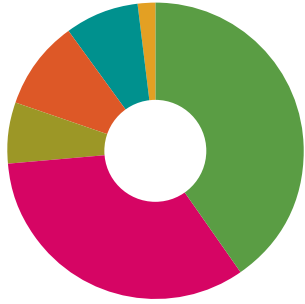
All data correct as at 28<sup>th</sup> February 2019.

<sup>†</sup>Long term is 5+ years.

<sup>††</sup>Investors may receive payment later, depending upon platform.

<sup>\*</sup>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. <sup>\*\*</sup>FE Analytics – performance of the MSCI United Kingdom Index from 27<sup>th</sup> December 2018-28<sup>th</sup> February 2019. <sup>^</sup>All individual fund performance data 30/11/2018-28/02/2019 total return in sterling on a bid to bid basis.

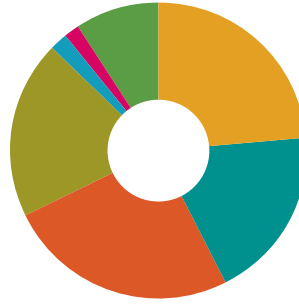
## Asset allocation (%)



Equity	40.34%
Fixed Interest	33.48%
Targeted Absolute Return	0.00%
Cash	6.75%
Property	9.57%
Alternatives	8.07%
Gold and Silver	1.80%
Total	100.00%

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

## Geographical equity allocation (%)



UK	23.73%
USA	18.96%
Europe ex UK	25.34%
Asia Pacific ex Japan	19.43%
Japan	1.91%
Emerging Markets ex Asia	1.50%
Other	9.12%
Total	100.00%

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## Why invest in VT Chelsea Managed Funds?

- ✓ An easy portfolio. Invest in a range of assets globally with a single buy
- ✓ Chelsea's experienced research team looking after your investments
- ✓ Your portfolio will be adapted to take account of the prevailing market and economic climate
- ✓ You'll get exposure to some investments unearthed by our research team that might normally be hard for individual investors to buy
- ✓ We'll try to access the underlying funds in the cheapest way possible, including some share classes not available to individual investors

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The VT Chelsea Managed Funds are for investors who prefer to make their own investment decisions, without personal advice.

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