

VT ESPRIT TACTICAL BALANCED



FEB 2024

INVESTMENT OBJECTIVE:

The investment objective of the VT Esprit Tactical Balanced fund is to achieve a level of investment return in excess of the benchmark over the longer term (5 years+). The fund will be actively managed in order to achieve its objective by investing in a globally diversified range of asset classes including equities, fixed income, money market instruments, cash, property and commodities.

MONTHLY COMMENTARY

What happened in financial markets?

Global equities returned 4% in February, with gains being led by the US tech sector. The so-called Mag-7 jumped by nearly 10% over the month, fuelled by AI optimism and Nvidia's blistering run, with its market value hitting \$2tn for the first time. The chipmaker has been responsible for over a quarter of the year-to-date gains in the S&P 500, prompting concerns about market concentration in a small number of technology names.

Bond yields nudged higher as investors digested a strong January US jobs report, and other economic data that confirmed growth remains resilient in the world's largest economy. Elsewhere, there was some evidence that the UK has turned a corner as survey data suggested the economy was growing at an above-trend pace.

Gold was little changed over the month, but oil prices rose 3%. Industrial and agricultural commodity prices both fell, at odds with improving investor sentiment towards other asset classes.

What is the outlook?

A US recession remains elusive, and with central banks having scope to cut interest rates aggressively if needed, any short-term weakness may not be enough to derail equity markets. Unemployment remains near record lows across the developed world, and there are tentative signs that growth may have bottomed out in Europe. We would need a sudden and dramatic deterioration in economic activity, or a resurgence in inflation, to upset the soft-landing narrative.

Nonetheless, markets are still expecting the Fed to cut interest rates in June and they could be quickly followed by the Bank of England, with UK inflation expected to fall to 2% in April. A mild winter in Europe and an abundance of supply has sent the price of natural gas tumbling, with the energy price cap due to fall by 12.3% in spring.

We expect global economic activity to remain subdued in the coming months, and 2024 in general, which should allow central banks to embark on a measured easing cycle beginning in the summer. As the year progresses we may also see some slack appear in labour markets, a goal which has eluded central bankers so far.

FUND INFORMATION

Launch date:	23/01/2018
Size:	£182.4M
Holdings:	20
Share class:	Accumulation & Income
ISIN:	GB00BF0Q2T58 (Acc) GB00BN94M181 (Inc) GB00BQ2KRT70 (C Acc) GB00BQ2KRV92 (C Inc)
SEDOL:	BF0Q2T5 (Acc) BN94M18 (Inc) BQ2KRT7 (C Acc) BQ2KRV9 (C Inc)
IA Sector:	IA Mixed Investment 20-60% Shares
Yield¹:	2.21%
Initial charge:	0%
OCF²:	0.97% 0.72% (C)

WHY INVEST?

Simplicity

A single fund to meet your investment needs

Diversification

Access a range of asset classes, investment styles and geographies

Actively managed

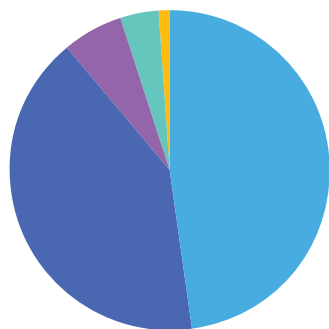
The fund will change as market conditions and the economic cycle evolves

Expertise

The managers share 40 years investment experience

PORTFOLIO BREAKDOWN - 29 FEB 2024

TARGET ASSET ALLOCATION

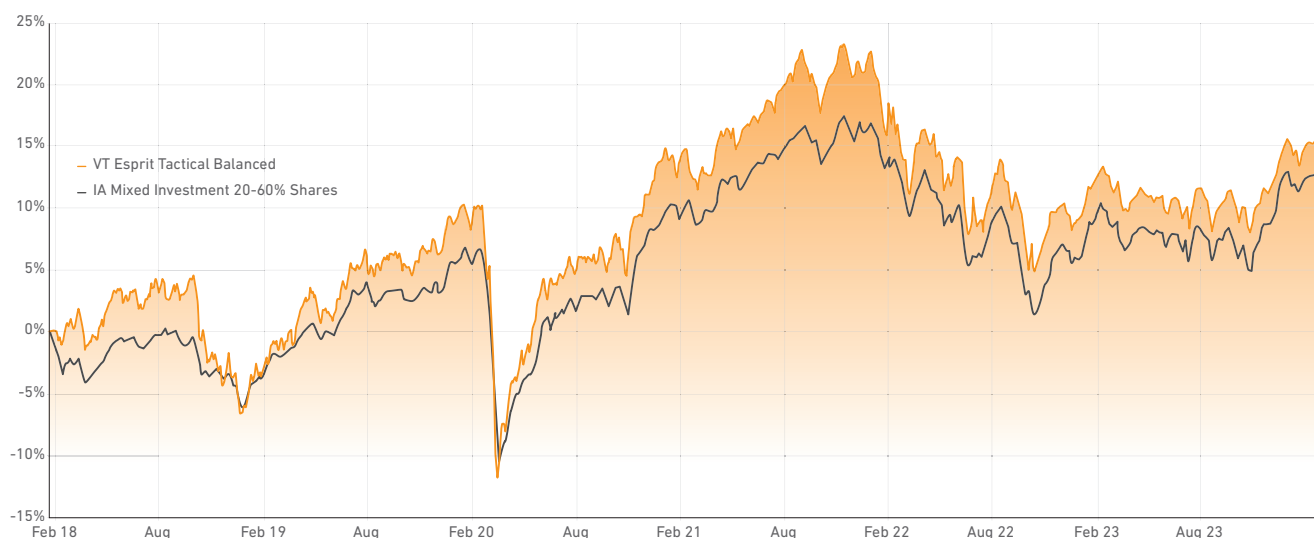


Equities	48%
Fixed Income	41%
Alternatives	6%
Money Markets	4%
Cash	1%

TOP 10 HOLDINGS

iShares \$ Treasury Bond ETF	9%
Fidelity US Index	9%
Amundi Global Aggregate 500m ETF	8%
L&G Short Dated Sterling Corporate Bond Index	7%
AXA Global Strategic Bond	6%
iShares Corporate Bond Tracker	6%
iShares UK Equity Tracker	6%
Fidelity Japan Index	5%
iShares UK Gilts All Stocks Tracker	5%
L&G Global Emerging Markets	5%

PERFORMANCE SINCE LAUNCH



Past performance is not necessarily a guide to future performance.

23/01/18 to 29/02/24 Data from Morningstar

CUMULATIVE PERFORMANCE (%)

	3m	6m	1y	3y	5y
VT Esprit Tactical Balanced	3.78	4.99	3.97	3.10	17.56
IA Mixed Investment 20-60% Shares	3.92	5.13	4.67	3.12	14.91

DISCRETE CALENDAR YEAR

	YTD	2023	2022	2021	2020
VT Esprit Tactical Balanced	0.23	6.00	-11.26	7.97	4.16
IA Mixed Investment 20-60% Shares	0.11	6.84	-9.70	6.10	3.20

HOW TO INVEST

**HARGREAVES
LANSDOWN**

**AJBell
Investcentre**

Hubwise
YOUR PLATFORM SOLUTION

abrdn

ascentric

AEGON

transact
take control

AVIVA

fusion

Quilter

M&G wealth

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Past performance is not a guide to future returns. The value of an investment and any income from it can go down as well as up, so you may not get back the original amount invested. This document has been produced for information purposes only and does not constitute investment advice. You should read the Key Investor Information Document (KIID) before investing.

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¹Yield: The amount of income generated by a fund's investments in relation to the price shown as an annual percentage.

²OCF: The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the fund. It is made up of the Annual Management Charge (AMC), the underlying fund charges, and other operating costs.

Esprit Tactical Balanced: 031 - 0324