



VT Redlands Equity Portfolio

January 2019

Investment Objective

The objective of the VT Redlands Equity Portfolio is to provide capital growth.

The Fund seeks to achieve its objective primarily by investing in collective investment vehicles (including for example collective investment schemes, exchange traded funds and investment trusts) which provide exposure to listed equity securities across developed and emerging markets. The Fund may also invest in other collective investment schemes, transferable securities, money market instruments, deposits, cash and near cash.

There is no particular emphasis on any geographical area or industry sector.

Commentary

December, the final quarter of the year and 2018 as a whole seems like a long time ago after witnessing the January we did! 2019 from an equity point of view erupted like Usain Bolt upon hearing the starters gun at the final of a 100-metre race. Although the two-month numbers – by and large – are still negative, the double-digit losses of December seem to be well and truly in the past.

When you look at December and January as back-to-back months, it highlights the volatile nature of equity investing. Although both months were a little excessive, market volatility is to be considered standard and expected. Market volatility has been low over the past decade – Quantitative Easing can be held responsible for a lot of this reduced volatility, but we are starting to enter a period known as QT (Quantitative Tightening) and this will bring uncertainty. Uncertainty generally brings with it volatility.

As the UK gets one month closer to Brexit, but still with no known outcome, it is not surprising that companies and markets are focusing on the near-term issues. Added to that the stalling trade negotiations between the US and China, the ongoing Italian budget squabbles, the yellow jacket rebellion in France, coalition issues in Germany, the upcoming retirement of the head of the ECB and it is entirely understandable that markets are a little jittery.

In January, your portfolio removed the Herald Investment Trust and initiated a new investment in the Man GLG UK Income fund thus keeping the number of holdings steady at 25. The exposure to Augmentum Fintech plc (a very recent acquisition) almost trebled over the month to almost 1.50% as we build our weight accordingly.

A number of funds held within the portfolio delivered strong positive numbers over the month and outperformed their peer group. Worthy of special mention would be the following long-held assets: Artemis Global Income, AXA Framlington Health, Fidelity China Special Situations, M&G Global Dividend, Man GLG Japan CoreAlpha.

Performance Summary as at 31 January 2019

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	SINCE INCEPTION DATE 7 JUNE 2017
VT Redlands Equity Portfolio	3.29%	-0.95%	-6.35%	-3.30%	2.48%
UM Equity – International	4.19%	-1.33%	-6.21%	-2.74%	2.28%

Source: Financial Express Analytics & Valu-Trac Investment Management Limited. All figures quoted are on a total return basis with income reinvested.

Past performance is not necessarily a guide to future performance

Holdings

Artemis Global Income Inst Acc	2.7%
Augmentum Fintech PLC	1.4%
AXA Framlington Health Z Acc	2.2%
Baillie Gifford Japanese B Acc	1.3%
BlackRock Continental European Income D Acc	3.4%
Fidelity Asian Values PLC	3.2%
Fidelity China Special Situations PLC	1.5%
Fidelity Emerging Markets W-Acc	2.1%
Fidelity Index World P Acc	14.8%
FP CRUX European Special Situations I GBP Acc	2.6%
Fundsmith Equity I Class Acc (ST DR)	2.6%
Hermes Asia ex Japan Equity F GBP Acc	3.0%
HgCapital Trust PLC	3.1%

Invesco Perpetual UK Smaller Cos Inv Tst PLC	1.5%
iShares Core MSCI World UCITS ETF USD (Acc)	14.1%
iShares Core S&P 500 UCITS ETF USD (Acc)	8.0%
Liontrust Special Situations Fund (I)	4.6%
M&G Global Dividend I GBP Acc	4.4%
Man GLG Japan CoreAlpha Professional Acc C GBP	2.4%
Man GLG UK Income Professional Acc C GBP	0.7%
RIT Capital Partners PLC	4.0%
Schroder Asian Income Maximiser Z Acc	1.6%
Somerset Emerging Markets Dividend Growth A Acc	1.9%
Source JPX-Nikkei 400 ETF USD Hedged	6.2%
Stewart Invs Global Em Mkts Leaders B GBP Acc	1.4%
Cash	5.4%



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Fund Information

Inception Date	7 June 2017
Number of Holdings	25
Fund Size	£205.4m
Ongoing Charge Figure *	0.60%
Estimated Yield**	1.36%
3 Year Annualised Volatility	----

* The ongoing charges figure is based on expenses and the net asset value as at 31 August 2018. This figure may vary from year to year. It excludes portfolio transaction costs. The Funds annual report for each financial year will include detail on the exact charges made.

** Based on the current portfolio weightings using the latest available data of the underlying funds. The yield is not guaranteed and may fluctuate.

Fund Managers



Richard Philbin is Chief Investment Officer of Wellian Investment Solutions. He is one of the UK's best known multi-manager investors and previously AA rated by OBSR, Citywire and S&P. He is also the inventor of the highly regarded and publicised 'Traffic Light Analysis' system of assessing funds. Prior to Wellian, he was AXA Architas Multi Manager's Chief Investment Officer where he chaired the investment committee and helped the company go from a founding business to a top 5 player in the multi manager space in the UK with responsibility for assets of over £7 bn. Previously, Richard was Head of Multi Manager at F&C Investments. Whilst at F&C he launched the successful LifeStyle range of funds. Assets grew from £100m to over £1bn during his tenure.



Alan Durrant is Chief Executive Officer of Wellian Investment Solutions. Previous roles for Alan were Group Chief Investment Officer at The National Bank of Abu Dhabi (NBAD) and prior to NBAD, was Head of Asset Management at Gulf Finance House. Before moving to the Middle East, Alan was Chief Investment Officer at Skandia Investment Management and Chairman of the investment committee. During his tenure the firm won the Best MultiManager at the prestigious Money Marketing Awards in three consecutive years. Whilst at Skandia, Alan conceived and launched the popular Global Best Ideas and Asset Allocator ranges. Prior to Skandia, he was at Hargreaves Lansdown for 12 years, latterly as Investment Director.

Wellian Investment Solutions

Wellian Investment Solutions is an award winning multi-manager investment management business. As a multi-manager business it specialises in identifying the very finest investment talent from around the world and then blending and combining these managers together to create robust, diversified portfolios. Wellian Investment Solutions have developed their own bespoke manager selection and asset allocation processes and also undertake extensive due diligence on all of the managers before including them in the Redlands Funds.

Wellian Investment Solutions is wholly owned by Harwood Wealth Management Group PLC (HWMG). HWMG is a business listed on the London Stock Exchange AIM market. As a listed business, HWMG is subject to the highest standards of corporate governance. At the most recent announcement (the Interim Accounts of April 2018), HWMG had Assets Under Influence in excess of £4bn.

Important notes

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For further information call 01604 621302 or email contact@dwifa.co.uk