



# VT Redlands Equity Portfolio

July 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

July was a month where “risk” assets performed well, although when looking at market returns, please be very mindful of how the weakness of Sterling has affected those numbers. July saw the arrival of Boris Johnson to take the Prime Minister’s role recently vacated by Theresa May as she couldn’t deliver on Brexit promises. BoJo as he is commonly referred to has been raising the political stakes with regards to the possibility of the UK leaving the EU with a “no-deal” outcome. Almost as soon as he took office, the UK Parliament started its six-week summer recess. There is not a lot of time between now and 31 October; there is even less time when you take out an extra 6 weeks.... The global capital markets don’t like the idea of a no-deal outcome and the Pound weakened dramatically and now sits at levels last seen immediately after the referendum vote.

Elsewhere in the world, Trump and Xi continue to play the “will they; won’t they” game when it comes to negotiations and trade tariffs. Uncertainty abounds. It is obvious that increased tariffs equal greater bureaucracy, higher costs, less trade (hence less GDP) and slowing economic growth. When the two countries that are trading blows on the trade war front are two of the largest economies in the world, the ramifications will be felt globally. It is odds on certain that the Federal Reserve will cut interest rates to stimulate some growth when the governors of the Central Bank get together for their two-day meeting beginning 31 July.

The largest technology businesses are coming under fire from lots of fronts at the moment – Facebook received a \$5bn fine from the EU during the month, recent technology IPOs (initial public offerings – when the companies list their shares for sale to the general public) haven’t gone too well compared to previous listings, the Chinese launched a new stock exchange – The Star Exchange (to rival the NASDAQ) which got off to a very good start and then promptly fell back. Maybe this is the froth starting to come off the top of the market. But, on the other hand, Amazon said their two day “Prime” extravaganza was record-breaking.

No new assets were purchased for the VT Redlands Equity fund in July, and no existing holdings removed. Exposure to the US was increased by a little over half of one percent and “global” funds also grew – to 49.03% (from 48.28%). We continue to believe the fund meets the objectives set out in the prospectus and remains suitable for investors willing to accept the accompanying risks.

Strong performance was achieved from a number of holdings during the month, with special note going to the following: Fundsmith Equity, iShares Core S&P500, Fidelity Emerging Markets, M&G Global Dividend, Artemis Global Income, AXA Framlington Health.

## Performance Summary as at 31 July 2019

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	2 YEARS	SINCE INCEPTION DATE 7 JUNE 2017
VT Redlands Equity Portfolio	4.57%	5.77%	14.96%	7.66%	17.55%	17.81%
UM Equity – International	4.26%	6.44%	14.80%	7.71%	17.19%	17.45%

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	2.0%
Augmentum Fintech PLC	1.9%
AXA Framlington Health Z Acc	2.5%
Baillie Gifford Japanese B Acc	2.0%
BlackRock Continental European Income D Acc	3.2%
Fidelity Asian Values PLC	2.7%
Fidelity China Special Situations PLC	1.5%
Fidelity Emerging Markets W-Acc	2.0%
Fidelity Index World P Acc	15.1%
FP CRUX European Special Situations I GBP Acc	2.5%
Fundsmith Equity I Class Acc (ST DR)	4.1%
Hermes Asia ex Japan Equity F GBP Acc	2.6%
HgCapital Trust PLC	2.9%

Invesco Perpetual UK Smaller Cos Inv Tst PLC	1.4%
iShares Core MSCI World UCITS ETF USD (Acc)	14.4%
iShares Core S&P 500 UCITS ETF USD (Acc)	8.5%
Liontrust Special Situations Fund (I)	5.9%
M&G Global Dividend I GBP Acc	5.0%
Man GLG Japan CoreAlpha Professional Acc C GBP	1.4%
Man GLG UK Income Professional Acc C GBP	3.4%
RIT Capital Partners PLC	3.9%
Schroder Asian Income Maximiser Z Acc	2.0%
Somerset Emerging Markets Dividend Growth A Acc	1.7%
Source JPX-Nikkei 400 ETF USD Hedged	5.8%
Stewart Invs Global Em Mkts Leaders B GBP Acc	1.0%
Cash	0.4%



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## Fund Information

Inception Date	7 June 2017
Number of Holdings	25
Fund Size	£259.6m
Ongoing Charge Figure *	0.64%
Estimated Yield**	1.38%
3 Year Annualised Volatility	----

\* The ongoing charges figure is based on expenses and the net asset value as at 31 December 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 2019), HWMG had Assets Under Influence in excess of £5.3bn.

## Important notes

This document is for general information purposes only and does not take into account the specific investment objectives, financial situation or particular needs of any particular person. It is not a personal recommendation and it should not be regarded as a solicitation or an offer to buy or sell any securities or instruments mentioned in it. This document represents the views of Wellian Investment Solutions Limited (part of Harwood Wealth Management Group PLC) at the time of writing. It should not be construed as investment advice. Full details of the Redlands Funds, including risk warnings, are published in the Key Investor Information documents, the Supplementary Information document and Prospectus, available from [www.valu-trac.com](http://www.valu-trac.com). The Redlands Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested. Investments in overseas markets may be affected by changes in exchange rates, which could cause the value of your investment to increase or diminish. Past performance is not a reliable indicator of future results. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. All sources are Wellian Investment Solutions Limited and Valu-Trac Investment Management Limited unless otherwise stated. The authorised corporate director of the Fund is Valu-Trac Investment Management Limited, authorised and regulated by the Financial Conduct Authority, registration number 145168.

For further information call 01604 621302 or email [contact@dwifa.co.uk](mailto:contact@dwifa.co.uk)