



# VT Chelsea Managed Aggressive Growth

June 2023

VT CHELSEA  
**Managed**  
FUNDS



The Chelsea research team (L to R): Joss Murphy, Junior Research Analyst; Darius McDermott, Managing Director; Juliet Schooling, Research Director; James Yardley, Senior Research Analyst

## Fund information

Launch date	5 <sup>th</sup> June 2017
Size	£40.08m
Number of holdings	37
Share class & ISIN	VT Chelsea Managed Aggressive Growth A Acc GBP GB00BF0NMY13
Initial charge	0%
Ongoing charges figure	1.13%

## Top 10 holdings

Fidelity Index	8.77%
HSBC American Index	5.72%
Chrysalis Investment Co Ltd	5.23%
Polar Capital Biotechnology	4.27%
Polar Capital Technology	4.08%
Baillie Gifford Japan Trust	3.85%
Ninety One Global Environment	3.64%
Fidelity Asia Pacific Opportunities	3.61%
Doric Nimrod Air Two Ltd	3.19%
Schroder Global Recovery L Acc GBX	3.04%
Total	45.40%

## VT Chelsea Managed Aggressive Growth

aims to produce capital growth over the long term<sup>†</sup>. The fund will invest up to 100% in UK and overseas equities, although it may also invest in other assets including bonds,

**Fund commentary\*** Uncertainty and nervousness are still weighing on markets. The fund's total return for the past three months was -0.49% vs -0.19% for the IA Global sector.\* The US stock market has improved but this has been almost entirely down to a few large US tech stocks. The US economy remains remarkably resilient in the face of higher interest rates. This is forcing the Federal Reserve to keep interest rates high which keeps pressure on equity and bond markets.

UK gilt yields have been rising as a result of persistently sticky inflation. In the UK, wage growth and core underlying inflation (stripping out food and energy), remain high. The expectation is that the Bank of England will need to keep raising interest rates.

In the fund the best performer in the period and year to date has been the Polar Capital Technology trust which has benefitted as US tech has come back into favour following the excitement around Artificial Intelligence (AI).

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

The trust remains on a large discount despite the strong performance.

Our overweight to smaller companies continued to be a drag on performance with Granahan US Focused Growth, Chelverton UK Equity, Marlborough European Special Situations and Schiehallion C shares all underperforming. The other weak point was our small investment into REITs via the TR Property Investment trust.\*

All the funds holdings in investment trusts remain on substantial discounts. We are maintaining a patient approach and edging into value on weakness, cognisant that there might still be more pain to be felt. When will the situation change? It's impossible to say, but given the big increase in interest rates we've already had we think we must be a lot closer to the end than the beginning. We feel confident that the prices we are seeing now provide incredible long-term opportunities, we believe that our patience will be rewarded.

## Performance since launch (%)\*\*



## Cumulative performance

	1 year	3 years	5 years	Since launch
Fund (%)	-1.49%	20.11%	28.38%	38.63%
IA Sector (%)	2.38%	27.51%	40.99%	51.82%
IIA Flexible Sector (%)	-1.34%	16.59%	17.69%	22.89%

## Calendar year performance

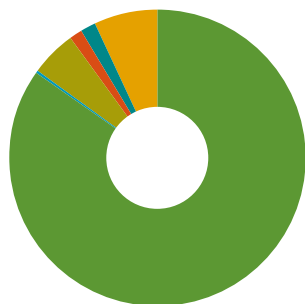
	YTD	2022	2021	2020	2019
Fund (%)	3.03%	-18.93%	16.85%	16.68%	19.71%
IA Sector (%)	4.05%	-11.06%	17.68%	15.27%	21.92%
IA Flexible Sector (%)	1.47%	-8.98%	11.30%	6.70%	15.66%

All data correct as at 31/05/2023.

<sup>†</sup>Long term is 5+ years.

Past performance is not a reliable guide to future returns. \*Source: FE Funds Info 28/02/2023-31/05/2023 Total Return in Sterling. \*\*FE Funds Info 05/06/2017-31/05/2023.

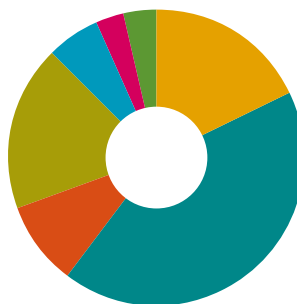
## Asset allocation (%)



Equity	83.89%
Targeted Absolute Return	0.00%
Fixed Interest	0.45%
Cash	5.24%
Property	1.41%
Gold and Silver	1.82%
Alternatives	7.20%
Total	100.00%

Data correct as at 31<sup>st</sup> May 2023. Figures may not add up to 100% due to rounding.

## Geographical equity allocation (%)



UK	17.97%
USA	42.36%
Asia Pacific ex Japan	9.13%
Europe ex UK	18.13%
Japan	6.02%
Emerging Markets ex Asia	2.81%
Other	3.58%
Total	100.00%

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- ✓ 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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All performance data is sourced from FE Fund Info. Every effort is made to ensure the accuracy of any information provided but no assurances or warranties are given. Some performance differences between the fund and the sector average may arise because the fund performance is calculated at a different valuation point from the IA Sector.

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

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