



VT Chelsea Managed Balanced Growth

June 2023

VT CHELSEA
Managed
FUNDS



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Fund information

Launch date	5 th June 2017
Size	£42.2m
Number of holdings	43
Share class & ISIN	VT Chelsea Managed Balanced Growth A Acc GBP GB00BF0NMX06
Initial charge	0%
Ongoing charges figure	1.16%

Top 10 holdings

Fidelity Index US	5.79%
Fidelity Global Special Situations W Acc	4.05%
Fundsmith Equity	3.95%
Invesco Physical Markets PLC	3.89%
T.Rowe Price Global Focused Growth	3.89%
Man GLG UK Absolute Alpha	3.77%
iShares \$ TIPS UCITS ETF GBP Hgd Inc	3.53%
Greencoat UK Wind	3.49%
Target Healthcare REIT Ltd	3.36%
Chrysalis Investment Co Ltd	3.36%
Total	39.08%

VT Chelsea Managed Balanced Growth aims to produce capital growth over the long term[†], but with lower volatility than global equities. The fund has a target weighting of between 50% and 70% in UK and overseas equities,

Fund commentary Uncertainty and nervousness are still weighing on markets. The fund's total return for the past three months was 0.63% vs -1.02% for the IA Mixed Investment 40-85% sector.* The US stock market has improved but this has been almost entirely down to a few large US tech stocks.

The other headwind has been a steady rise in UK gilt yields 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. This rise in gilt yields has put pressure on some of our bond, property and alternative income positions.

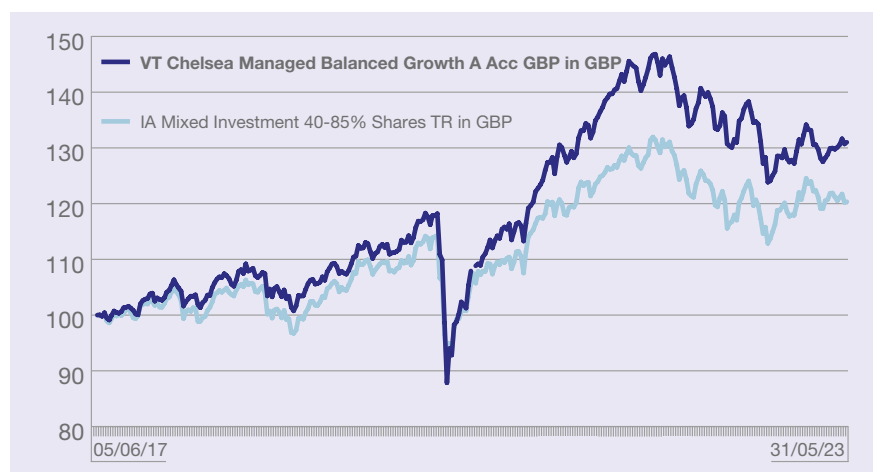
On a positive note, many of our funds continue to deliver strong relative performance and our investment trusts continue to deliver strong results. Our allocation to technology through the Polar Capital Technology trust has worked well this year as the market has become excited about AI stocks.

although it may also invest in other 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.

Despite falls in their share prices many investment trusts we hold have announced strong results and increased their dividends. RoundHill Music announced a 91% increase in its royalties for the first quarter of 2023. The manager and his family have recently bought millions of shares in the trust yet it still trades on a 40% discount. We are seeing many excellent trusts now trading on 7%+ dividend yields and huge 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 and although it has been a grind for the past 12 months, we believe that our patience will be rewarded.

Performance since launch (%)**



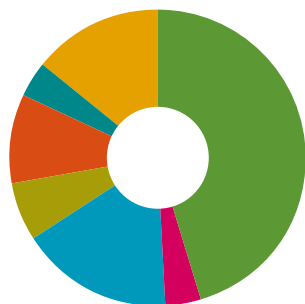
Cumulative performance

	1 year	3 years	5 years	Since launch
Fund (%)	-3.71%	21.41%	23.17%	31.01%
IA Sector (%)	-1.72%	13.96%	15.76%	20.34%

Calendar year performance

	YTD	2022	2021	2020	2019
Fund (%)	3.01%	-13.10%	16.24%	7.82%	15.30%
IA Sector (%)	2.06%	-10.04%	10.94%	5.32%	15.78%

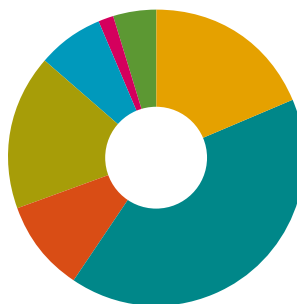
Asset allocation (%)



Equity	45.53%
Targeted Absolute Return	3.77%
Fixed Interest	16.69%
Cash	6.35%
Property	9.71%
Gold and Silver	3.89%
Alternatives	14.06%
Total	100.00%

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

Geographical equity allocation (%)



UK	18.87%
USA	40.57%
Asia Pacific ex Japan	10.09%
Europe ex UK	16.85%
Japan	7.37%
Emerging Markets ex Asia	1.75%
Other	4.48%
Total	100.00%

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- ✓ 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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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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