



VT Chelsea Managed Monthly Income

March 2021

VT CHELSEA
Managed
FUNDS



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Fund information

Launch date	5 th June 2017
Size	£32.21m
Number of holdings	34
Share class & ISIN	VT Chelsea Managed Monthly Income A Acc GB00BF0NMS52
Share class & ISIN	VT Chelsea Managed Monthly Income A Inc GB00BF0NMT69
Indicated yield	4.46%
Income distribution	Monthly ^{††}
Initial charge	0%
Ongoing charges figure	0.91%
Payment dates ^{††}	Monthly, last day of the month

Top 10 holdings

Fidelity Global Enhanced Income	4.55%
Greencoat UK Wind PLC	4.46%
Man GLG UK Income	4.27%
Nomura Global Dynamic Bond (GBP Hedged)	4.10%
M&G Global Dividend	4.10%
PRS Reit PLC	4.01%
Man GLG High Yield Opportunities	3.94%
TB Evenlode Global Income	3.65%
Legg Mason IF RARE Global Infrastructure	3.53%
Impact Healthcare REIT PLC	3.52%

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aims to produce monthly income with some capital growth over the long term, but with lower volatility than global equities[†]. The fund has a target weighting of between 40% and 60% in UK and

overseas equities, 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.

Fund commentary* The fund rose 2.20% during the three-month period, outperforming the IA Mixed Investment 20-60% Shares sector which rose 1.51%.

It was another strong period for equity markets as market sentiment was boosted by the vaccine roll outs. The big story has been the resurgence of value stocks which have finally started to outperform growth. This began with the vaccine announcements in November and has continued into the new year. The prices of many commodities have soared on the expectation of stronger global economic growth. Higher growth and inflation expectations have pushed up yields on government bonds. These factors have caused investors to dump expensive growth names and rotate into cheaper unloved value names, such as banks, oil producers and miners, which can benefit from a recovery.

PRS REIT, a relatively new addition, was our strongest performer. The trust funds the building of affordable family houses and then rents them out. It's helping to solve the UK's chronic housing supply problem. Despite the strength of UK house

prices last year, the trust had sold off, and was trading a large discount. Another property position we added last year, AEW UK REIT, also performed well in the period.

Most of our UK Equity income holdings did well as the UK outperformed due to the successful vaccine roll out. Our positions in Man GLG Income, Montanaro UK Income and Montanaro UK Smaller Companies Trust all helped performance. The exception was Evenlode Income which was down very slightly in the period. It focuses on quality companies and has less exposure to cyclical value names which outperformed.

Bonds did badly in the period and our worst performers were bond funds and trusts such as Artemis Corporate Bond, Bio Pharma Credit, GCP Infrastructure Investments trust and M&G Emerging Markets Bond. However, our underweight to bonds was a positive in terms of relative performance.

Looking forward we think that a lot of money from the new US stimulus cheques is likely to end up in the stock market and this should be a strong positive technical factor in the short term.

Performance since launch (%)**



Cumulative performance

	1 year	3 years	5 years	Since launch
Fund (%)	5.57	19.43	-	21.26
IA Sector (%)	6.51	10.97	-	11.61

Calendar year performance

	YTD	2020	2019	2018
Fund (%)	-0.07	1.96	17.11	-0.96
IA Sector (%)	-0.42	3.51	11.84	-5.10

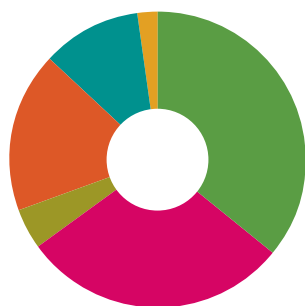
Past performance is not a reliable guide to future returns. *FE Fund Info 30/11/2020-28/02/2021 VT Chelsea Managed Monthly Income vs IA Mixed Investment 20-60% Shares total return in sterling and FE Fund Info 30/11/2020-28/02/2021 total return in sterling. **FE Fund Info 05/06/2017-28/02/2021 VT Chelsea Managed Monthly Income vs IA Mixed Investment 20-60% Shares total return in sterling.

All data correct as at 28th February 2021.

[†]Long term is 5+ years.

^{††}Investors may receive payment later, depending upon platform.

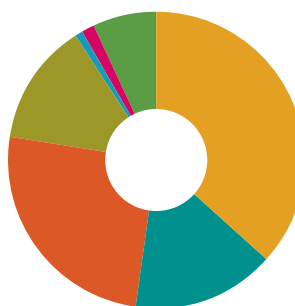
Asset allocation (%)



Equity	36.01%
Fixed Interest	29.11%
Targeted Absolute Return	0.00%
Cash	4.36%
Property	17.51%
Alternatives	10.90%
Gold and Silver	2.11%
Total	100.00%

Data correct as at 28th February 2021. Figures may not add up to 100% due to rounding.

Geographical equity allocation (%)



UK	36.68%
USA	15.64%
Europe ex UK	25.42%
Asia Pacific ex Japan	13.30%
Japan	0.70%
Emerging Markets ex Asia	1.41%
Other	6.84%
Total	100.00%

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