VT Chelsea Managed Monthly Income

VT Chelsea Managed Monthly Income aims to produce monthly income with some capital growth over the long term, but with lower volatility than global equities†. The fund invests in the UK and overseas equities, although it will also invest in other assets including bonds, alternative investment trusts, indirect property, 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 returned 3.09% over the past 4 months versus 4.29% for the IA Mixed Investment 20-60% Shares sector.* The fund was slightly behind the sector average over the past four months but had a strong year in 2025 as a whole.

Despite the threat of tariffs and increasing geopolitical tension markets have continued delivering strong returns. The US market continues to do well but this year it was beaten by Europe, China, Japan, Emerging Markets and even the UK.

A big trend has been a weaker dollar. Donald Trumps increasingly vocal opinions on interest rates are in danger of undermining the Federal Reserves independence. Add to this tensions with NATO allies over Greenland and US government spending which looks increasingly unsustainable. Unsurprisingly many investors are quietly taking some capital away from the US. For all the same reasons gold has been performing exceptionally well as investors and central banks look to diversify away from the US dollar. Silver has been even stronger as increasing demand and a persistent lack of supply finally caught up with market. Silver is a critical component in electronics and it is used in solar panels, electric vehicles, defence and potentially the latest solid state batteries. We recently bought the Global X Silver Miners ETF which has already performed extremely well.

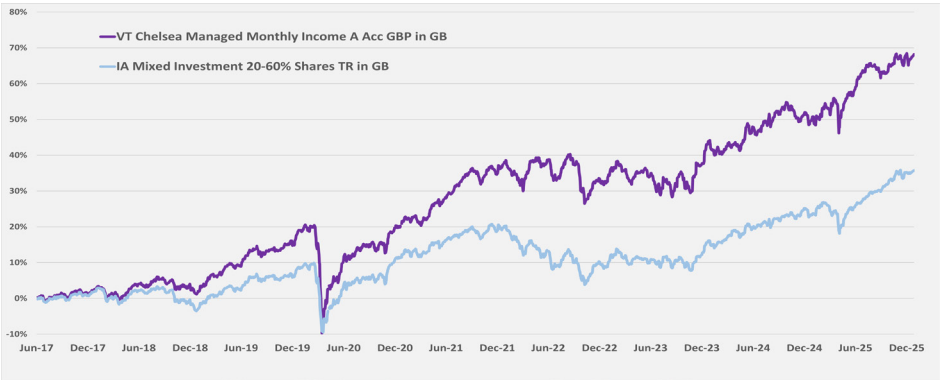
Other commodities have also been strong on the back of greater industrial demand and a weaker dollar. We have been early into this trade and our position in BlackRock World Mining, which we have now held for a while, rose 45% in the period off the back of higher gold, silver, nickel and copper prices.

Our Schroder Asian Income position has done well rising a further 11% and we have now added in the Artemis SmartGARP Global Emerging Markets to boost our exposure. Emerging markets are another beneficiary of the weaker dollar. Man Income continues to be a very reliable performer and has had another strong year. Our largest position, GP surgery owner PHP bounced back and had a solid period delivering a return of 8.5%.

Our renewable infrastructure positions continue to be a disappointment and were a major drag on performance in the period. Despite relatively high power prices their operating performance has been very weak and costs have been higher than expected. Potential changes by the UK government to the inflation-linkage on subsidies has also been very unhelpful.

Unfortunately, a deal to sell Bluefield, one of our larger renewable positions, fell through at the last minute turning a big potential gain into a loss. We have reduced our renewables exposure and fully exited our position in Greencoat UK Wind. This has proven to be a good decision as its share price has fallen further since we exited. The reduction in renewables and an increase in the unit price of the fund has reduced the headline yield of the fund. However, income generation on the fund remains very strong and we are pleased to be able to increase the funds monthly dividend this month to 0.40p per unit.

Performance since launch (%)**



Past performance is not a reliable guide to future returns. The value of investments and income can fall as well as rise, so you could get back less than you invest.

Cumulative performance

	1 Year	3 Year	5 Year	Since launch
Fund (%)	12.02	26.87	38.62	68.21
IA Sector (%)	10.18	24.82	21.14	35.77

Calendar year performance

	2025	2024	2023	2022	2021	2020
Fund (%)	12.02	4.32	8.57	-4.02	13.84	1.96
IA Sector (%)	10.18	6.07	6.81	-9.47	7.20	3.51

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

Fund information

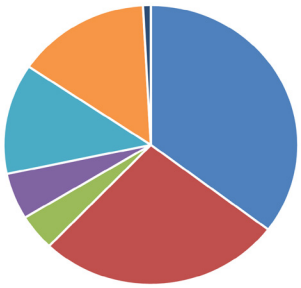
Number of holdings	46
Size of fund (£m)	77.86
OCF	0.72%
Yield	4.82%
Payment dates	Monthly last day of the month

Top 10 holdings

Primary Health Properties PLC	6.17%
SDCL Energy Efficiency Income Trust PLC	4.52%
Artemis Short Duration Strategic Bond	4.21%
Nomura Funds Ireland-Global Dynamic Bond	4.10%
Man GLG UK Income Professional	3.92%
M&G Global Dividend	3.14%
GCP Infrastructure	2.91%
Man GLG Sterling Corporate Bond	2.81%
Doric Nimrod Air Three Ltd	2.73%
FTF ClearBridge Global Infrastructure	2.77%

FE Funds Info 31/08/2025-31/12/2025 VT Chelsea Managed Monthly Income vs IA Mixed Investment 20-60% Shares sector total return in sterling
†Long term is 5+ years

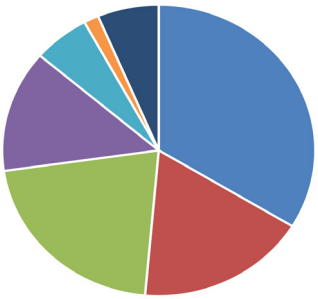
Asset allocation (%)



Equity	35.34%
Fixed Interest	26.80%
Targeted Absolute Return	4.17%
Cash	5.36%
Property	12.78%
Alternatives	14.69%
Gold and Silver	0.86%

Data correct as at 1/12/2025. Figures may not add up to 100% due to rounding.

Geographical equity allocation (%)



UK	33.72%
Europe ex UK	17.68%
USA	21.34%
Asia Pacific ex Japan	13.54%
Japan	5.84%
Emerging Markets ex Asia	1.54%
Other	6.34%

Data correct as at 1/12/2025. Figures may not add up to 100% due to rounding.

Why invest in VT Chelsea Managed Funds?

- 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 unearthered 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

Our awards

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2022 WINNER UNITED KINGDOM

REFINITIV LIPPER FUND AWARDS
2021 WINNER UNITED KINGDOM

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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.

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