

OVERVIEW

- Deliver a regular income expected to be 5%¹ per annum
- Preserve investors' capital throughout market cycles with the potential for capital growth and protection from inflation
- Invests in GBP UK Listed Securities including Investment Companies, Equities, Bonds and REITs
- Offers exposure to a vital sector for the UK's economy which is increasingly becoming a key component of any well-balanced investment portfolio

PERFORMANCE CHART

Share Class C GBP Acc 25/01/2016 – 30/10/2020



RETURNS

	OCTOBER 2020	3 MONTHS	12 MONTHS	36 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis UK Infrastructure Income Fund	-0.96%	-2.24%	-3.05%	14.65%	31.93%	9.37%
MSCI UK	-5.06%	-5.17%	-22.19%	-18.47%	11.65%	17.32%

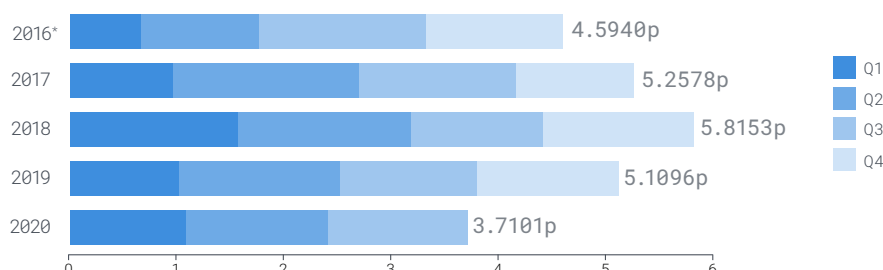
Past performance is not necessarily a guide to future performance.

Fund launched on 25 January 2016.

Fund performance is illustrated by the C GBP Net Accumulation share class.

DIVIDENDS

Dividends paid net of charges since inception to 30 October 2020 for C GBP Income share class.



Note: * Part period from launch on 25 January 2016.

Company overview

Regulatory status	FCA Authorised
Sector	IA Specialist
Launch date	25th January 2016
Fund size	£658.51m
Share classes	Income & Accumulation Clean & Institutional
Charges²	C: 0.75% pa I: 0.65% pa
Min. investment	C: £1,000 I: £5,000,000
Net Asset Value per share as at 30 October 2020	C Acc (£): 131.93p C Inc (£): 105.11p I Acc (£): 132.83p I Inc (£): 105.10p
Trailing 12 month net yield³ as at 30 October 2020	C: 4.78% I: 4.85%
Annual turnover to 30 October 2020	3.33%
Dividend ex dates	end of Dec, Mar, June, Sept
Dividend pay dates	end of Jan, Apr, July, Oct
Currencies	£, \$, €
Classification	Non-complex
£ ISINs	C Acc: GB00BYVB3M28 C Inc: GB00BYVB3J98 I Acc: GB00BYVB3T96 I Inc: GB00BYVB3Q65

1. This is an unofficial target and there is no guarantee it will be achieved. Per annum by reference to launch price of £1.00 per unit, payable quarterly, one month in arrears.
2. The OCF (Ongoing Charges Figure) for all share classes is capped at the AMC (Annual Management Charge) and any costs in excess of the OCF/AMC will be paid by the Investment Adviser.
3. Published dividends are net of charges which are taken from income.



¹Independently risk-rated and assessed as Lowest Medium Risk

FUND ADVISER'S REPORT

The Adviser is of the opinion that under the current regulatory review period, water companies will be able to maintain attractive returns on regulated equity

In what proved a challenging month for most assets, the Fund recorded a loss of 0.96% in October (C Accumulation GBP units). A short-lived period of strength early on faded throughout the month as investors assimilated the prospect of a second national lock-down, which manifested in a 'risk-off' backdrop for markets. Some core social infrastructure companies edged higher during the period, likely a reflection of investors seeking the relative safe-haven of government-backed cash flows, but weakness was widespread across the portfolio. Equity markets suffered the worst of the declines and the 5% loss on the MSCI UK places the Fund's performance in context.

It has been pleasing to see the headwind of lower UK electricity price forecasts started to abate during the third quarter and renewable energy companies have generally reported a hiatus in this detractor from asset valuations. In an exception to this trend, GCP Infrastructure continued to report impacts from lower electricity price forecasts within its latest NAV update. GCP blends the last four quarterly power price assumptions whereas the pureplay renewables companies use the most recent quarter's assumptions. This anomaly means that GCP's NAV would see the impact of improving power price forecasts on a lagged basis, relatively speaking.

Implied volatility began to spike towards the end of the month and significant intraday movements in securities prices provided opportunities to acquire stock in a range of companies at levels deemed attractive by the Adviser. Opportunistic additions to holdings including Primary Health Properties, 3i Infrastructure GCP Infrastructure and Pennon (now a pure water utility following the sale of waste business Viridor) were executed, helping to bolster cash flows backed by government or supported by regulatory frameworks within the portfolio.

In addition to the top up in Pennon, the Fund's direct exposure to water utilities was increased through the introduction of United Utilities at an aggregate book cost of approximately 865p (equating to a prospective yield of ~5%). Around 7% of the portfolio is exposed to water utilities through a combination of direct debt investments, stakes in water utilities owned by diversified infrastructure companies, and the publicly quoted utilities Pennon and United Utilities. The Adviser is of the opinion that under the current regulatory review period, which runs from 2020 – 2025 (known as 'AMP7'), water companies will be able to maintain attractive returns on regulated equity bases (RORE) and are naturally geared into rising inflation. After a period of disinflation in the aftermath of the pandemic, inflation expectations are starting to rise as evidenced by break even rates. United Utilities, specifically, has significant potential to re-rate more inline with sector peers in terms of the premium to regulated capital value at which it trades.

In recent months, following the shock to markets, the Adviser has been able to add incrementally to the portfolio's traditional equity holdings at levels that are conducive to meeting the Fund's income objectives in future. It should be noted, however, that equity exposure remains modest, with an overall allocation approaching 11% at the end of October.

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Investment Adviser

Gravis Advisory Limited is a wholly owned subsidiary of Gravis Capital Management Ltd, a specialist investment advisory firm focused primarily on UK infrastructure ("GCM"). GCM manages c.£2.7bn, including the FTSE 250 company GCP Infrastructure Investments Limited, which has a market capitalisation of over £1bn. GCM is authorised and regulated by the FCA.

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CORRELATION, PERFORMANCE AND VOLATILITY COMPARISON

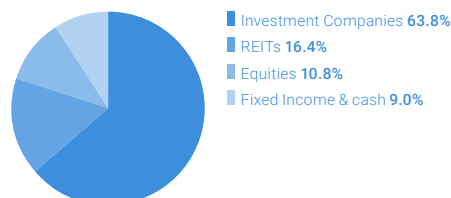
25 January 2016 – 30 October 2020

	CORRELATION	RETURN	VOLATILITY	YIELD
VT Gravis UK Infrastructure Income Fund (C GBP Acc)	—	31.9%	9.4%	4.7%
MSCI UK	0.45	11.6%	17.3%	3.9%
MSCI World	0.27	82.3%	17.0%	2.1%
MSCI World Infrastructure	0.25	41.5%	15.6%	4.2%
UK 10 Yr Gilts	0.02	8.6%	6.0%	0.3%
MSCI World vs MSCI World Infrastructure	0.85			

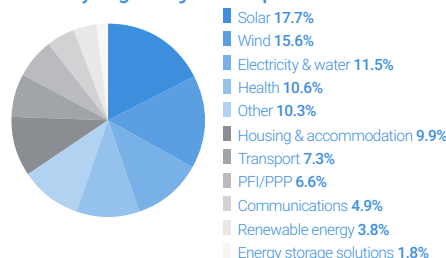
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PORTFOLIO

Sectors



Underlying Project Exposure



TOP 10 HOLDINGS ON 30 OCTOBER 2020

COMPANY	%
Sequoia Economic Infrastructure Income Fund Ltd	8.0%
Renewables Infrastructure Group Ltd	7.6%
GCP Infrastructure Investments Ltd	7.1%
JLEN Environmental Assets Group Limited	6.4%
GCP Asset Backed Income Fund Ltd	5.3%
HICL Infrastructure Fund Limited	5.0%
NextEnergy Solar Fund Limited	4.6%
Foresight Solar Fund Ltd	4.3%
Bluefield Solar Income Fund Ltd	4.1%
Greencoat UK WIND PLC	4.0%

Available on the following platforms

7IM	Moventum
Aegon	Novia
AJ Bell	Nucleus
ALEX	Old Mutual (Skandia)
Allfunds	OM Wealth
Alliance Trust	Parmenion
Amber	Pershing
Ascentric	Prudential*
Aviva	Raymond James
Axa Elevate	SEB International
Canada Life (Dublin)*	Life (Dublin)*
Cofunds	SEI
FNZ	Standard Life
Fidelity FundsNetwork	Stocktrade
Fusion	Transact
Hargreaves Lansdown	True Potential
James Brearley	Zurich
James Hay	*Offshore Bond wrappers

Suitable for:

Direct investors	Offshore bonds
SIPPs	Companies
ISAs	QROPS
Charities	

DRAWDOWNS

	DRAWDOWN	START	END	FUND DURING DRAWDOWN
Fund	-26.46%	20 Jan 20	19 Mar 20	—
MSCI UK	-34.20%	17 Jan 20	23 Mar 20	-23.95%
MSCI World	-26.07%	20 Feb 20	16 Mar 20	-17.25%
MSCI World Infrastructure	-24.14%	20 Feb 20	23 Mar 20	-23.70%

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