



# The VT Redlands Portfolios

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## What are the VT Redlands Portfolios?

The VT Redlands Portfolio funds each invest in one of four defined “asset classes” namely the Equity, Multi-Asset, Property and Fixed Income categories. Each fund carries a prescribed Risk Profile on a scale of 1 to 7 – with for example Equity being the highest at a factor 5. Each one is used as a building block in the creation of bespoke risk rated investment portfolios for clients of David Williams IFA.

By combining the four VT Redlands funds with other asset classes such as With Profits/ Smoothed Managed and Structured Equity funds, our clients can enjoy the benefits of a very wide level of diversification within their portfolios. This reduces volatility and creates the potential for rewarding rates of return year after year.

Each Portfolio fund is constructed as a Fund of Funds providing access to the “best of the best” sector funds from a huge investment universe. The Portfolios are designed to meet their objectives as efficiently as possible whilst keeping costs to a minimum and are run according to a strict risk-control criteria.

Typically, 15 to 25 different funds are held in each portfolio, with each one in turn managed by leading investment houses such as Fundsmith, Fidelity and Invesco as well as specialist boutiques including Ruffer, Fulcrum and Somerset. Underlying funds have exposure to a great many shares, bonds and other assets. Therefore, a single investment into one of the Redlands Portfolios gives a spread across a myriad of different holdings, countries and investment styles.

To manage each fund and essentially pick the best funds to hold on a day to day basis we have selected **Wellian Investment Solutions**, an award-winning independent specialist fund management group who are then accountable to us for fund conduct and most crucially fund performance.

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## What do Wellian Investment Solutions do?

Wellian are specialist Multi-Manager investors. They are experts in choosing fund managers who are likely to perform well, allowing funds to blend together to create a cohesive portfolio. It is our belief that no single fund management group has the top fund manager in every sector and as Multi-Managers Wellian can cherry pick the very best talent from across every fund management group.

## Why did we choose Wellian Investment Solutions?

Many professional fund selectors use the “5 P” test as the basis for assessing a fund and fund manager. This analyses Performance, Process, Philosophy, Prosperity and People. Wellian scored very highly across these five key metrics.

### 1. Performance

Ultimately, performance is the most important factor for most clients. The return achieved net of charges for a given level of risk is what matters most. Wellian has delivered not just excellent performance, but excellent risk adjusted performance over the long term.

### 2. Process

A robust, repeatable process is vital to any investment management business. SEMAFOUR is Wellian’s manager selection tool that analyses over 20,000 funds every month. It assesses onshore, offshore, active, passive, open and closed ended collective funds in the same unemotional way. No other fund of fund business that we know of has a process as powerful. PORTCULLIS is their risk analysis tool which they built in-house as they couldn’t find anything robust enough in the market. PORTCULLIS allows Wellian to assess the impact that any change in the portfolio will have on overall volatility to create the ideal blend. Having used technology to narrow the field individual fund manager meetings are then essential in final selection to understand the “5 Ps” of the individual sub-funds chosen. Wellian conduct hundreds of manager meetings each year.

### 3. Philosophy

Wellian have a simple, clear philosophy. They don't believe in over-committing to any single asset class or investment. They don't believe in investing into illiquid areas or into things they don't understand. They do believe in the power of genuine diversification and go further than most managers in understanding diversification. They also spend a huge amount of time understanding the hidden risks within funds, fund managers and fund management businesses. They are believers in both passive investing (index tracking) and active investing (stock picking). They regard passive as an active choice and not just as a way of keeping costs down. In some markets, passive is not just cheaper but also better.

### 4. Prosperity

It was important that the manager we selected was established and well resourced. Wellian Investment Solutions is wholly owned by Harwood Wealth Management Group Ltd with over £5.3 bn of Assets Under Influence. HWMG is subject to the highest standards of corporate governance.

### 5. People

People are the key to any successful investment solution. To measure the calibre of people at Wellian we needed to look at their experience, knowledge, previous performance and how they all knitted together. Wellian Investment Solutions is an award-winning team of Multi-Manager investors founded in 2008. The investment team has held the most senior investment roles in leading businesses such as Hargreaves Lansdown, Skandia, Foreign & Colonial and AXA Architas and collectively have more than 100 years of investment experience.



**Richard Philbin** is Chief Investment Officer of Wellian Investment Solutions. He is one of the UK's best-known multi-manager investors and previously AA rated by OBSR, Citywire and S&P. He is also the inventor of the highly regarded and publicised 'Traffic Light Analysis' system of assessing funds. Prior to Wellian, he was AXA Architas Multi Manager's Chief Investment Officer where he chaired the investment committee and helped the company go from a founding business to a top 5 player in the multi manager space in the UK with responsibility for assets of over £7 bn. Previously, Richard was Head of Multi Manager at F&C Investments. Whilst at F&C he launched the successful LifeStyle range of funds. Assets grew from £100m to over £1bn during his tenure.



**Alan Durrant** is Chief Executive Officer of Wellian Investment Solutions. Previous roles for Alan were Group Chief Investment Officer at The National Bank of Abu Dhabi (NBAD) and prior to NBAD he was Head of Asset Management at Gulf Finance House. Before moving to the Middle East, Alan was Chief Investment Officer at Skandia Investment Management and Chairman of the investment committee. During his tenure the firm won the Best MultiManager at the prestigious Money Marketing Awards in three consecutive years. Whilst at Skandia, Alan conceived and launched the popular Global Best Ideas and Asset Allocator ranges. Prior to Skandia, he was at Hargreaves Lansdown for 12 years, latterly as Investment Director.

### Important Investment Notes

This document is for general information purposes only and does not take into account the specific investment objectives, financial situation or particular needs of any particular person. It is not a personal recommendation and it should not be regarded as a solicitation or an offer to buy or sell any securities or instruments mentioned in it. This document represents the views of David Williams IFA Ltd, Valu-Trac Investment Management Limited and Wellian Investment Solutions Limited (part of Harwood Wealth Management Group Ltd) at the time of writing. It should not be construed as investment advice. Full details of the Redlands Funds, including risk warnings, are published in the Key Investor Information documents, the Supplementary Information document and Prospectus, available from [www.valu-trac.com](http://www.valu-trac.com). The proportion of assets held, and the typical asset mix will change over time as the Fund aims, over the medium to long term, for investment risk to be controlled in line with the agreed volatility range. The Investment Manager will use a wide range of assets and asset classes to provide a diversified investment approach and will actively alter the weights of the component parts where necessary to stay within agreed boundaries. The Redlands Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested. Investments in overseas markets may be affected by changes in exchange rates, which could cause the value of your investment to increase or diminish. You should regard your investment as medium-to-long term. Past performance is not a reliable indicator of future results. Every effort is taken to ensure the accuracy of the data used in this document, but no warranties are given. All sources Wellian Investment Solutions Limited and Valu-Trac Investment Management Limited unless otherwise stated. The authorised corporate director of the Fund is Valu-Trac Investment Management Limited, authorised and regulated by the Financial Conduct Authority, registration number 145168. Wellian Investment Solutions Limited is authorised and regulated by the Financial Conduct Authority, firm reference number 476896.



# VT Redlands Equity Portfolio

## May 2021

### Investment Objective

The objective of the VT Redlands Equity Portfolio is to provide capital growth. The Fund seeks to achieve its objective primarily by investing in collective investment vehicles (including for example collective investment schemes, exchange traded funds and investment trusts) which provide exposure to listed equity securities across developed and emerging markets. The Fund may also invest in other collective investment schemes, transferable securities, money market instruments, deposits, cash and near cash. The Fund does not have a specific benchmark. However, the performance of the Fund can be assessed by considering whether the objective for capital growth over the long term is achieved. There is no particular emphasis on any geographical area or industry sector.

### Fund Information

Inception Date	7 June 2017
Number of Holdings	24
Fund Size	£397.1m
Ongoing Charge Figure *	0.60%
Yield	0.71%
3 Year Annualised Volatility	11.0%

\* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2020. This figure may vary from year to year. It excludes portfolio transaction costs. The Funds annual report for each financial year will include detail on the exact charges made.

### Holdings as at 28 May 2021

Augmentum Fintech PLC	2.2%	Invesco Perpetual UK Smaller Cos Inv Tst PLC	0.8%
AXA Framlington Health Z Acc	4.0%	iShares Core MSCI World UCITS ETF USD (Acc)	13.2%
Baillie Gifford Japanese B Acc	2.2%	iShares Core S&P 500 UCITS ETF USD (Acc)	7.6%
Baring Global Dividend Champions F GBP Acc	3.0%	Legal & General UK Mid Cap Index C Acc	3.0%
BlackRock Continental European Income D Acc	3.5%	Legg Mason IF MC European Unconstrained S Acc	5.0%
Brown Advisory Global Leaders B Inc GBP	5.8%	Liontrust Special Situations Fund (I)	1.2%
Fidelity Asian Values PLC	1.5%	Man GLG Japan CoreAlpha Professional Acc C GBP	2.0%
Fidelity China Special Situations PLC	1.5%	MS INVF Asia Opportunity ZH GBP	6.8%
Fidelity Emerging Markets W-Acc	4.5%	Oakley Capital Investments Ltd	0.8%
Fidelity Index Japan P Acc	3.0%	RIT Capital Partners PLC	4.8%
Fidelity Index World P Acc	15.0%	TB Amati UK Smaller Companies B Acc	2.0%
Franklin UK Equity Income W Acc	2.5%		
HgCapital Trust PLC	2.3%	Cash	1.8%

### Performance Summary as at 28 May 2021

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	SINCE INCEPTION DATE 7 JUNE 2017
VT Redlands Equity Portfolio	-0.72%	5.07%	9.26%	25.31%	30.79%	39.55%
UM Equity – International	-0.89%	6.35%	9.19%	22.01%	30.59%	38.53%

Source: Financial Express Analytics & Valu-Trac Investment Management Limited. All figures quoted are on a total return basis with income reinvested.

Past performance is not a reliable guide to future performance

### Commentary

A new position was initiated in Oakley Capital Investments – an investment trust that invests predominantly in companies that are not yet listed on the stock market. The business presently has a number of investments across Europe, focusing on the education, technology and consumer sectors and we believe over the medium to long-term will add significant value to the portfolio. It also trades on a healthy discount to its break-up value. This purchase was funded by reducing allocation to HGC Capital (a fund with similar objectives that trades closer to its net asset value). As at the end of May the fund contained holdings in twenty-four underlying collective investment schemes and remains broadly diversified across the globe with monies invested in a number of different investment styles. Elsewhere, the allocation to Man GLG Japan CoreAlpha was increased at the expense of the Fidelity Japan Index fund although the overall exposure to Japan was reduced over the month.



# VT Redlands Multi-Asset Portfolio

## May 2021

### Investment Objective

The objective of the VT Redlands Multi-Asset Portfolio is to provide capital growth. The Fund seeks to achieve its objective primarily by investing in collective investment vehicles (including for example collective investment schemes, exchange traded funds and investment trusts) which provide exposure to various different asset classes including equities, fixed income securities and assets having absolute return strategies. The Fund may also invest in other collective investment schemes, transferable securities, money market instruments, deposits, cash and near cash. The Fund does not have a specific benchmark. However, the performance of the Fund can be assessed by considering whether the objective for capital growth over the long term is achieved. There is no particular emphasis on any geographical area or industry or economic sector.

### Fund Information

Inception Date	7 June 2017
Number of Holdings	27
Fund Size	£111.1m
Ongoing Charge Figure *	0.81%
Yield	1.09%
3 Year Annualised Volatility	5.2%

\* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2020. This figure may vary from year to year. It excludes portfolio transaction costs. The Funds annual report for each financial year will include detail on the exact charges made.

### Holdings as at 28 May 2021

Aegon Diversified Monthly Inc B Acc	3.8%	Liontrust Sustainable Future Managed 6 Acc	6.5%
AQR Global Risk Parity UCITS C1 GBP	5.0%	North Atlantic Smaller Companies Investment Trust PLC	3.8%
AXA Global Distribution Z Acc	4.1%	Oakley Capital Investments Ltd	3.6%
BH Global Limited GBP	3.3%	Pershing Square Holdings Ltd	1.5%
Chrysalis Investments Ltd	1.9%	RIT Capital Partners PLC	5.9%
Fulcrum Asset Management Income F GBP Acc	2.9%	Round Hill Music Royalty Fund Limited	1.5%
Hermes Absolute Return Credit F GBP Acc Hdg	4.9%	Royal London Sustainable Diversified Trust A Inc	5.0%
Hipgnosis Songs Fund Ltd	4.5%	Ruffer Investment Company Ltd	3.0%
IFSL Brooks Macdonald Defensive Capital C Acc	2.9%	Schroder British Opportunities Trust PLC	1.2%
iShares Physical Gold ETC	1.5%	SEI Liquid Alternat Hdg GBP Wealth A Dist	5.5%
JPM Global Macro Opportunities C Net Acc	5.7%	Third Point Offshore Investors Limited USD	5.8%
Latitude Horizon Fund GBP Acc	3.7%	Troy Trojan O Acc	3.7%
LF Brook Absolute Return GBP Inst Acc	2.5%	Tufton Oceanic Assets Ltd	3.0%
LF Ruffer Total Return C Acc	2.4%	Cash	1.0%

### Performance Summary as at 28 May 2021

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	SINCE INCEPTION DATE 7 JUNE 2017	Source: Financial Express Analytics & Valu-Trac Investment Management Limited. All figures quoted are on a total return basis with income reinvested.
VT Redlands Multi-Asset Portfolio	1.48%	5.83%	9.66%	19.35%	17.80%	19.16%	
Multi Asset Composite Benchmark *	0.08%	3.03%	4.45%	11.08%	11.58%	13.19%	

**Past performance is not a reliable guide to future performance**

\* The Multi Asset Composite Benchmark is a composite benchmark of sectors that includes 60% Financial Express UM Mixed Asset - Balanced and 40% Investment Association UT Targeted Absolute Return.

### Commentary

No new investments were initiated, or existing holdings removed during May, so the twenty-seven holdings that were in the portfolio at the end of April were still present, although there was portfolio activity. Cash flows, performance and reallocation of assets meant the shape of the portfolio did change, although changes were generally small (less than half a percent) and across a number of assets. Cash was allowed to build a little and now rests at just below 1%.



# VT Redlands Property Portfolio

May 2021

## Investment Objective

The investment objective of VT Redlands Property Portfolio is to generate capital growth over the long term. The Fund seeks to achieve its objective primarily by investing in collective investment vehicles which have exposure to physical property and property related assets. The Fund may also invest in other collective investment schemes, transferable securities, money market instruments, deposits, cash and near cash. The Fund does not have a specific benchmark. However, the performance of the Fund can be assessed by considering whether the objective for capital growth over the long term is achieved. There is no particular emphasis on any geographical area or industry or economic sector, other than to hold a minimum of 70% in UK real property assets to maintain qualification for the UK Direct Property sector.

VT Redlands Property Fund invests in assets that may at times be hard to sell. This means that there may be occasions when you experience a delay or receive less than you might otherwise expect when selling your investment. For more information on risks, see the prospectus and key investor information document.

## Fund Information

Inception Date	7 June 2017
Number of Holdings	21
Fund Size	£103.4m
Ongoing Charge Figure *	0.93%
Yield	2.39%
3 Year Annualised Volatility	5.6%

\* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2020. This figure may vary from year to year. It excludes portfolio transaction costs. The Funds annual report for each financial year will include detail on the exact charges made.

## Holdings as at 28 May 2021

Alternative Income REIT PLC	2.4%	Legal & General UK Property I Acc (PAIF)	8.8%
Amundi Luxembourg AM FTSE EPRA Europe Real Estate	3.6%	M&G Feeder of Property Portfolio Sterling I Acc	6.5%
Aviva Investors UK Property 2 GBP Acc	4.0%	Premier Miton Gbl Infrastructure Inc F Acc	3.3%
BMO UK Property Feeder 2 Acc	6.7%	Schroder Real Estate Investment Trust Ltd	2.4%
BNY Mellon Global Infrastructure F Acc	1.5%	SLI UK Real Estate Acc Feeder Inst Acc	9.4%
Cordiant Digital Infrastructure Ltd	3.8%	SPDR Dow Jones Global Real Estate UCITS ETF	3.8%
db x-track FTSE EPR/NRT Dev Eur RE UCITS ETF 1C DR	3.4%	Supermarket Income REIT PLC	1.5%
GCP Student Living PLC	3.5%	Time Investments Commercial Long Income PAIF	9.4%
iShares UK Property UCITS ETF GBP (Dist)	2.5%	TR Property Investment Trust PLC	3.8%
iSharesDevelotedMkts PropYield UCITS ETF USD (Dist)	3.2%	Urban Logistics REIT PLC	4.2%
Janus Henderson UK Property PAIF Feeder I Acc GBP	11.0%	Cash	1.2%

## Performance Summary as at 28 May 2021

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	SINCE INCEPTION DATE 7 JUNE 2017
VT Redlands Property Portfolio	0.94%	3.92%	4.42%	5.89%	2.70%	7.53%
Property Composite Benchmark *	0.59%	3.71%	5.36%	6.36%	2.13%	7.67%

Source: Financial Express Analytics & Valu-Trac Investment Management Limited. All figures quoted are on a total return basis with income reinvested.

**Past performance is not a reliable guide to future performance**

\* The Property Composite Benchmark is a composite benchmark of sectors that includes 75% Investment Association UT Direct Property, 20% AIC IT Commercial Property and 5% Financial Express UM Property International.

## Commentary

With the same twenty one holdings in the portfolio at the end of the month as at the beginning, no new assets were introduced to the portfolio and none entirely redeemed, but this didn't stop portfolio activity. With cash flows and reallocating of assets, exposure to Cordiant Digital Infrastructure was increased to 3.80% (the fund was introduced in February as a 2.00% weight) with the proceeds being funded from reducing the allocation to M&G UK Property. Elsewhere in the portfolio, the weighting in TR Property was increased, as was the allocation to TIME Commercial Long Income. The fund remains broadly diversified across bricks and mortar properties, infrastructure and property securities funds both domestic and overseas.



# VT Redlands Fixed Income Portfolio

## May 2021

### Investment Objective

The objective of the VT Redlands Fixed Income Portfolio is to provide capital growth. The Fund seeks to achieve its objective primarily by investing in collective investment vehicles (including for example collective investment schemes, exchange traded funds and investment trusts) which provide exposure to fixed income strategies and assets. The Fund may also invest in other collective investment schemes, transferable securities, bonds, money market instruments, deposits, cash and near cash. The Fund does not have a specific benchmark. However, the performance of the Fund can be assessed by considering whether the objective for capital growth over the long term is achieved. There is no particular emphasis on any geographical area or industry sector.

### Fund Information

Inception Date	7 June 2017
Number of Holdings	23
Fund Size	£59.7m
Ongoing Charge Figure *	0.61%
Yield	1.88%
3 Year Annualised Volatility	3.6%

\* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2020. This figure may vary from year to year. It excludes portfolio transaction costs. The Funds annual report for each financial year will include detail on the exact charges made.

### Holdings as at 28 May 2021

Allianz Strategic Bond I Acc GBP	5.5%	Lyxor Core FTSE Acturs UK Gilts (DR)UCITS ETF-Dist	1.0%
Artemis Corporate Bond F GBP DIS	8.3%	M&G Emerging Markets Bond I Acc GBP	1.2%
Baillie Gifford Strategic Bond B Acc	5.8%	Man GLG Strategic Bond Class I GBP	1.8%
Blackstone /GSO Loan Financing Ltd	1.2%	Rathbone Ethical Bond Inst Acc	4.5%
db x-track. II Barclays GIAGBd UCITS ETF 2C USD Hgd	5.9%	Real Estate Credit Investments Ltd	2.1%
Hermes Unconstrained Credit F GBP Acc Hgd	6.0%	RM Secured Direct Lending PLC	1.6%
iShares Core Corp Bond UCITS ETF GBP (Dist)	1.8%	Royal London Short Duration Global High Yield Bond Z Acc	3.5%
iShares Global Corp Bond UCITS ETF USD (Dist)	7.9%	Schroder Sterling Corporate Bond Z Acc	4.8%
Janus Henderson Strategic Bond I Acc	5.3%	SPDR Barclays Cap Sterling Corporate Bond ETF	6.5%
JPM GBP Ultra-Short Income UCITS ETF GBP dis	4.7%	Starwood European Real Estate Finance Limited	1.8%
L&G ESG GBP Corporate Bond UCITS ETF	7.0%	Vanguard Total International Bond Index Fund	5.5%
Legal & General Global Inflation LnkD Bd Idx C Acc	5.3%	Cash	1.1%

### Performance Summary as at 28 May 2021

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	SINCE INCEPTION DATE 7 JUNE 2017
VT Redlands Fixed Income Portfolio	-0.24%	0.59%	-1.77%	1.26%	8.37%	6.66%
UM Fixed Interest – Global	-1.07%	-0.35%	-3.90%	-3.26%	7.92%	6.28%
IA Global Mixed Bond	-0.61%	-0.15%	-2.83%	-0.72%	9.77%	8.84%

Source: Financial Express Analytics & Valu-Trac Investment Management Limited. All figures quoted are on a total return basis with income reinvested.

Past performance is not a reliable guide to future performance

### Commentary

In May the number of holdings that constitute the portfolio fell by one as the holding in Jupiter Strategic Bond was removed with proceeds being spent across a number of existing positions. The fund remains broadly diversified though across twenty-three individual holdings. There were some significant changes over the month from an asset allocation perspective – managers with a broad “strategic” remit were cut from 35% to a little over 30%, managers with a large allocation to overseas bonds were also reduced and managers that focused on domestic corporate debt of investment grade quality increased. We allowed the cash position to rise slightly over the month too.