

**SHINING A LIGHT ON THE.....
VT Gravis Clean Energy Fund**

AT A GLANCE

Investment Objective
The investment objective of the VT Gravis Clean Energy Income Fund is to generate income and preserve capital with the potential for capital growth. The fund will aim to meet its objectives by investing primarily in listed equities whose primary activity or exposure is within the clean energy sector. In addition to investing in equities, the sub-fund may also invest in other transferable securities, bonds, collective investment schemes, money market instruments, deposits, cash and near cash. Other than as noted in the policy there is no particular emphasis on any geographical area or industry or economic sector.

Fund Factsheet Link
https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000ZRV1

Management	
Manager Name	Start Date
Will Argent	20 November 2017

FUND PERFORMANCE

Performance from 1st January 2018 to 30th June 2021:

	2018	2019	2020	2021
VT Gravis Clean Energy Income Fund	1.69%	34.29%	27.11%	-1.91%
MSCI World NR	-3.04%	22.74%	12.32%	11.86%

Performance over 12 months, 3 years, and since launch:

	1 year	3 years	Since launch
VT Gravis Clean Energy Income Fund	22.46%	70.49%	70.18%
MSCI World NR	24.37%	45.32%	51.21%

You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

Tracking Error	Active Share	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
19.50	-	41.15	27.60	36.11	9.45	1.60	Blend/Mid

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Volatility Measurements	
3-Yr Std Dev (volatility)	12.60%
3-Yr Mean Return (average)	19.46%

Investment Style Details	
Giant	0.00%
Large	4.75%
Medium	25.51%
Small	11.05%
Micro	0.00%

Top 5 Holdings – 18 Equity Holdings		
Renewables Infrastructure Grp	-	6.33%
Greencoat UK Wind	-	5.62%
TransAlta Renewables Inc	Utilities	5.46%
Clearway Energy Inc Class C	Utilities	5.19%
Atlantica Sustainable Infrastruc...	Utilities	4.85%

Top 5 Sectors	
Utilities	86.92%
Real Estate	6.44%
Industrials	4.91%
Technology	1.28%
Basic Materials	0.45%

Top 5 Regions	
United States	36.88%
Canada	29.59%
United Kingdom	12.19%
New Zealand	10.16%
Germany	3.47%

UPDATE....

We see this as a strategy that will sit in the alternative bucket and could be a good blend with other global strategies. It invests in physical assets across wind, solar and hydro. With the actual businesses engaged in the provision of clean energy, energy efficiency and related themes. It aims to deliver a yield 4.5% and delivered volatility below that of global equities.

We see this as a green strategy that is managed in adherence to a Responsible Investment Statement, that covers impact, ESG, avoidance of controversial activities and includes external oversight.

Long term contracted cashflows are the main part of the portfolio with 73.1% of the portfolio having contracted pricing at known rates. The fund has underperformed this year due to higher valuations on some holdings coming down, they have also taken some profit from some of those stocks that have done well. They currently have around 11% in cash which they are using tactically and they expect this to come down.

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There are 34 holdings but over 1.500 projects which significant diversification across an attractive subset of infrastructure. There is very little commonality with the clean energy index which makes this different.

They are expecting dividends to grow this year and due to the nature of their investments they saw no impact on dividends in 2020.

In summary, this fund has delivered strongly since launch. It is likely to offer something different to other global strategy and is not a replication of the global clean energy index. For investors looking for a blend and something different, then this might be a strategy to consider. We would have this on our watch list.

The source of information in this note has been provided by VT Gravis and is correct as at July 2021. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.