SHINING A LIGHT ON THE……
VT De Lisle America Fund

AT A GLANCE

Investment Objective
The Fund will aim to achieve capital and income growth over the long term (5 years). The Fund will invest primarily (70%) in equities and other investments in America (and may also invest in Canada). The Fund will invest in, predominantly (80%), listed securities, typically common stock and American Depositary Receipts listed on US exchanges, including exchange traded funds.

Inception Date	6th August 2010
Fund Factsheet Link	https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000JRR2

Management	
Manager Name	**Start Date**
Richard de Lisle	6th August 2010

FUND PERFORMANCE

Performance from 1st January 2016 to 31st January 2022:

	2016	2017	2018	2019	2020	2021	2022
VT De Lisle America Fund	56.38%	4.36%	-16.20%	22.09%	13.12%	35.39%	-4.92%
S&P 500	33.55%	11.28%	1.56%	26.41%	14.74%	29.89%	-4.27%

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

	1 year	3 years	Since launch
VT De Lisle America Fund	23.64%	60.57%	481.42%
S&P 500	26.19%	103.68%	495.53%

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
9.78	97.76	102.79	72.32	55.56	0.98	7.45	Value/Small

Volatility Measurements	
3-Yr Std Dev (volatility)	22.11%
3-Yr Mean Return (average)	18.96%

Investment Style Details	
Giant	0.01%
Large	0.82%
Medium	11.32%
Small	14.84%
Micro	70.85%

Top 5 Holdings – 155 Holdings		
FS Bancorp Inc	Financial Services	4.80%
Johnson Outdoors Inc Class A	Consumer Cyclical	3.52%
Build-A-Bear Workshop	Consumer Cyclical	3.38%
YETI Holdings	Consumer Cyclical	2.49%
Winnebago Industries Inc	Consumer Cyclical	2.44%

Top 5 Sectors	
Consumer Cyclical	34.43%
Financial Services	32.92%
Industrials	8.88%
Energy	2.49%
Basic Materials	5.41%

UPDATE….

This was an update on the strategy. Very little has changed. Although the strategy invests in “value” stocks, the team don’t invest in stocks where the re-valuation is based on hope.

Although “growth” stocks have been the winners of the last ten years, the view is that many of these names are overpriced and some of these stocks will be vulnerable to interest rate rises. Although Richard doesn’t necessarily believe there will be big decreases in stock values, investors could see side way moves where they don’t provide any real returns over the next decade.

Fund managers and investors talk about a new paradigm, and how we shouldn’t expect what we have seen in the past repeated. However Richard’s view is that this could be risky for investors. The strategy invests in domestic tourism like, Vale Resorts. These stocks are well run, profitable businesses but priced at recession lows. People still want to go on holiday, and as the economy opens then these benefits will benefit.

Interest rate rises are not a concern for the strategy. Investments within community banks have responded well for the fund, and with further rate rises expected the team are happy for these stocks to run “hot” to take advantage of this.

In summary, the message is unchanged from the previous two meetings we have had. They see this as a counterbalance to those strategies which have performed so well over the last decade. Although this has a “value” bias, these are quality companies delivering strong returns. It is the market that has not recognised this. A shift to value as a style will benefit the strategy, as will a realisation of the opportunities that exist with the holdings they have.

We continue to hold the strategy on our watch list.

The source of information in this note has been provided by VT De Lisle and is correct as of January 2022. 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.