

VT PEF Global Multi-Asset Fund (VT PEF GMAF)

Key Facts

Fund launch date:	25/09/17
Fund type:	UCITS
Fund managers:	Andrew Craig & Roderick Collins
Fund size	£10.2m
IA sector:	IA Flexible Investment
Base currency:	GBP
Valuation point:	12:00 midday London time
Accounting dates:	Final – 31/12 Interim – 30/06
UCITS:	Yes
SIPP & ISA eligible:	Yes
7-day Fund liquidity:	100%
Minimum Investment:	A Class – £100

The investment objective of the Fund is to provide capital growth over the medium to long term. The Fund will aim to meet its objectives by employing two primary investment techniques:

1. True diversification which may include exposure to equities, fixed income, commodities, real estate and infrastructure in different jurisdictions throughout the world, primarily using Exchange Traded Funds.
2. Formula-based trend following.

Performance (% return)

	Apr 2020	2020 YTD	*Since incep.	Q4/18 - Q3/19	Q4/17 - Q3/18	Q4/16 - Q3/17	Q4/15 - Q3/16	Q4/14 - Q3/15
VT PEF GMAF ^[0]	0.3	-6.0	-7.5	3.4	-1.8	No data	No data	No data
Global Equities ^[1]	9.0	-8.0	15.9	7.8	14.4	-	-	-
UK Bonds ^[2]	3.1	10.3	21.2	14.2	0.6	-	-	-
Cash ^[3]	0.0	0.1	1.1	0.7	0.6	-	-	-

Past performance is not necessarily a guide to future performance. *Date of inception of the fund was 25/09/17 and the initial investment in the fund was made on this date.

Performance Analysis Since 25/09/17

Annualised rate of return	-2.9%
Best month	3.6% (Jun '19)
Worst month	-3.2% (Feb '20)
Average month	-0.23%
% Positive months	44%

Charges

Entry & exit charges:	0.00%
Performance charges:	0.00%
Annual management charge:	0.9%
Ongoing charges figure:	1.31% ^[4]
Estimated trading costs:	0.012% ^[5]

Codes

ISIN:	GB00BDZZSM84
SEDOL:	BDZZSM8
MEXID:	WLJKH
CITICODE:	O42K
Bloomberg Ticker:	VTGMAAG
Lipper:	LP68439582

Monthly Performance (% return)

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Total
2017	-	-	-	-	-	-	-	-	-0.5*	1.6	-0.8	0.4	0.7
2018	1.2	-1.5	-1.9	0.4	0.1	-0.7	0.2	-0.4	-0.5	-1.8	-0.4	-1.3	-6.4
2019	0.9	-1.1	1.2	0.8	0.2	3.6	3.0	-1.3	-0.2	-2.2	0.2	-0.6	4.4
2020	-1.3	-3.2	-1.9	0.3									-6.0

*September 2017 was only a partial month, as the fund was launched on the 25th September 2017. Past performance is not necessarily a guide to future performance. Source: Valu-Trac Investment Management Limited

Notes

- [0] A class accumulation shares, net of fees priced at midday UK time, net dividends reinvested. Source: Valu-Trac Investment Management Ltd
- [1] MSCI World Index in Sterling, net dividends reinvested, priced at close of business US time, source: MSCI Inc. The MSCI World Index is a generic portfolio of global equities across all sectors and, as such, is a fair comparison given the Fund is also global and sector agnostic.
- [2] iBoxx GBP Gilts Index, source: Refinitiv
- [3] UK Pound Sterling Overnight Index SONIA, source: Refinitiv
- [4] This figure will reduce if the fund increases in size: £50,000 of fixed costs over £10m = 0.50% but only 0.05% over £100m. We are targeting total cost of ownership of the fund as close as possible to 1%.
- [5] The fund normally only buys and sells positions once a month to keep trading costs as low as possible. This figure was calculated in collaboration with Cantor Fitzgerald and significantly lower than many UK platforms assume.

Monthly Commentary (April 2020)

We sold out of five more “risk” positions when we traded at the beginning of April, details below. This left the fund positioned in only 3 out of our 24 risk silos.

Our only remaining long positions being in US dollar and sterling corporate bond funds and in gold. Having sold out of 21 of our 24 asset classes, the fund has been 85% in cash or cash equivalents for the whole of April.

As I write, this has continued into May. The signals gave us no buy orders when we ran them earlier this week. Despite equity markets having bounced heavily, our signals are telling us to remain defensively position in cash and cash equivalents.

Although our strategy is an exercise in the removal of human emotion when it comes to investment decisions, I confess that I am somewhat relieved that this is where the signals have us positioned at present.

Being out of risk assets and parked so fully in cash implies that we will not capture any potential upside for the time being but I suspect that such a defensive stance could serve us well in the weeks and months ahead.

It will be interesting to see how the well-known phenomenon of “sell in May and go away” plays out this year, that’s for sure.

Buy Position Trades

+ [None]

Sell Position Trades (cont'd)

- Equity / EM Asia
- Fixed Income / EM Government (\$)
- Alternatives / Real Estate - UK
- Alternatives / Real Estate - Europe ex. UK
- Alternatives / Infrastructure - Global

Key Risks

- Counterparty risk: The Fund can conclude various transactions with contractual partners. If a contractual partner becomes insolvent, it can no longer or can only partly settle unpaid debts owed to the Fund.
a wide selection of Exchange Traded Funds which themselves own many hundreds of underlying assets.
- Market Risk: External factors can cause an entire asset class to decline in value which would result in a decrease in the value of investments. The Fund aims to mitigate this risk by investing in all major asset classes in many geographic regions and owning assets which are often negatively correlated.
- Liquidity Risk: adverse market conditions may affect the ability to sell certain assets when necessary. The Fund invests nearly exclusively in large, liquid ETFs so liquidity risk should be significantly lower than in a more conventional actively managed fund investing in single assets.
- Concentration Risk: The Fund seeks to minimise concentration risk by owning

For full details of the Fund's risks, please see the [prospectus](#) which may be obtained from the Fund's [website](#).

Links and further reading

[Application Form](#)

[Prospectus](#)

[Fund Overview](#)

[KIID](#)

Important Information

Plain English Finance Limited has used all reasonable efforts to ensure the accuracy of the information contained in this communication at the date of publication. An English language Prospectus for the VT PEF Global Multi-Asset Fund (the “Fund”) and the Fund's Key Investor Information Document is available on request and via <https://www.plainenglishfinance.co.uk/funds>. Investors should read the Prospectus in conjunction with the Key Investor Information Document and the relevant application form before purchasing shares in the Fund.

Full details of each of the risks and aims for the fund can be found in the Prospectus and the Key Investor Information Document. Past performance is not a reliable indicator of future returns. The value of investments and any income from them may fall as well as rise, and the return may increase or decrease as a result of currency fluctuations. You may not get back the amount of your original investment. Plain English Finance Ltd. does not make any recommendations regarding the suitability of this product for you and the information provided should not be considered as investment or other advice or a recommendation to buy, sell or hold a particular investment. If you are in any doubt about the information in this brochure or our website please consult your financial or other professional adviser.

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