



VT Chelsea Managed Cautious Growth

December 2017

VT CHELSEA
Managed
FUNDS



The Chelsea research team (L to R): James Yardley, Senior Research Analyst; Darius McDermott, Managing Director; Juliet Schooling Latter, Research Director; Ryan Lightfoot-Brown, Research Analyst

Fund information

Launch date	5 th June 2017
Size	£6.7m
Number of holdings	23
Benchmark	IA Mixed Investment 20%–60% Shares
Share class & ISIN	VT Chelsea Managed Cautious Growth A Acc GB00BF0NMV81
Share class & ISIN	VT Chelsea Managed Cautious Growth A Inc GB00BF0NMW98
Indicated yield	1.70%
Income distribution	Half yearly
Initial charge	0%
Ongoing charges figure	1.55% (1.25% until 30 th June 2018 after Chelsea fee rebate)
Payment dates [†]	30 th June, 31 st December

Top 10 holdings

Old Mutual Global Investors Equity Absolute Return Hedged	8.02%
SVS Church House Tenax Absolute Return	7.41%
Henderson UK Absolute Return	6.98%
Cash	6.89%
Fidelity Global Dividend	6.23%
Artemis Global Income	6.09%
Jupiter Absolute Return	5.87%
Jupiter UK Special Situations	5.33%
BlackRock UK Absolute Alpha	5.29%
Fundsmith Equity	5.09%

Data as at 30th November 2017.

[†] Investors may receive payment later, depending upon platform.

VT Chelsea Managed Cautious Growth

aims to produce capital growth over the long term, but with lower volatility than global equities^{††}. The fund has a target weighting of between 40% and 50% in UK and overseas equities,

although it may also invest in assets including bonds, property, gold and targeted absolute return strategies. Exposure to assets will typically be via open-ended funds, investment trusts and exchange traded funds.

Fund commentary The fund was up 0.80% over the past three months.

We remain cautiously positioned and have slightly reduced our weighting to equities (now at 36%). We took advantage of a weakness in infrastructure to add to this area. We also added to specialist property holdings in student accommodation and healthcare. Together these positions now make up around 9% of the fund. These assets should be less economically sensitive and therefore we expect them to increase the diversification of the fund.

Our targeted absolute return funds led by Old Mutual Global Equity Absolute Return and F&C Global Equity Market Neutral had another period of strong performance. The biggest detractor over the period was the Old Mutual Gold & Silver fund. Gold suffered as the likelihood of a US rate rise in December increased. We still see gold and silver as important long-term holdings. The small position we hold acts as an important diversifier and hedge against some potential scenarios. For example, if central banks start accelerating quantitative easing (QE) again.

Performance

Please note, as this fund has recently launched, 1 year performance figures are not yet available

Cumulative performance

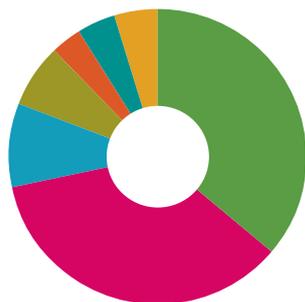
	1 year	3 years	5 years	Since launch
Fund (%)				
Benchmark (%)				

Calendar year performance

	YTD	2017	2016	2015
Fund (%)				
Benchmark (%)				

^{††} Long term is 5+ years. The aim is to have lower volatility than global equities over a rolling five-year period.

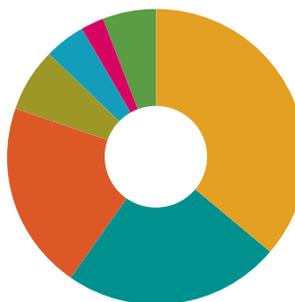
Asset allocation (%)



Equity	36.12%
Targeted Absolute Return	35.69%
Fixed Interest	9.28%
Cash	6.89%
Gold and Silver	3.20%
Alternatives	4.32%
Property	4.50%
Total	100.00%

Correct as at 30th November 2017. Figures may not add up to 100% due to rounding.

Geographical equity allocation (%)



UK	36.30%
Europe ex UK	23.53%
US	20.49%
Asia Pacific ex Japan	7.03%
Emerging Markets ex Japan	4.53%
Japan	2.31%
Other	5.81%
Total	100.00%

Correct as at 30th November 2017. Figures may not add up to 100% due to rounding.

Why invest in VT Chelsea Managed Funds?

- ✓ An easy portfolio. Invest in a range of assets globally with a single buy
- ✓ Chelsea's experienced research team looking after your investments
- ✓ Your portfolio will be adapted to take account of the prevailing market and economic climate
- ✓ You'll get exposure to some investments unearthed by our research team that might normally be hard for individual investors to buy
- ✓ We'll try to access the underlying funds in the cheapest way possible, including some share classes not available to individual investors

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All performance data is sourced from FE Analytics. Every effort is made to ensure the accuracy of any information provided but no assurances or warranties are given. Some performance differences between the fund and the sector average may arise because the fund performance is calculated at a different valuation point from the benchmark.

The VT Chelsea Managed Funds are for investors who prefer to make their own investment decisions, without personal advice.

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