



VT Chelsea Managed Monthly Income

November 2019

VT CHELSEA
Managed
FUNDS



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

Fund information

Launch date	5 th June 2017
Size	£23.59m
Number of holdings	32
Share class & ISIN	VT Chelsea Managed Monthly Income A Acc GB00BFONMS52
Share class & ISIN	VT Chelsea Managed Monthly Income A Inc GB00BFONMT69
Indicated yield	4.70%
Income distribution	Monthly ^{††}
Initial charge	0%
Ongoing charges figure	1.03%
Payment dates ^{††}	Monthly, last day of the month

Top 10 holdings

Man GLG UK Income	7.08%
BlackRock Continental European Income	5.12%
Fidelity Global Enhanced Income	4.43%
Nomura Global Dynamic Bond (GBP Hedged)	4.09%
Schroder Asian Income Maximiser	3.98%
Sequoia Economic Infrastructure Fund	3.87%
Man GLG Strategic Bond Fund	3.78%
M&G Global Dividend	3.58%
Target Healthcare REIT	3.57%
Supermarket Income REIT	3.43%

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aims to produce monthly income with some capital growth over the long term, but with lower volatility than global equities[†]. The fund has a target weighting of between 40% and 60% 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 Over the autumn, fears over the global economy eased. The fund was up 3.07%, well ahead of the IA sector average, which rose 1.19%.[†] For UK investors the most important event was Boris Johnson's negotiation of a new withdrawal agreement with the European Union and the subsequent decision to call a general election.

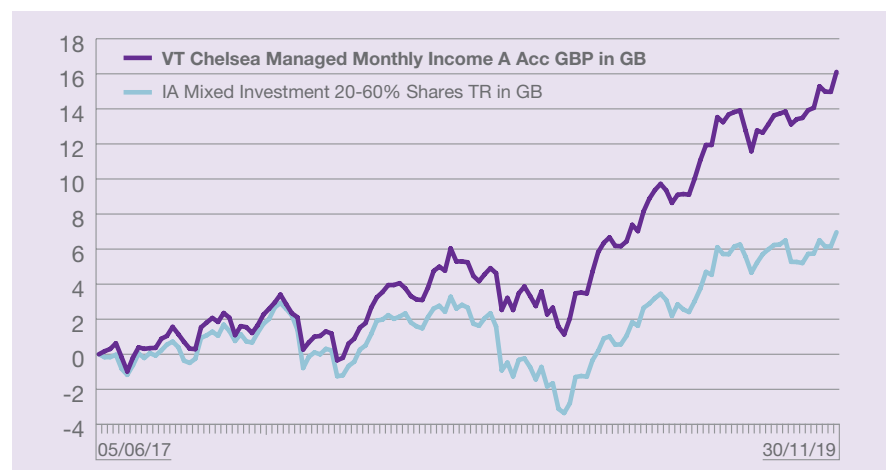
Markets breathed a sigh of relief at the signing of the agreement which now makes a 'no deal' exit from the EU much more unlikely. The result was a strong rally for UK assets and the pound. Smaller companies and more domestically-focused businesses did better than the big multi-nationals who get most of their profits from overseas.

Montanaro UK Smaller Companies Investment Trust was the strongest

performer in the period up 25.77%. Other strong performers were Montanaro UK Income, Aberdeen Standard Equity Income trust and Man GLG UK Income. All these funds benefitted from the recovery in sentiment towards UK domestic businesses. Our weakest performer was the Global X Silver Miners ETF which fell back after having been the top performer in the previous three months.^{††}

All eyes have now turned to the upcoming UK general election. By the time you read this you will probably know the result. Domestic stocks are expected to rally on a Conservative majority which would at least provide certainty for businesses after years of gridlock. Over the past few months we have been adding to our UK exposure.

Performance since launch (%)**



Cumulative performance

	1 year	3 years	5 years	Since launch
Fund (%)	12.09	-	-	16.11
IA Sector (%)	7.74	-	-	6.96

Calendar year performance

	YTD	2018	2017	2016
Fund (%)	14.26	-0.96	-	-
IA Sector (%)	10.48	-5.10	-	-

Past performance is not a reliable guide to future returns.

[†]FE Analytics 31/08/2019-31/11/2019 VT Chelsea Managed Cautious Growth vs IA Mixed Investment 20-60% Shares total return in sterling

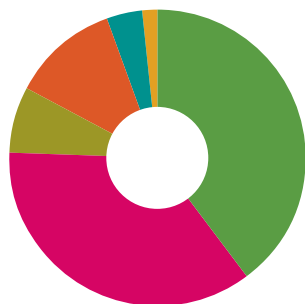
^{††}FE Analytics 31/08/2019-31/11/2019 total return in sterling

All data correct as at 30th November 2019.

[†]Long term is 5+ years.

^{††}Investors may receive payment later, depending upon platform.

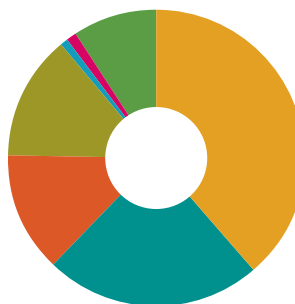
Asset allocation (%)



Equity	39.74%
Fixed Interest	36.05%
Targeted Absolute Return	0.00%
Cash	7.18%
Property	11.68%
Alternatives	3.86%
Gold and Silver	1.49%
Total	100.00%

Data correct as at 30th November 2019. Figures may not add up to 100% due to rounding.

Geographical equity allocation (%)



UK	38.80%
USA	23.45%
Europe ex UK	13.29%
Asia Pacific ex Japan	13.40%
Japan	0.96%
Emerging Markets ex Asia	1.05%
Other	9.04%
Total	100.00%

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- ✓ 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
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- ✓ 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 IA Sector.

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

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