



# VT Chelsea Managed Cautious Growth

September 2018

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 <sup>th</sup> June 2017
Size	£8.4m
Number of holdings	24
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	1.52%
Income distribution	Half yearly <sup>†</sup>
Initial charge	0%
Ongoing charges figure	1.39%
Payment dates <sup>†</sup>	30 <sup>th</sup> June, 31 <sup>st</sup> December

## Top 10 holdings

Cash	7.59%
Old Mutual Global Equity Absolute Return	6.85%
Fidelity Global Dividend	6.50%
Fundsmith Equity	6.09%
Janus Henderson UK Absolute Return	5.53%
Artemis Global Income	5.40%
Investec Global Special Situations	5.08%
SVS Churchouse Tenax Absolute Return Strategies	4.97%
Vontobel TwentyFour Absolute Return Credit	4.53%
Jupiter UK Special Situations	4.37%

Data as at 31<sup>st</sup> August 2018.

<sup>†</sup> 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<sup>††</sup>. 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.

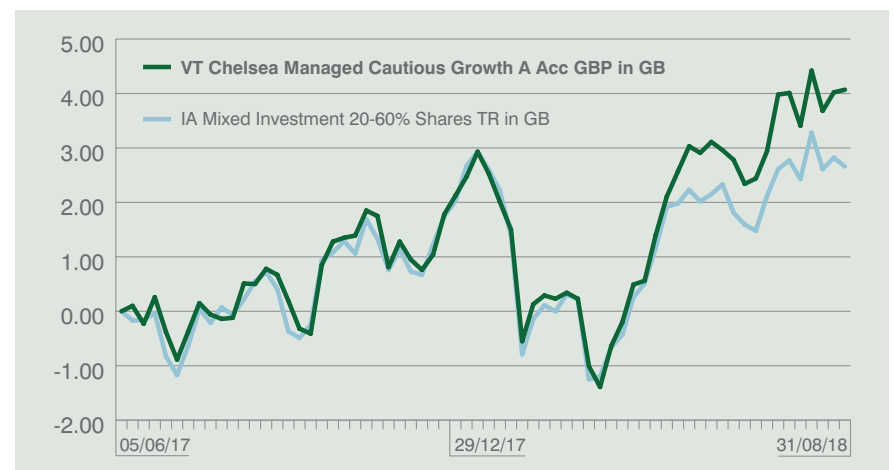
**Fund commentary** The fund was up 1.52% vs 0.76% for its benchmark over the past three months.\* The period was characterised by the ongoing strength of the US stock market and US dollar. Markets continue to worry about the escalation of trade wars but strong earnings continued to push the US stock market up. Our holdings in Fundsmith Equity, Fidelity Global Dividend and Investec Global Special Situations, all of which have positions in the US, performed well over the period.

The standout fund was Jupiter European which was up over 10%\*,

thanks to large increases in the value of its two biggest holdings. This was achieved despite the relatively lacklustre performance of European equities.

The continuing strength of the US dollar also contributed to the underperformance of emerging markets. Our small position in Janus Henderson Emerging Markets was down 3.29%\*. After a strong performance in the prior three months Old Mutual Gold & Silver was the biggest faller in the period, another fund which suffered from the strength of the dollar.

## Performance since launch (%)\*



## Cumulative performance

	1 year	3 years	5 years	Since launch
Fund (%)	3.60	-	-	4.07
Benchmark (%)	2.14	-	-	2.66

## Calendar year performance

	YTD	2017	2016	2015
Fund (%)	1.91	-	-	-
Benchmark (%)	0.63	-	-	-

\* Source for all performance data: FE Analytics on a bid-to-bid basis total return with income reinvested to 31/08/2018, benchmark is the IA Mixed Investment 20-60% Shares

<sup>††</sup> Long term is 5+ years. The aim is to have lower volatility than global equities over a rolling five-year period.

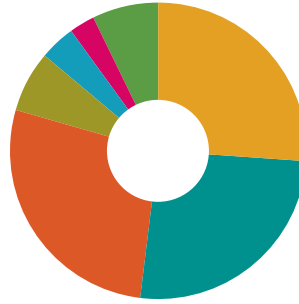
## Asset allocation (%)



Equity	38.12%
Targeted Absolute Return	31.77%
Fixed Interest	11.38%
Cash	7.62%
Gold and Silver	2.93%
Alternatives	3.51%
Property	4.67%
Total	100.00%

Correct as at 31<sup>st</sup> August 2018. Figures may not add up to 100% due to rounding.

## Geographical equity allocation (%)



UK	26.36%
Europe ex UK	25.70%
USA	27.45%
Asia Pacific ex Japan	6.74%
Emerging Markets ex Asia	3.97%
Japan	2.76%
Other	7.02%
Total	100.00%

Correct as at 31<sup>st</sup> August 2018. 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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