



VT Chelsea Managed Monthly Income

November 2018

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, Research Analyst

Fund information

Launch date	5 th June 2017
Size	£16.3m
Number of holdings	26
Benchmark	IA Mixed Investment 20%-60% Shares
Share class & ISIN	VT Chelsea Managed Monthly Income A Acc GB00BF0NMS52
Share class & ISIN	VT Chelsea Managed Monthly Income A Inc GB00BF0NMT69
Indicated yield	4.73%
Income distribution	Monthly [†]
Initial charge	0%
Ongoing charges figure	1.21%
Payment dates [†]	Monthly, last day of the month

Top 10 holdings

BlackRock Continental European Income	6.19%
Man GLG UK Income	5.95%
Schroder Asian Income Maximiser	5.82%
Artemis Global Income	5.70%
Fidelity Global Enhanced Income	5.19%
Cash	4.89%
Jupiter Strategic Bond	4.34%
M&G Global Dividend	4.28%
Target Healthcare REIT	4.13%
Sanlam Strategic Bond	4.09%

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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 The fund returned -1.58% versus -3.29% for its benchmark to the end of November.* Subsequently during December the fund returned -1.90% versus a fall of -2.48% for its benchmark.^ It was a difficult period for equity markets across the world. The impact of higher US interest rates and fears of lower global growth hit market sentiment. US tech stocks were finally knocked back after an incredibly strong run. Our relatively cautious positioning enabled the fund to significantly outperform the market falls in October and November.

Our bucket of alternative investment trusts was particularly beneficial and continued to aid performance and adds diversification. Four of these trusts

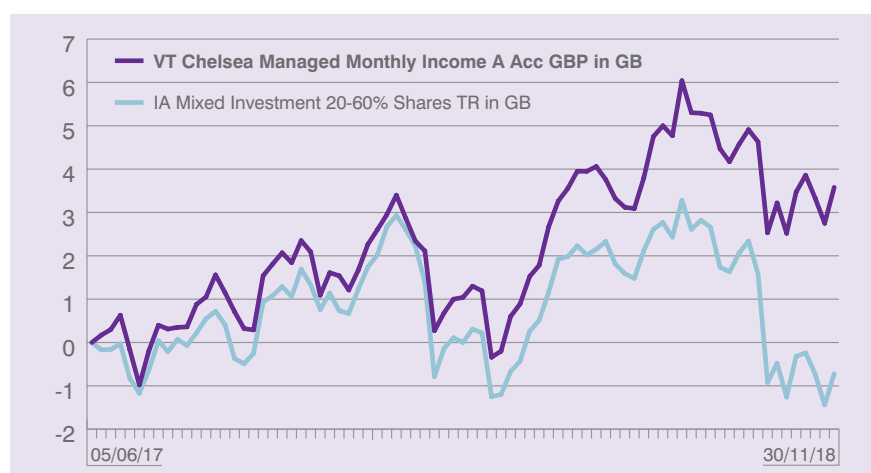
delivered a positive total return over the period.

Fund selection also helped performance. Premier Global Infrastructure Income and Fidelity Global Enhanced income both produced a positive return despite heavy falls in global stock markets.

The Lindsell Train investment trust did well once again and has been by far our most successful investment. We have now taken profits and sold our holding after the trust rose over 50% from our initial purchase in September of last year.**

Finally we took advantage of the fall in the UK market to add a new position in Montarnao UK Income which invests mostly in small and mid cap stocks.

Performance since launch (%)*



Cumulative performance

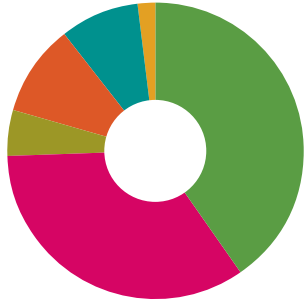
	1 year	3 years	5 years	Since launch
Fund (%)	1.88	-	-	3.58
Benchmark (%)	-1.69	-	-	-0.72

Calendar year performance

	YTD	2017	2016	2015
Fund (%)	0.96	-	-	-
Benchmark (%)	-2.68	-	-	-

*FE Analytics 31/08/2018-30/11/2018 benchmark is the IA Mixed Investment 20-60% Shares return in sterling terms. Dealing to dealing on a bid to bid basis. ^ FE Analytics 30/11/2018-31/12/2018 benchmark is IA Mixed Investment 20-60% Shares. Total return in sterling terms. **FE Analytics. Total return in sterling terms. Dealing to dealing on a bid to bid basis. 08/09/2017 – 03/10/2018.

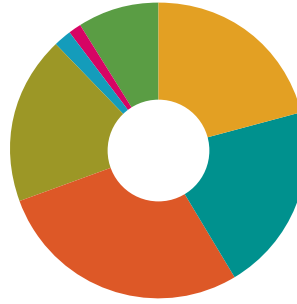
Asset allocation (%)



Equity	40.37%
Fixed Interest	34.31%
Targeted Absolute Return	0.00%
Cash	4.89%
Property	9.93%
Alternatives	8.77%
Gold and Silver	1.72%
Total	100.00%

Correct as at 30th November 2018. Figures may not add up to 100% due to rounding.

Geographical equity allocation (%)



UK	21.10%
USA	20.34%
Europe ex UK	28.06%
Asia Pacific ex Japan	18.54%
Japan	1.87%
Emerging Markets ex Asia	1.27%
Other	8.81%
Total	100.00%

Correct as at 30th November 2018. Figures may not add up to 100% due to rounding.

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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
- ✓ 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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