

VT Downing Global Investors Fund



August 2021 Commentary

The price of the F share class accumulation units in the VT Downing Global Investors Fund went from 166.1043 pence to 174.3060 pence during the month.

The Organisation for Economic Co-operation and Development (OECD) published figures this month that highlight quite how strongly the tide is beginning to turn for the global economy despite East/West trade tensions (at a political level), resurgent Covid infection rates, defeat in Afghanistan, and other recurring frets. These figures show Australia's exports rose 10% between the first and second quarters, Brazil's by nearly 30%, and Russia's by nearly 31%. The common link is...commodities! The stuff at the bottom of the economic food chain that everything is made from. These three commodity producing nations are benefitting from a combination of increasing prices, limited supply, and strong demand. That, dear reader, is Nirvana from an economic perspective. Indeed world trade really is booming. Figures published by the CPB Netherlands Bureau for Economic Policy Analysis show that global exports are now at an all-time high. Noticeably higher on a charted basis than they were in January 2020 just before Covid hit home, when the global economy was expanding at a stronger rate than in living memory.

And where are we in the economic cycle? At the beginning in our view. The 30-year US treasury rate stands at around 1.93%.

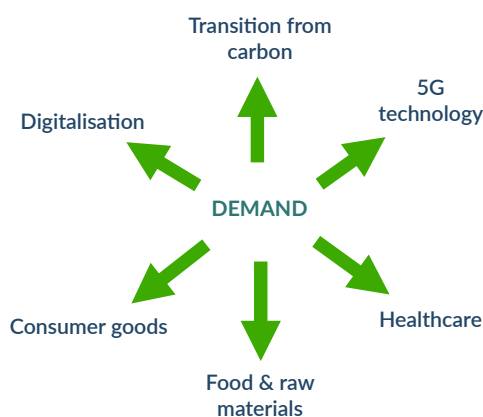
Opinions expressed represent the views of the fund manager at the time of publication, are subject to change, and should not be interpreted as investment advice.

About the fund

The VT Downing Global Investors Fund is a thematically invested fund focused on the needs and wants of the growing middle-class population.

We believe this population is a homogeneous borderless group, showing a single set of demands and aspirations. Currently numbering around 3.3 billion, we believe the global middle-class will be closer to 5.3 billion at the end of this decade.

That is a needle-moving demographic to be engaged with that will drive our six key themes:



Distribution information*						
Period end	Ex Dividend	Payment date	A Acc (GBp)	A Inc (GBp)	F Acc (GBp)	F Inc (GBp)
Dec-20	31/12/2020	26/02/2021	0.0000	0.0000	0.5239	0.4315
Jun-21	30/06/2021	31/08/2021	0.0000	0.0000	0.8949	0.7910

	Cumulative performance (%)					
	1m	3m	6m	YTD	1y	Since Launch**
VT Downing Global Investors F Acc	4.94	12.38	13.98	14.41	34.79	74.31
IA Global TR Index	3.40	7.79	14.36	14.70	26.45	62.58
Quartile Ranking	1	1	3	3	1	1

Discrete performance (%)	
	31/08/2020 - 31/08/2021
VT Downing Global Investors F Acc	34.79
IA Global TR Index	26.45
Quartile Ranking	1

* Distributions are subject to change and should not be utilised as a basis for an investment decision.

** 24 March 2020

Please note that past performance is not a reliable indicator of future results.



Fund Manager
Anthony Eaton

Anthony joined Greig Middleton in 1991 and was appointed a director in 1996. He moved to JM Finn & Co in 2001 and became lead manager on the CF JM Finn Global Opportunities Fund in 2005 where he returned a 10.4%* compound annual growth rate through to August 2019 when it was sold to Thornbridge.

He has consistently applied an evolutionary strategy over the past 15 years as the global middle-class phenomenon has gained momentum. His investment process focuses on producing compounding returns, with a view to generating growth over the long-term.

* MI Thornbridge Global Opportunities Fund August 2019 factsheet.



Awarded on 17 July 2021



Anthony's fund is 3 Diamond rated, defaqto 2021

Investment strategy

We use pattern hunting strategies to identify areas of economic activity attracting capital. We buy equity stakes in businesses that supply the needs and wants of the expanding global middle class population. We seek to invest in the leading companies within any business grouping we identify.

Liquidity

Our top-down conviction primarily leads to larger capitalisation businesses and aims to avoid undue exposure to any single factor. We balance defensive and cyclical stocks and sectors depending on where we are in the business cycle.

Investment objective

The fund aims to achieve capital growth and income over the long term (5+ years) across global markets.

It will invest at least 70% in equities globally with up to 20% invested in higher risk emerging markets.

The fund will invest in any geographic, industry or economic sector on merit and weightings in these will vary with circumstances.

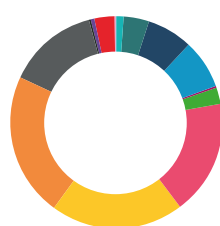
Portfolio summary

As at 31 August 2021

Top 5 holdings

	% of fund
Ivanhoe Mines Ltd	1.29
SITC International Holdings Co Ltd	1.22
Bollore SE	1.05
Alphamin Resources Corp	0.83
Itochu Corp	0.82

Portfolio by sector



1.18%	Cash	20.38%	Industrials
3.95%	Communications	21.77%	Information technology
6.94%	Consumer discretionary	13.82%	Materials
7.50%	Consumer staples	0.51%	Property
0.40%	Energy	0.41%	Preference shares
2.33%	Financials	3.21%	Real estate
17.57%	Healthcare	0.03%	UK equities

Source: Valu-Trac Investment Management Limited.

Key facts As at 31 August 2021

Structure

London listed Open Ended Investment Company (OEIC), established as a "UCITS scheme".

Launch date

24 March 2020 at 100.0000p per unit

Fund size

£45.43m (A & F share classes combined)

Share price

Class A 117.9130p (Acc)

Class A 100.0000p (Inc)

Class F 174.3060p (Acc)

Class F 153.1945p (Inc)

Number of company holdings

220

Liquidity

Daily pricing and daily dealing

Sector: IA Global

Minimum initial investment

Class A: £1,000 lump sum

Class F: £1,000,000 lump sum

ISIN & Sedol Codes:

Class A Accumulation: GB00BHNC2499 / BHNC249

Class A Income: GB00BHNC2507 / BHNC250

Class F Accumulation: GB00BHNC1N11 / BHNC1N1

Class F Income: GB00BMQ57900 / BMQ5790

ISA Eligible: Yes

Contact details

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Authorised Corporate Director

Valu-Trac Investment

Management Ltd

Orton, Moray

IV32 7QE

Tel: +44 (0) 1343 880 217

www.valu-trac.com

Fund charges

Initial charge: 0%

Annual management charge:

Class A: 0.75% per annum

Class F: 0.60% per annum

Ongoing charges*

Class A: 0.92%

Class F: 0.77%

How to apply:

Telephone +44 (0)1343 880 217 or

visit: www.valu-trac.com/administration-services/clients/downing/

Also on the following platforms:

Aegon

AJ Bell

Aviva

Canada Life International

FNZ

Hargreaves Lansdown

Hubwise

Interactive Investor

James Brearley

Old Mutual

Raymond James

Transact

Zurich

We are currently working with other platforms so please let us know if yours is not listed above.

* **Please note:** The ongoing charges figure is based on expenses and the net asset value as at 16 April 2021. This figure may vary from year to year. It excludes portfolio transaction costs.

The Investment Manager of the fund has undertaken to absorb any costs that would otherwise cause the fund to have ongoing charges in excess of 1%.

www.downingglobalinvestors.com

Risk warning: Your capital is at risk. Investments into this fund should be held for the long term (+5 years). The value of your investment and income derived from it can fall as well as rise and investors may not get back the full amount invested. Values may be affected by fluctuations in currency exchange rates and may cause the value of your investment to go up and down. In addition, investments in emerging markets or less developed countries may face more political, economic or structural challenges than developed countries and your money is at greater risk. Past performance is not a guide to future returns. Please refer to the latest Full Prospectus and KIID before investing; your attention is drawn to the risk, fees and taxation factors contained therein.

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