

THE VT PRICE VALUE PORTFOLIO

Focus

The VT Price Value Portfolio is an open-ended UCITS fund incorporated in the UK. The fund's objective is to deliver attractive long term returns.

Investment Philosophy

The fund seeks to invest with specialist 'value' equity managers internationally on an unconstrained basis. The fund also seeks to invest into listed businesses of exceptional quality trading at undemanding multiples. The fund endeavours to invest according to the time-honoured principles of 'value' investing developed by Benjamin Graham.

Fund Facts

Investment Manager	Price Value Partners
Launch Date	16 June 2015
Share Classes	A, B
Currency Classes	GBP, USD, EUR
Dealing, Valuation	Daily 12:00p.m. GMT
Management Fees	A: 0.75% B: 0.50%
ISIN Codes	A £ Acc: GB00BWZMTX09 A £ Inc: GB00BD8PLW60 A \$ Acc: GB00BWZMTY16 A € Acc: GB00BWZMTZ23 B £ Acc: GB00BWZMV016 B £ Inc: GB00BD8PLY84 B \$ Acc: GB00BWZMV123 B € Acc: GB00BWZMV230
Minimum Investment A	£1000 / \$1000 / €1000
Minimum Investment B	£1M; \$1M; €1M

(Variations in historic performance shown by the different currency share classes of the fund relate solely to foreign exchange translation effects, as the underlying holdings are identical.)

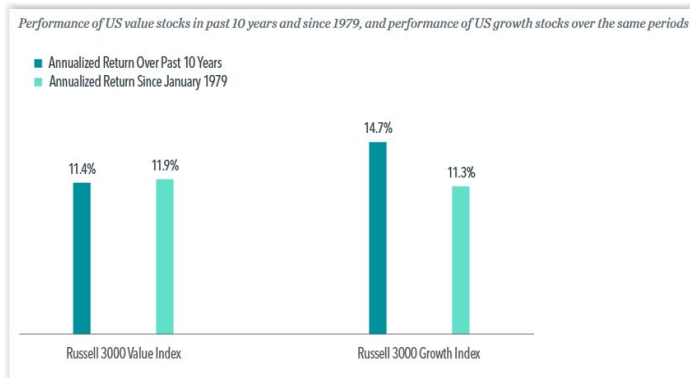
Factsheet as at 31 January 2020

Investment Commentary

The GBP A class of the fund recorded a loss of 2.12% for the month of January 2020. This brings the cumulative return of the fund in GBP from inception in June 2015 to 43.94%. The latest net asset value of each of the fund's share classes can be found [here](#).

Rising fears about the economic impact of the new coronavirus impacted on stock markets throughout the world in January. China decided to close its equity markets throughout the last week of the month by extending the Lunar New Year holiday. Without making light of the human cost of what could become a pandemic, we suspect that the coronavirus is likely to become a transient worry for equity markets. We reiterate, however, that we have no direct exposure to Chinese stocks, primarily on valuation grounds, nor is that posture likely to change in the near to medium term.

There are currently a number of 'conventional wisdoms' circulating among the minds of investors in the context of value investing. Among them: that value "is a bet against technology"; that the rise of Big Data "is leading to more value traps" (amongst companies that show no signs of benefiting from the data revolution); that the world has changed and that "it's different this time"; that "too many people are practising value investing" (which seems, just from an anecdotal perspective, a wildly inaccurate description of investor positioning); and that there are few friends for the beleaguered commodity sector.

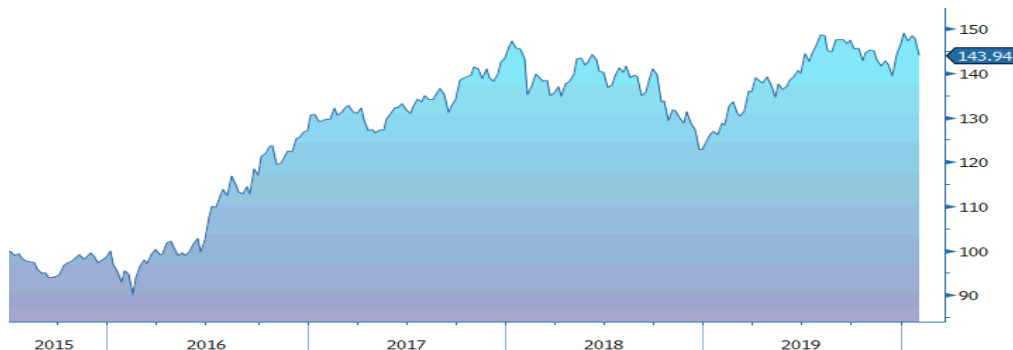


As the charts above indicate, the 'death' of value investing has been somewhat overstated. As Dimensional Fund Advisors point out, the annualised performance of value stocks – at least in the US – has been almost as high (+11.4%) over the last 10 years as it has been since 1979 (+11.9%). The really striking phenomenon

Performance History

Period	GBP A Share Class
1 Month	-2.12%
Year-to-date	-2.12%
Since inception (16.06.2015)	43.94%

The fund is managed independently of any benchmarks. Chart source: Bloomberg LLP. Past performance is not necessarily a guide to future returns.



THE VT PRICE VALUE PORTFOLIO

Geographic Exposure*

Country	Allocation	Country	Allocation
Japan	30%	Europe	16%
Vietnam	11%	UK	11%
US	9%	Australia	7%
Canada	6%	Other	4%
Cash	6%		

Sector Exposure*

Sector	Allocation	Sector	Allocation
Commodities	26%	Industrials	23%
Consumer	14%	Financials	10%
Technology	9%	Real Estate, Infrastructure	8%
Utilities	3%	Other	1%
Cash	6%		

Major Holdings*

Samarang Japan Value	19.8%
Halley Asian Prosperity Fund	18.3%
Argos Argonaut Fund	7.9%
Ramelius Resources	6.6%
Vietnam Value and Income	5.7%
Wheaton Precious Metals	5.6%
Loews Corp	4.9%
Seaboard Corp	4.2%
Boliden AB	4.1%
Yara International	3.6%

Fund Metrics*

Price to earnings ratio	12.9x
Price to book ratio	1.3x

*as at 31 January 2020

Important Information

Past performance is not necessarily a guide to future returns. The value of investments and the income from them may go down as well as up and is not guaranteed. An investor may not get back the amount originally invested. Price Value Partners Ltd does not give you investment advice so you will need to decide if an investment is suitable for you. Before investing in the fund please read the Key Information Document and Prospectus (and take particular note of the risk factors detailed therein). If you are unsure whether to invest you should contact a financial advisor. We have taken all reasonable steps to ensure that the above content is correct at the time of publication. However, markets are volatile and the portfolio may change at any time. If you no longer wish to receive these commentaries, please let us know and we will remove you from our distribution list, which is opt-in exclusively. The information above does not constitute investment advice or make any recommendation.

Investment Commentary (continued)

the last decade has been the outperformance of growth stocks relative to their post-1979 annualised average: of 14.7% versus a historic return of 11.3%. We make no prediction as to when these trends might mean revert – or even if they will indeed do so. Suffice to say we will continue to focus on company valuations on a bottom-up basis, and from a geographically unconstrained palette.

As Dimensional make clear, however, when investors migrate from growth to value, the value premium can turn around quite quickly after a sustained period of relative underperformance. As their charts indicate below, on 31 March 2000, growth in the US market had outperformed US value over the prior year, prior 5 years, prior 10 years and prior 15 years. As of 31 March 2001 – just one year and one market swing later – value stocks had regained the advantage over every one of those periods.



One of our highest conviction holdings, Seaboard, was our worst performing holding, falling 9% over the month. It has been a laggard in terms of performance over the last couple of years as margins in pork production have fallen. The Bresky family have used this time to acquire some of their competitors – thereby taking advantage of the ebbs and flows of industry. Likewise, we'll add a bit more to our position in Seaboard which continues to generate strong cash-flow across the firm despite the tight margins in their pork subsidiary. CMC and Ramelius both returned 6.5% for the month and, given their underlying financials, we expect further growth as more investors recognise the strength of their earnings and robustness of their balance sheets.

Fund Platforms

The fund is available on the following platforms:

AJ Bell	Allfunds
Alliance Trust	Ascentric
Aviva	Brewin Dolphin
Co-Funds	Hargreaves Lansdown
James Hay	Novia
Nucleus	Old Mutual Wealth
Stocktrade	TD Direct
Transact.	