

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.)

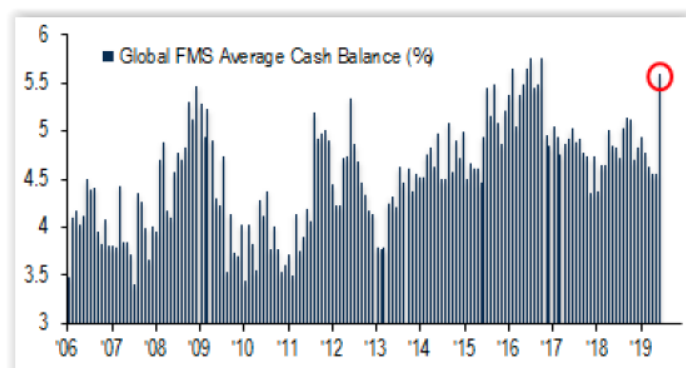
Factsheet as at 28 June 2019

Investment Commentary

The GBP A class of the fund recorded a gain of 2.20% for the month of June 2019. This brings the cumulative return of the fund in GBP from inception in June 2015 to 40.01%. The latest net asset value of each of the fund's share classes can be found [here](#).

While the jaw-jaw associated with tariff wars raged on, the middle of June saw the release of the latest BofA Merrill Lynch Global Fund Manager Survey, with some intriguing statistics. 179 asset managers controlling \$528 billion in assets participated. One striking takeaway was that the June survey was the most bearish survey of investor confidence since the Global Financial Crisis. Another, shown below, was that average (uninvested) cash balances saw their biggest m-o-m jump for 8 years.

Biggest monthly jump in fund manager cash levels since August 2011



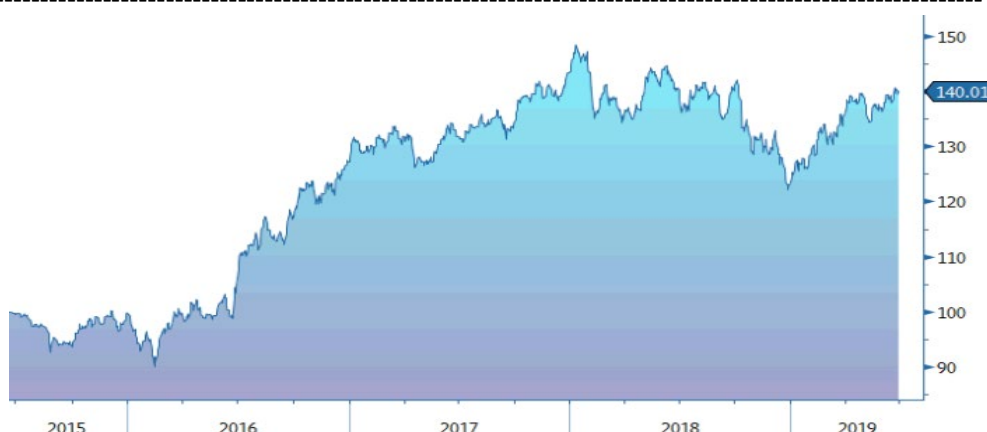
Source: BofA Merrill Lynch Global Fund Manager Survey, June 2019

Respondents' pessimism was driven by concerns over trade wars and a looming recession, and by the apparent impotence of central banks' monetary policy in stimulating reflation. The survey also reported the second largest drop in overall equity allocations in its history (the largest having been in August 2011, during the US debt ceiling crisis).

While we endeavour not to be led too far astray by macro developments, it is tempting to view such pessimism as something of a contra-indicator. BofA Merrill Lynch themselves incline towards this view. From a 10-year average of 4.6%, fund manager

Performance History

Period	GBP A Share Class
1 Month	2.20%
Year-to-date	13.82%
Since inception (16.06.2015)	40.01%



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

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Geographic Exposure*

Country	Allocation	Country	Allocation
Japan	29%	Vietnam	18%
Europe	22%	Canada	9%
US	11%	Malaysia	2%
Australia	4%	Other	3%
Cash	2%		

Sector Exposure*

Sector	Allocation	Sector	Allocation
Industrials	27%	Consumer	16%
Financials	10%	Commodities	23%
Technology	9%	Real Estate, Infrastructure	10%
Utilities	1%	Other	2%

Major Holdings*

Halley Asian Prosperity Fund	19.1%
Samarang Japan Value	18.6%
Argos Argonaut Fund	7.4%
Vietnam Value & Income Fund	6.2%
Loews Corp	5.1%
Yara International	4.9%
Wheaton Precious Metals	4.7%
Seaboard Corp	4.4%
Boliden AB	4.2%
Ramelius Resources Ltd	4.0%

Fund Metrics*

Price to earnings ratio	12.4x
Price to book ratio	1.3x

*as at 28 June 2019

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)

average cash levels now stand at some 5.6% of portfolio assets. Whenever the survey's average cash level rises above 4.5%, a contrarian 'buy' signal is generated for equities.

The fund reduced its cash position during the month – but that was driven by changes in valuations of our favoured holdings as opposed to a shift in our outlook – which remains relatively bullish when we look at the valuations of our underlying companies. The share price of Ramelius Resources corrected during June, falling by 22%. It is never nice to see price declines in any of our positions. The trigger for the correction was an update on the "life of mine" of the firm. The new plan now guides for 5 years of production of over 200oz a year, with current margins of AUD700 an ounce. The firm has cash of over AUD100m as at end March 2019, zero debt, and is guiding to generate cash-flow from operations of c. AUD125m, offering a CFO yield of c. 25%. We have no idea why other investors were selling on the back of this news and we took advantage by adding another 50bps to our position. The share price has subsequently recovered by c. 14% since the end of June and we anticipate higher returns as cash-flow operations continue to compound strongly.

During June, the Federal Reserve decided to hold interest rates at c. 2.25% but signalled that their next move may be lower and not higher by concluding that inflation was running below their objective. The dollar fell in response, shifting sentiment in favour of some of our commodity investments. Our best performing allocations for the month were Yara International (+10.1%), Boliden (+9.8%) and Wheaton Precious Metals (+9.4%). These firms are all operating well at current commodity prices so we don't require higher prices to ensure strong book value compounding. However, the strong dollar over the last 25 months has arguably been a reason why these positions haven't seen their share prices react to underlying cash-flow growth. If the dollar continues to weaken, we expect further share price appreciation.

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.	