

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

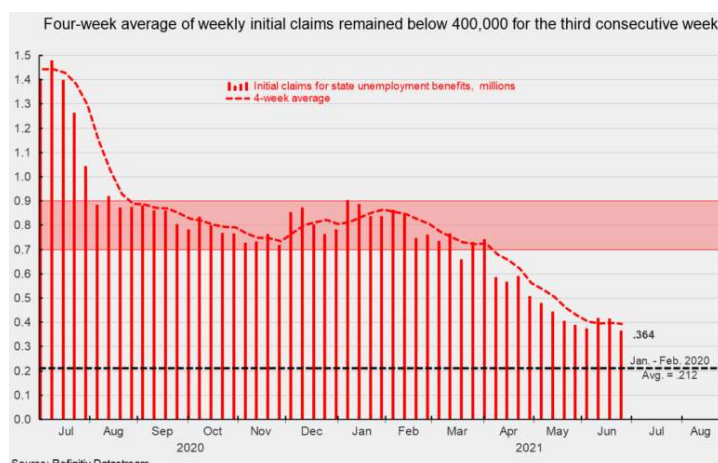
Investment Manager	Price Value Partners
Launch Date	16 June 2015
Share Classes	A, B
Currency Classes	GBP, USD, EUR
Dealing, Valuation	Daily 12:00p.m. GMT
Management Fees	A: 0.75% B: 0.50%
ISIN Codes	A £ Acc: GB00BWZMTX09 A £ Inc: GB00BD8PLW60 A \$ Acc: GB00BWZMTY16 A € Acc: GB00BWZMTZ23 B £ Acc: GB00BWZMV016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

Factsheet as at 30 June 2021

Investment Commentary

The GBP A class of the fund recorded a loss of 2.22% for the month of June 2021. This brings the cumulative return of the fund in GBP from inception in June 2015 to 65.24%. The latest net asset value of each of the fund's share classes can be found [here](#).

364,000 Americans claimed for state unemployment insurance in the last week of June.



Despite intense government employment support packages, it took 12 months for the weekly US initial jobless claims to fall back below the previous 25-year high of 665m in March 2009. US Federal Reserve Chairman Jay Powell commented:

"We continue to expect that it will be appropriate to maintain the current zero to one-quarter percent target for the federal funds rate until labor market conditions have reached levels consistent with the committee's assessment of maximum employment and inflation has risen to 2% and is on track to moderately exceed 2% for some time."

Elsewhere, lumber prices have fallen from their peak. Lumber futures rose from \$500 in October 2020 to ~\$1700 in May 2021 then fell back to \$750 by end June. Robert Armstrong at the Financial Times comments:

"Rising lumber prices have been everyone's favourite example of what results from clogged pandemic supply chains and the booming post-virus economy. They left other fast-rising commodities prices in their (saw)dust."

Performance History

Period	GBP A Share Class
1 Month	-2.22%
Year-to-date	2.41%
Since inception (16.06.2015)	65.24%

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



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Geographic Exposure*

Country	Allocation	Country	Allocation
Australia	24%	Japan	18%
US	17%	Europe	16%
UK	12%	Canada	8%
Vietnam	2%	Other	1%
Cash	2%		

Sector Exposure*

Sector	Allocation	Sector	Allocation
Commodities	38%	Industrials	21%
Financials	14%	Consumer	13%
Technology	8%	Real Estate, Infrastructure	3%
Utilities	1%	Cash	2%

Major Holdings*

Samarang Japan Value	12.8%
Ramelius Resources	9.3%
Halley Asia Prosperity Fund	8.5%
CMC Markets plc	7.9%
Argos Argonaut Fund	7.9%
IG Group Holdings plc	4.6%
Seaboard Corp.	4.3%
Airboss of America Corp.	4.2%
Perseus Mining	3.8%
Weis Markets Inc	3.8%

Fund Metrics*

Price to earnings ratio	16.1x
Price to book ratio	1.8x

*as at 30 June 2021

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

House building boomed as the US opened up... I asked Paul Janke, lumber principal at the consultancy Forest Economic Advisors, about this... Demand was strong because there was little for consumers to spend their money on but home improvement."

We're guided by bottom-up analysis rather than by macroeconomic forecasts. So our larger-than-average allocation to commodities is not a result of our subjective views that post-covid production bottlenecks will drive all commodity prices higher, but rather a reflection of the fact that many commodity producers offer superior cashflow yields. We don't own any timber producers at present, but that may change should valuations one day permit.

Commodity prices can be volatile and, like 'value' stocks, often require patience for gains to be realised. Aurubis AG operates copper smelting and refining facilities in Europe, North America, and Asia, to produce copper rods used in power cables and construction. Performance was flat for the month but the company has compounded its book value per share by 66% since 2014 and offers us a 15% cashflow yield with a near-zero net debt/EBITDA ratio.

CMC Markets' share price fell 5.7% in June despite the company announcing record cashflow from operations at £117.7m for the last full reporting period, an 88% increase on the same period before. Its largest equity owner is the founder and current CEO, Peter Cruddas, who holds 56.8% of the firm's equity. To us, high family/founder ownership is a tell-tale sign that corporate interests are truly aligned with investors – so long as related party transactions aren't bedfellows to such ownership. 57% of CMC's revenue is generated by clients who have been with the firm for two years or more. We first bought CMC in 2019 when the share price fell following a change in regulations reducing the margins (leverage) with which retail investors could trade, reducing CMC's revenues. The stock was derated by the market and fell from a price to book of 4x to 1x. Margins for firms operating in competitive industries will always fluctuate. Such fluctuations, in our experience, offer opportunities in the absence of heavy debt financing.

Fund Platforms

The fund is available on the following platforms:

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