

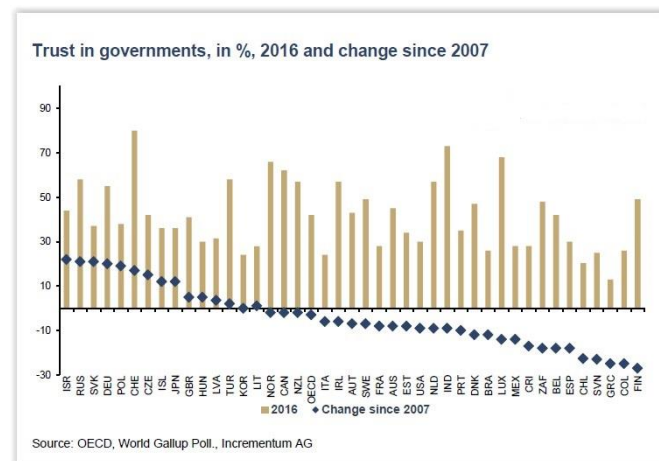
THE VT PRICE VALUE PORTFOLIO

Factsheet as at 31 May 2019

Investment Commentary

The GBP A class of the fund recorded a loss of 1.64% for the month of May 2019. This brings the cumulative return of the fund in GBP from inception in June 2015 to 37%. The latest net asset value of each of the fund's share classes can be found [here](#).

Stock markets globally were unsettled during the month by continued sabre-rattling over trade between the US and much of the rest of the world, and by the emergence of wider fissures in the political landscape. In the European elections in Britain, the Brexit Party, just 12 weeks old, won the most votes of any party. In a state election in Bremen, Germany's Social Democrats lost for the first time in 70 years. We interpret some of the shifting political sands as a reflection of social pressure internationally that has been building since the Global Financial Crisis of 2008 and the largely abortive subsequent attempts by central bankers to promote economic growth. It seems increasingly clear that electorates around the world are growing ever more distrustful of their politicians and major institutions. This widespread decline in trust can be seen in the chart below, courtesy of the analysts at Incrementum AG:



Incrementum suggest that this decline in trust extends to the monetary system, and in turn recommend the monetary metals as a way to profit from this political upheaval. The fund has exposure to gold and silver producers; however, we are guided by the valuations of their respective operations rather than macroeconomic prognostications. Ramelius Resources was once again our best performer during the month, up 25%. We took

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.)

Performance History

Period	GBP A Share Class
1 Month	-1.64%
Year-to-date	11.38%
Since inception (16.06.2015)	37.00%

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	19%
Europe	23%	Canada	8%
US	10%	Malaysia	1%
Australia	5%	Other	2%
Cash	3%		

Sector Exposure*

Sector	Allocation	Sector	Allocation
Industrials	25%	Consumer	16%
Financials	10%	Commodities	24%
Technology	9%	Real Estate, Infrastructure	10%
Utilities	2%	Other	1%

Major Holdings*

Halley Asian Prosperity Fund	18.6%
Samarang Japan Value	18.0%
Argos Argonaut Fund	7.5%
Vietnam Value & Income Fund	6.4%
Loews Corp	5.1%
Seaboard Corp	4.7%
Ramelius Resources	4.6%
Yara International ASA	4.3%
Wheaton Precious Metals	4.3%
Power Corp of Canada	3.9%

Fund Metrics*

Price to earnings ratio	12.3x
Price to book ratio	1.3x

*as at 31 May 2019

Investment Commentary (continued)

the opportunity to add slightly to the position after its shares fell following a delay in the granting of a mining approval at its small Greenfinch tenement. Greenfinch plays a tiny part in Ramelius' growing production profile and the shares subsequently made a new high later in the month. Despite its strong returns this year, the firm still offers CFO yields in excess of 25% as at FY2018 operations, and is guiding for increasing its production by 15% this calendar year. If Incrementum's concerns about trust in money are prescient, Ramelius should benefit from a re-rating as a shift in sentiment would likely attract more investors. Even at current gold prices and given its current operations, we believe the firm will continue to strongly compound its book value.

Wheaton Precious Metals also added value (up 2.4%), however our worst performer in the fund was another commodity related company, Boliden - down 19%. The firm's operations are split between its base metal mining and processing subsidiaries. During the nadir of the commodity bear market of 2015, the firm managed to grow book value by 10% as its processing margins increased due to other miners shuttering their own processing facilities and bidding up for Boliden's capacity. We don't know if the fall in base metals is a short-term correction from their recent highs of last year, or whether prices will continue to fall in response to macroeconomic or trade war concerns. We do know that Boliden is generating c. 25% CFO yields and has decreased its debt to just 6% of total assets over the last few years. So we're comfortable to hold the position despite the recently adverse price movements.

We've commented before on how little comparative value we see in the UK equity market despite all the various political machinations since the Brexit vote in 2016. This month saw us initiate a small position in a financial services firm operating in the UK, but with revenue also from mainland Europe and Australia. We hope to discuss this in more detail once we have built up the position.

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.	

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.