THE VT PRICE VALUE PORTFOLIO

Factsheet as at 31 October 2019

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
(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.)	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

Investment Commentary

The GBP A class of the fund recorded a loss of 2.43% for the month of October 2019. This brings the cumulative return of the fund in GBP from inception in June 2015 to 44.05%. The latest net asset value of each of the fund's share classes can be found here.

The US Federal Reserve cut its benchmark interest rate for the third time this year, by 0.25% to a range of between 1.5% and 1.75%. Fed chairman Jay Powell said that this year's rate cuts were in response to three developments: slower global manufacturing; trade uncertainty weighing on the US economy; and continued sub-par US inflation. He did not admit to wilting in the face of sustained bullying on rates from President Trump. Powell also claimed to see more certainty on trade negotiations between the US and China, which surprised many observers. Tony Rodriguez, for example, a strategist at Nuveen Asset Management, noted that

"There are so many stages to this drama that there is no investor or Fed chair who can comfortably say the trade skirmish is now heading in the right direction."

Analyst and financial historian Russell Napier was even more outspoken on the supposed thawing in US-China relations. Writing in his 'Solid Ground' newsletter of 1st October he observed,

"..when one considers there is now a capital, trade, intellectual property and military escalation against the CCP [Chinese Communist Party], one does wonder if this may be part of something bigger than a drive to sell more soya beans.."

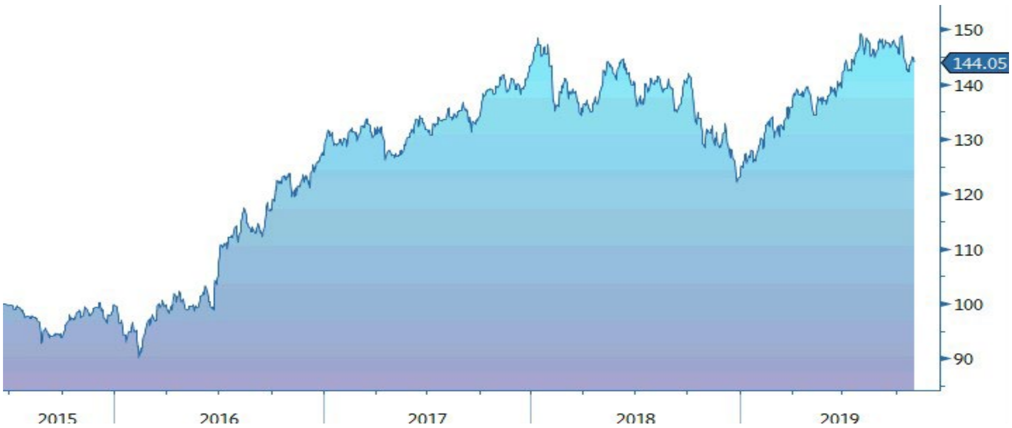
In other words, hopes of a swift trade settlement between the US and China may be naïve, in that President Trump may attach greater re-electoral significance to prosecuting various forms of warfare (trade and otherwise) against China instead. We note the potential for further deterioration in geopolitical relations between the world's two largest economies but we also note that we have relatively modest equity exposure to the first (the US) and none whatsoever to the second (China).

Instead of anticipating (subjective) macro-economic developments, we are driven almost entirely by objective, bottom-up valuations. On this note we were encouraged to see the research published on 29th October by the Man Institute.

Performance History

Period	GBP A Share Class
1 Month	-2.43%
Year-to-date	17.10%
Since inception (16.06.2015)	44.05%

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%	Vietnam	18%
Europe	16%	Canada	5%
US	10%	Malaysia	2%
Australia	7%	UK	6%
Other	3%	*Cash*	*3%*

Sector Exposure*

Sector	Allocation	Sector	Allocation
Industrials	20%	Consumer	16%
Financials	5%	Commodities	26%
Technology	9%	Real Estate, Infrastructure	10%
Utilities	3%	Other	11%

Major Holdings*

Samarang Japan Value	20.1%
Halley Asian Prosperity Fund	19.3%
Argos Argonaut Fund	7.3%
Ramelius Resources Ltd.	6.5%
Vietnam Value and Income	6.0%
Wheaton Precious Metals	5.3%
Seaboard Corp.	4.6%
Loews Corp.	4.6%
Boliden AB	4.6%
Yara International	3.8%

Fund Metrics*

Price to earnings ratio	12.6x
Price to book ratio	1.3x

*as at 31 October 2019

Investment Commentary (continued)

In their piece 'Blossoming in the shadows', they point out that the world's larger economies are by no means valued equally by equity investors:

"Imagine a stock that had consistently achieved margin expansion and earnings-per-share growth, but had got cheaper. For a stock-picker, this scenario is what dreams are made of.

As it turns out, this scenario is reality, but on a regional basis rather than describing a single stock. We looked at three components – margin expansion, multiple expansion and other earnings-per-share growth – to determine total return across four regions over the whole cycle: the US, Japan, Europe ex UK and emerging markets. Our analysis showed the US experienced growth in all the three components of return. Emerging markets have been a mixed bag: margin contraction, but at least the multiple got cheaper. Europe looks particularly unappetizing, with stocks becoming more expensive via multiple expansion, while experiencing a contraction in margins and other EPS growth.

The standout contrarian opportunity is Japan, which has seen margin expansion of 2% annualised, and other EPS growth of 0.75%, while multiples have fallen by 2.75%. This is a counter-intuitive and intriguing prospect: ***In other words, Japan is becoming cheaper despite having got operationally better. If Japan were an equity, it would be an overlooked value stock.*** *[Emphasis ours.] Indeed, this reinforces our positive stance on Japan and bolsters our case of Japan being a forgotten equity market."*

We added to our UK listed firms during the month - once fully invested we'll discuss these companies in more detail. We saw strong returns from our commodity related exposure, with **Boliden**, **Ramelius** and **Wheaton** up 14.7%, 11% and 7% respectively. Despite the price volatility associated with metals and mining firms, it is these commodity related holdings that are offering the most compelling cash-flow yields in the fund. We expect further gains as these operations become more widely recognised.

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