

# 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 March 2022

## Investment Commentary

The GBP A class of the fund recorded a gain of 10.11% for the month of March 2022. This brings the cumulative return of the fund in GBP from inception in June 2015 to 79.75%. The latest net asset value of each of the fund's share classes can be found [here](#).

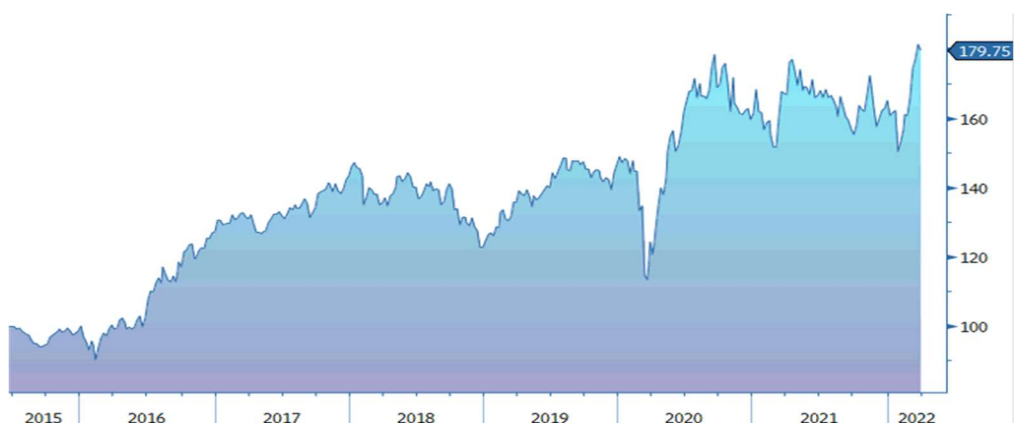
The Russian ruble finished the month at 83.27 vs the US dollar, a strong correction back to its level at the start of the year. Such a retracement from its low of 138.89 earlier in March would have been predicted if peace talks between Ukraine and Russia had been successfully concluded. Instead, the war rages on. The rise in the value of the ruble across exchanges resulted when the Russian central bank agreed to buy and sell gold at a price of 5,000 rubles per gram. Additional support for the currency was found when Putin announced that Russian energy producers would only accept rubles in exchange for their gas and oil – a stipulation outside of the signed commercial agreements. The volatility seen in the ruble this month was underwhelming when compared to the nickel contract on the LME. After rising 66% the day before, the contract soared an additional 108% on the 8<sup>th</sup> March, reaching a high of \$100,000 per ton. In a first for the LME and western futures markets, all contracts traded that day were subsequently 'broken' by the LME. The exchange opted to protect the solvency of Chinese tycoon Xiang Guangda rather than protect the integrity of its fundamental operations. We suspect that macroeconomic and geopolitical events will continue to spill over into financial markets during the remainder of the year. Just as with the LME contract and indeed the Russian energy agreements, counterparty risk will be at the forefront of investors' minds. Away from the macro however, our fund benefitted from the continued outperformance of value vs growth, a trend that has now made a one-year high, outperformance not seen since before the 2008 crisis. (See chart below.)



## Performance History

Period	GBP A Share Class
1 Month	+10.11%
Year-to-date	+8.80%
Since inception (16.06.2015)	+79.75%

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



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## Geographic Exposure\*

Country	Allocation	Country	Allocation
Australia	35%	Europe	20%
US	20%	UK	10%
Japan	5%	Canada	4%
Vietnam	1%	Other	2%
Cash	3%		

## Sector Exposure\*

Sector	Allocation	Sector	Allocation
Commodities	53%	Consumer	13%
Industrials	12%	Financials	11%
Technology	5%	Real Estate, Infrastructure	2%
Utilities	1%	Cash	3%

## Major Holdings\*

Ramelius Resources Ltd	8.9%
Argos Argonaut Fund	8.4%
CMC Markets plc	8.2%
Perseus Mining	5.7%
Seaboard Corp.	5.2%
Silver Lake Resources	4.8%
Weis Markets Inc	4.6%
Boliden AB	4.3%
Mueller Industries Inc	4.0%
Karora Resources Inc	4.0%

## Fund Metrics\*

Price to earnings ratio	15.7x
Price to book ratio	1.8x

\*as at 31 March 2022.

## 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.

## Investment Commentary

US supermarket chain Weis Markets was one of the fund's best performing holdings, up 15.8% for the month. The firm announced full year revenue at \$4.2 billion, the highest in the company's history, and net income at \$108 million, the second highest in its history. Weis is also not particularly risky from the perspective of debt, as it operates with a negative net debt – meaning it could instantly pay off any outstanding debt with its cash balances. Following strong share price performance, Weis still offers a 17% cashflow yield.

Commodities have historically protected against monetary inflation and the fund gets its commodity exposure from firms operating in and around the sector but with a track record of strong operations. Metals supplier Aurubis is one such firm, up 3.2% through March. The firm posted results last month which beat market expectations, and more recently announced its plans to capitalise on battery recycling which continues to attract attention due to increased demand for lithium-ion batteries and the raw materials required to produce them. Indeed, according to [S&P Global](#), global battery demand is on track to increase more than fivefold between 2020 and 2025. The new plant will extract valuable metals such as lithium, nickel, and cobalt from lithium-ion batteries as they're dismantled, to be used for new batteries among other new products. Aurubis offers a 26% cash flow yield.

Broad commodities remain historically vastly undervalued relative to broad equities, yet it seems gold miners are gradually coming back into favour, with Regis Resources rising 7.9% on the month. Hedging is an integral part of a mining firm's cash-flow management as it guarantees a price floor on at least a portion of production. Regis is contracted to deliver 270k gold ounces between now and June 2024. Regis and our other miners are hedged via secured forward contracts as opposed to unsecured future contracts found on derivatives exchange like the LME. This means there would be no additional collateral required in the event of a spike in the price of the underlying commodity. Regis and our other miners will provide operational updates during April and we expect another strong, profitable quarter from our producers given their respective commodity prices. However, given the performance of our non-commodity firms during March, we suspect that the trend to value, and away from growth, will continue to benefit unitholders of the fund.

## 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