

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 30 September 2022

Investment Commentary

The GBP A class of the fund recorded a loss of 3.89% for the month of September 2022. This brings the cumulative return of the fund in GBP from inception in June 2015 to 49.69%. The latest net asset value of each of the fund's share classes can be found [here](#).

Bond market volatility led to some noteworthy actions by policymakers. The cost of 10-year government debt, the benchmark for mortgage rates, rose quickly such that in one day mortgage lenders withdrew a record 935 products from the market. In response, the Bank of England switched from selling bonds to a two-week £65bn bond-buying programme. One firm that benefits directly from this volatility is IG Group.

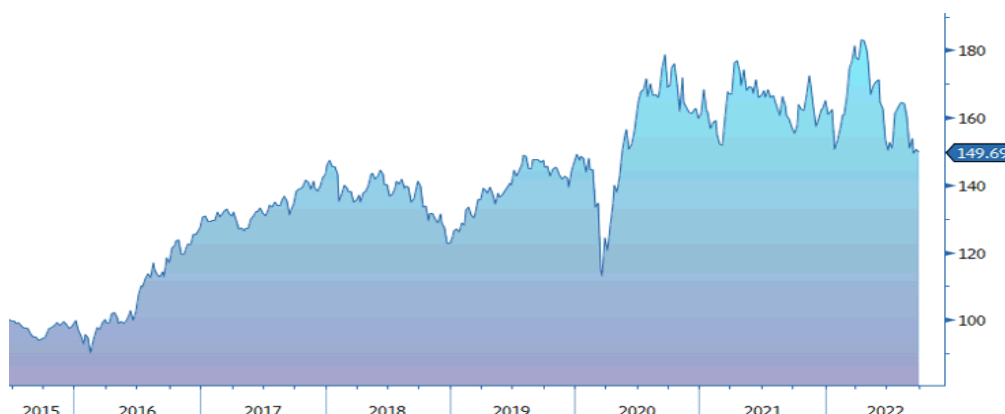
UK online trading platform IG Group (-2.87%) confirmed group revenue for the quarter at £241.8m, up 11%. This includes IG's first quarter of consolidated results following its acquisition of US trading platform tastytrade. The biggest earnings driver came from their second largest segment, exchange traded derivatives, up 36% from £22.6m to £30.8m. Total active clients across all markets and products were 279,300, in line with the prior quarter and prior year. Japan continued to deliver strong revenue growth, up 24% year over year. The UK, EU, Australia and Emerging Markets also saw increased revenues over the 12-month period. We were pleased to see the Board announce a £150m share buyback programme. Buybacks, special dividends, and value-accretive acquisitions are a few options management of well-capitalised firms have at their disposal. IG's compelling 30% cash flow yield shows the firm is trading far below its accounting value.

Japanese listed Nichias Corp (-5.23%) operates five segments, including energy and industrial products and its Advanced Products segment specializing in semiconductors. Group net sales rose 4.5% year on year to ¥54.6bn. Sales in the Advanced Products semiconductor and related equipment division rose 24.6% on the year to ¥10.5bn. This helped Nichias grow its earnings per share for the quarter by 3.7% to ¥84.6. Nichias has also grown its dividend distributions nearly fourfold over the last ten years, from ¥12 to ¥44. These are the kind of shareholder-friendly actions we like to see from our investee firms and they again go hand in hand with investing in firms with well-capitalised and robust balance sheets.

Performance History

Period	GBP A Share Class
1 Month	-3.89%
Year-to-date	-9.39%
Since inception (16.06.2015)	+49.69%

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	29%	US	24%
Europe	12%	Japan	10%
UK	10%	Asia ex-Japan	9%
Canada	4%	Cash	2%

Sector Exposure*

Sector	Allocation	Sector	Allocation
Commodities	50%	Industrial	21%
Consumer	15%	Financials	10%
Technology	2%	Cash	2%

Major Holdings*

CMC Markets PLC	7.4%
Seaboard Corp	6.4%
Mueller Industries Inc	6.3%
Ramelius Resources	5.6%
Perseus Mining Ltd	5.5%
Betsson AB	5.1%
Weis Markets Inc	4.8%
Heartland Express Inc	4.4%
Indo Tambangraya Megah Tbk	4.2%
Agnico Eagle Mines Ltd	3.8%

Fund Metrics*

Price to earnings ratio	15.5x
Price to book ratio	1.2x

*as at 30 September 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

Nichias offers a 25% cash flow yield, nearly twice that of this time last year, and is guiding for both higher revenue and operating income in FY2023.

Elsewhere, given the persistent inflationary effects of these continued fiscal deficits, we also remain comfortable with our allocations to firms able to naturally protect operating margins through the nature of their raw material outputs, such as Northern Star and Perseus Mining.

Australian gold producer Northern Star (+1.59%) confirmed its first full year of results following its merger with Saracen Minerals. Northern Star matched both production and cost guidance, evidence of the firm's operational resilience to covid-related labour and input costs. Gold ounces sold of 1.56bn almost beat guidance, at an all-in sustaining cost of A\$1,633, a c.17% operating margin above the firm's gold price achieved through the period. All three production centres – Kalgoorlie, Yandal, and Pogo – achieved on-target production levels for the final quarter. Pogo in Alaska, the firm's only non-Australian operations and the newest of the three production centres, delivered production above guidance for the second half of the year, at an annualised rate of 250k ounces. Northern Star maintains a robust balance sheet with net cash of A\$528 million, has confirmed a A\$300m share buyback programme, and offers a 21% cash flow yield.

Perseus Mining (-2.44%) offers a 25% cash flow yield and also confirmed record performance across all key metrics relative to the previous year. Last month we wrote that Regis Resources had achieved total gold sales of over A\$1bn for the first time, and Perseus has now achieved the same. The firm achieved a 66% increase in revenue to A\$1.1bn resulting in a net profit of \$279.9m, up 101%, driven in part by increased production at Yaouré, where expansion work continues. A pre-feasibility study on the CMA deposit at Yaouré confirmed the economic viability for an underground mine beneath the existing open pit. So far Perseus has confirmed reserves of 259k gold ounces. The board approved a special dividend for the first time of 0.79 cents per share which made up a third of the year's dividend distributions. Again, this is typically something that only firms with robust balance sheets can offer shareholders. As firms release their Q3 results we look forward to more confirmation of production at or above guidance and with strong margins.

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