

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 on an unconstrained basis 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 August 2023

Investment Commentary

The GBP A class of the fund recorded a loss of 2.51% for the month of August 2023. This brings the cumulative return of the fund in GBP from inception in June 2015 to 51.75%. The latest net asset value of each of the fund's share classes can be found [here](#).

Data from Dimensional Fund Advisors shows that since 1927, value stocks have, on average, outperformed growth stocks by 4.1% annualised. It is no surprise to us that the 1970s was a period of sustained outperformance of value against growth given the impact on higher interest rates. Despite the bounce year-to-date in growth stocks, we expect value to outperform once again in a higher-rate environment.



Betsson (-3.7%) offers sportsbook and casino gaming across its proprietary platform. Q2 revenue was a record €236.8m versus €186.3m last year, an increase of 27%, driven by sales in Europe & Central Asia, Scandinavia, and Latin America. Impressively, net income was €46.9m versus €28.6m, representing a 76.2% gain in earnings per share from €0.21 to €0.37. Betsson recently acquired Belgian sports betting operator betFIRST for €120m and announced a new partnership with French casino operator Groupe Partouche to offer online casino games. Belgium is their first target market planned for the collaboration. Betsson also recently teamed with BETER to offer more e-sports betting on 25k games across 450 tournaments each year, available for direct customers and in a B2B capacity. Betsson's shares currently offering a compelling 20% cash flow yield. Additionally, Betsson's cash holdings have almost doubled from €130.7m to €244.1m in just 12 months, leaving room for more value-accretive acquisitions, higher dividends, or share buybacks, which all increase return on equity.

Performance History

Period	GBP A Share Class
1 Month	-2.51%
Year-to-date	-5.48%
Since inception (16.06.2015)	+51.75%

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



THE VT PRICE VALUE PORTFOLIO

Geographic Exposure*

Country	Allocation	Country	Allocation
US	39%	Australia	28%
Europe	15%	Canada	8%
UK	7%	Cash	3%

Sector Exposure*

Sector	Allocation	Sector	Allocation
Commodities	48%	Industrial	23%
Consumer	19%	Financials	7%
Cash	3%		

Major Holdings*

Karora Resources Inc	6.6%
Betsson AB	5.5%
Perseus Mining Ltd	5.2%
Weis Markets Inc	5.2%
Heartland Express Inc	5.2%
Mueller Industries Inc	5.1%
Tyson Foods Inc	5.0%
Westgold Resources Ltd	4.4%
IG Group Holdings PLC	4.3%
Agnico Eagle Mines Ltd	4.1%

Fund Metrics*

Price to earnings ratio	24x
Price to book ratio	1.3x

*as at 31 August 2023.

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

Alongside compelling valuations, we also ensure that our commodity allocations have sufficient mineral reserves to comfortably continue producing through a secular commodity bull market. Therefore, an additional consideration should be life of mine, i.e., for how many years a miner expects to easily produce from its assets. Two such firms with compelling mine lives are Champion Iron and Alamos Gold.

Quebec-based Champion Iron (+1.8%) produced a record 3.4mt high-grade 66.1% iron ore concentrate, versus 2.3mt last year. The 49% increase follows the ramp up of its Bloom Lake Phase 2, having nearly reached expanded annual capacity of 15mt. Production costs improved to \$81.3/t from \$84.1/t last year. Its Direct Reduction (69% grade) iron ore pellet project, one of the world's highest-purity iron ore products, remains on schedule for completion H2 2025. Engineering works are advancing and long-lead equipment orders have been placed. Other organic growth projects include a feasibility study for the nearby 23-year mine life Kami iron ore project, and a joint study evaluating the re-commissioning of its Pointe-Noire pelletizing facility, both to produce 69% grade pellets which attract premiums over 62% products. Both studies are expected complete by Q4 2023. Champion's mineral reserves already offer an 18-year mine life, which will increase further when Kami studies are complete.

Canadian miner Alamos Gold (+4.0%) also posted record quarter production, exceeding guidance, at 136k gold ounces, 31% greater than last year. Sales prices averaged \$1,978 per ounce, a compelling 77.9% margin over production costs of \$1,112. Its Young-Davidson mine produced 45.2k ounces and is on track to generate over \$100m for the third consecutive year. Island Gold produced 30.5k ounces. It continues to self-finance its Phase 3+ expansion to double throughput capacity to 2.4kt per day and create one of Canada's lowest cost per ounce gold mines at just \$610. Positive feasibility results were also confirmed for Alamos's latest Canadian growth project, Lynn Lake. The Environmental Impact study has been approved, and at current gold prices the project's net present value is \$670m. Lynn Lake extends group mine life from 12 years to 14, and from 2026 will increase group production 25% to 800k ounces. Recent share price growth initiated an internal assessment of upcoming mine profiles. Indeed, as expected Alamos confirms that near-term grade profiles are expected to continue or increase, at all four mining complexes.

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