THE VT PRICE VALUE PORTFOLIO

Factsheet as at 30 November 2023

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
(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.)	
Minimum Investment A	£1000 / $1000 / €1000
Minimum Investment B	£1M; $1M; €1M

Investment Commentary

The GBP A class of the fund recorded a gain of 3.96% for the month of November 2023. This brings the cumulative return of the fund in GBP from inception in June 2015 to 53.70%. The latest net asset value of each of the fund's share classes can be found here.

Physical gold has registered an all-time monthly high close of $2,072 per ounce. We discuss below the positive impact that higher gold and silver prices have had on our precious metals miners' operating margins, and why we also expect strong share price returns from our value equity allocations which themselves are today trading at compellingly low margins.

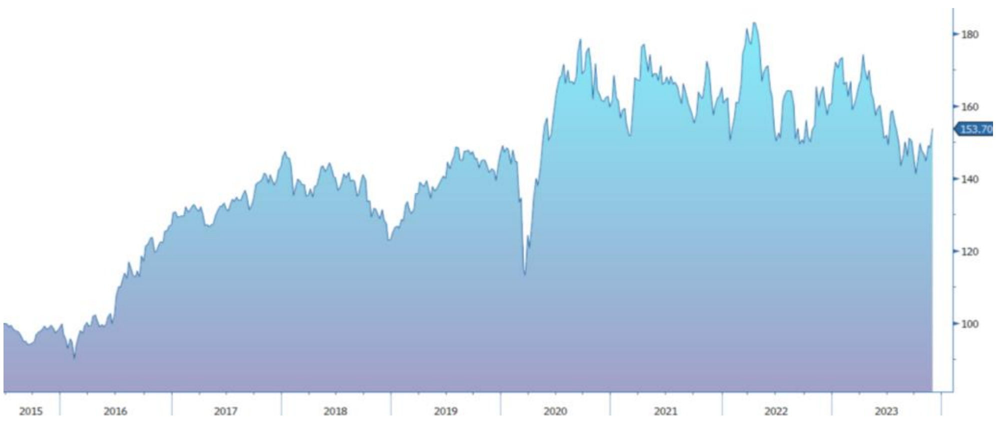
US trucking firm Heartland Express (+15.1%) confirmed revenue of $295m, a 7.7% increase versus last year. This included $42.9m in fuel surcharges paid by customers, which protects the firm's operating margins against higher oil prices. Current margins of 4% are the lowest since listing in 1996. Strong share price appreciation often follows a bottoming of margins as each share's claim on earnings grows. Heartland has now paid down 23% of the debt related to last year's value-accretive acquisitions of Smith and CFI. Sensible debt levels leave management free to execute such acquisitions whilst the opposite is true for less well capitalised firms. US transportation firm Yellow Corp, carrying 4.4x debt to earnings, was recently the target of rival Old Dominion Freight Line, which carries zero debt. Heartland's debt to earnings of just 1.3x and a compelling 20% cash flow yield at these low margins suggest its shares remain significantly undervalued.

US meat producer Tyson Foods (+2.1%) is also operating at margin lows and with debt levels much lower than several smaller competitors. Tyson's largest operating segment is beef in which it operates 14 facilities across the US for domestic and international sales. Q3 figures confirmed that beef sales grew by 2% but margins were down slightly due to pressure from rising live cattle prices. Margins did grow, however, in the pork segment where Tyson again buys primarily at spot, and in the chicken segment where broilers are raised by contracted farmers to Tyson's standards. A new $300m poultry processing facility in Virginia was also announced, one of Tyson's most highly automated plants and able to produce 4m pounds of production p.a. Group operating margins are expected to rebound to pre-2023 levels in Q4.

Performance History

Period	GBP A Share Class
1 Month	+3.96%
Year-to-date	-4.26%
Since inception (16.06.2015)	+53.70%

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
US	33%	Australia	28%
Europe	7%	Canada	9%
UK	21%	*Cash*	*2%*

Sector Exposure*

Sector	Allocation	Sector	Allocation
Commodities	65%	Industrial	14%
Consumer	13%	Financials	6%
Cash	*2%*		

Major Holdings*

iShares Physical Silver ETC	7.5%
iShares Physical Gold ETC	7.0%
Karora Resources Inc	6.8%
Perseus Mining Ltd	5.5%
Weis Markets Inc	4.8%
Agnico Eagle Mines Ltd	4.5%
Heartland Express Inc	4.5%
Tyson Foods Inc	4.3%
IG Group Holdings PLC	4.3%
Bellevue Gold Ltd	4.1%

Fund Metrics*

Price to earnings ratio	23x
Price to book ratio	0.93x

*as at 30 November 2023.

Investment Commentary

We discussed recently how the miners were lagging their metals despite now growing top line revenues at a much faster rate than operating costs. That trend seems to have reversed. Indeed, North American precious metals producers Alamos Gold and Hecla Mining rose 19.6% and 22.5% respectively in November.

Alamos exceeded target production guidance at 135.4k gold ounces and has since raised annual guidance by 5% to 530k. Costs also totalled less than projected at just $1,121 per ounce, 5% lower than $1,178 in Q3 last year. At the same time, the average price realised through the quarter was $1,932 per ounce, 11% higher than $1,740 last year. It's encouraging to see margins expand at such rates. We believe new investors will continue to be attracted to the sector accordingly. These favourable trends fed through to strong cashflow from operations in the quarter at $112.5m, 52% greater than last year. These organic cashflows will be used in part to fund its Canadian growth project, Lynn Lake. Following additional successful drilling at the project, management confirm gold reserves 44% greater than in the original 2017 study; sufficient to now produce over a 17-year mine life versus 10 previously. Lynn Lake is expected to produce an average of 176k gold ounces annually at a cost of just $699 per ounce, 63% below current sales prices. Lynn Lake will therefore increase current production by c.33% and reduce group costs per ounce by c.10% to $1,015.

Hecla Mining, another fund holding, operates four mines across North America. Its latest addition, Keno Hill in Canada's Yukon territory, is one of the world's highest grade silver mines at 804 grams per tonne. Early-stage operations commenced in Q2 and are being ramped up toward full production. The new mine contributed 710k silver ounces to the group's total output of 3.5m in the quarter, driven by Hecla's primary silver producer Green's Creek in Alaska which contributed 2.3m ounces. 2024 group production is expected to be c.20% above 2023 levels, driven in part by Keno Hill. Hecla's average sales price achieved through the quarter at $23.71 represents a 108% premium over the cost to produce at $11.39. Group average mine life is 10.6 years; indeed over the past five years Hecla has grown its reserve ounces, net of mining depletion, by 79%. In the meantime we're encouraged by recent share price action off the back of strong current operations and we expect share prices to continue to react positively to expanding margins across all our gold and silver mining exposure.

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

Important Information