

VT ESPRIT TACTICAL BALANCED



APR 2024

INVESTMENT OBJECTIVE:

The investment objective of the VT Esprit Tactical Balanced fund is to achieve a level of investment return in excess of the benchmark over the longer term (5 years+). The fund will be actively managed in order to achieve its objective by investing in a globally diversified range of asset classes including equities, fixed income, money market instruments, cash, property and commodities.

MONTHLY COMMENTARY

What happened in financial markets?

April was a volatile month for global equities with the S&P 500 falling 5% at one point during the month. Tech was the main drag, whereas commodity related stocks outperformed. The UK was the best major performing market given its relatively high levels of exposure to the better performing sectors. Inflation concerns have crept back into financial markets with central banks expected to hold rates higher for longer.

Bond markets struggled as the prospect of near-term interest rate cuts began to fade. US treasuries and UK gilts underperformed the rest of the world, with short, medium and long-dated bond yields moving higher. The economic divergence between the US and the rest of the world saw the US dollar rise by 1.6%.

There were big moves in commodity markets, with gold rising 4% and industrial metals jumping by 13%, although oil prices finished 1.5% lower as Middle East tensions began to subside. Listed real estate suffered as bond yields rose, falling by more than 5% over the month, whereas listed infrastructure fell less than 1%.

What is the outlook?

Markets now expect just two cuts from the Fed this year, opening up the prospect of the Bank of England and European Central Bank beginning their rate cutting cycles before the US central bank. Recent currency movements have begun to reflect this. US economic growth continues to diverge from the rest of the world, and inflation looks to be somewhat stickier. It's possible that the Fed do not cut at all this year, especially with an election in November.

Corporate earnings momentum remains relatively strong, particularly in the US which is dominated by the tech sector. The UK and some areas of Europe appear to be recovering from short-lived technical recessions, with real incomes now rising as energy and food disinflation continues apace. However, until we start to see looser monetary policy, growth is likely to be tepid.

While progress on inflation has stalled, at least in the US, we're more positive on other developed markets where disinflation trends remain on track (the UK and Europe), or where inflation isn't an issue (Japan). Keep in mind that if we do see an economic slowdown in the US, perhaps later this year or in 2025, central banks have scope to cut rates aggressively if required.

FUND INFORMATION

| | |
|---------------------------|--|
| Launch date: | 23/01/2018 |
| Size: | £203.1M |
| Holdings: | 20 |
| Share class: | Accumulation & Income |
| ISIN: | GB00BF0Q2T58 (Acc) GB00BN94M181 (Inc) GB00BQ2KRT70 (C Acc) GB00BQ2KRV92 (C Inc) |
| SEDOL: | BF0Q2T5 (Acc) BN94M18 (Inc) BQ2KRT7 (C Acc) BQ2KRV9 (C Inc) |
| IA Sector: | IA Mixed Investment 20-60% Shares |
| Yield¹: | 0% (Accumulation) 2.63% (Income) |
| Initial charge: | 0% |
| OCF²: | 0.72% (C) 0.97% |

WHY INVEST?

Simplicity

A single fund to meet your investment needs

Diversification

Access a range of asset classes, investment styles and geographies

Actively managed

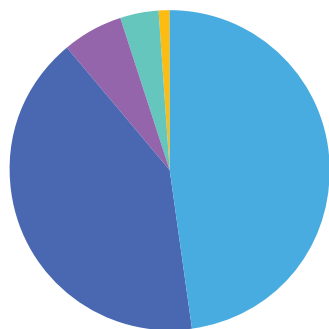
The fund will change as market conditions and the economic cycle evolves

Expertise

The managers share 40 years investment experience

PORTFOLIO BREAKDOWN - 30 APR 2024

TARGET ASSET ALLOCATION



| | |
|---------------|-----|
| Equities | 48% |
| Fixed Income | 41% |
| Alternatives | 6% |
| Money Markets | 4% |
| Cash | 1% |

TOP 10 HOLDINGS

| | |
|-------------------------------------|-----|
| iShares \$ Treasury Bond ETF | 10% |
| Fidelity US Index | 9% |
| Amundi Global Aggregate 500m ETF | 8% |
| iShares UK Gilts All Stocks Tracker | 7% |
| iShares UK Equity Tracker | 6% |
| iShares Corporate Bond Tracker | 6% |
| AXA Global Strategic Bond | 6% |
| L&G Global Emerging Markets | 5% |
| Fidelity Japan Index | 5% |
| Vanguard FTSE 100 Index | 4% |

PERFORMANCE SINCE LAUNCH



Past performance is not necessarily a guide to future performance.

23/01/18 to 30/04/24 Data from Morningstar

CUMULATIVE PERFORMANCE (%)

| | 3m | 6m | 1y | 3y | 5y |
|-----------------------------------|------|------|------|------|-------|
| VT Esprit Tactical Balanced | 2.25 | 8.84 | 6.23 | 1.34 | 14.21 |
| IA Mixed Investment 20-60% Shares | 2.19 | 9.55 | 6.44 | 1.34 | 13.32 |

DISCRETE CALENDAR YEAR

| | YTD | 2023 | 2022 | 2021 | 2020 |
|-----------------------------------|------|------|--------|------|------|
| VT Esprit Tactical Balanced | 1.99 | 6.00 | -11.26 | 7.97 | 4.16 |
| IA Mixed Investment 20-60% Shares | 1.79 | 6.84 | -9.70 | 6.10 | 3.20 |

HOW TO INVEST

HARGREAVES
LANSDOWN

AJBell
Investcentre

Hubwise
YOUR PLATFORM SOLUTION

abrdn

ascentric

AEGON

transact
take control

AVIVA

fusion

Quilter

M&G wealth

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Past performance is not a guide to future returns. The value of an investment and any income from it can go down as well as up, so you may not get back the original amount invested. This document has been produced for information purposes only and does not constitute investment advice. You should read the Key Investor Information Document (KIID) before investing.

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¹Yield: The amount of income generated by a fund's investments in relation to the price shown as an annual percentage.

²OCF: The Ongoing Charges Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the fund. It is made up of the Annual Management Charge (AMC), the underlying fund charges, and other operating costs.

Esprit Tactical Balanced: 031 - 0524