

# VT Downing Global Investors Fund



## October 2022 Commentary

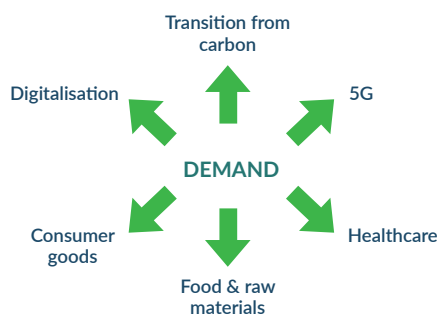
We made modest headway during the month, and for the first time in a very long while, the principal headwind was Sterling! After Rishi Sunak became the UK Prime Minister, the pound rose strongly, threatening to neutralise gains in global stock markets for the Sterling investor. Looking at the bigger picture, the 30 year US treasury rate rose steeply for most of October before falling back in the final week of the month as expectations of further rate hikes moderated. Most other commodity prices flattened during the month and if forward rates also flatten, the inflationary spike may be nearly done. Markets appear to be expecting this scenario and we noticed a much improved performance from 'risk on' and higher rated positions during the month. The fact that monthly moves appear to be worth commenting on does show how murky and flaky conditions are at present.

On a subjective basis, and in our consciousness at least, the reporting season appears to have had more companies raising guidance relative to expectations than lowering them, and our portfolio of investments has expanded in both numbers and area exposures for the first time in a considerable period. All of these expressed sentiments are pretty subjective, but if correctly perceived are indicative of improving sentiment in our view.

*Opinions expressed represent the views of the fund manager at the time of publication, are subject to change, and should not be interpreted as investment advice.*

## About the fund

The VT Downing Global Investors Fund is a thematically invested fund focused on the needs and wants of the growing middle-class population. We believe this population is a homogeneous borderless group, showing a single set of demands and aspirations. Currently numbering around 3.3 billion, we believe the global middle-class will be closer to 5.3 billion at the end of this decade. That is a needle-moving demographic to be engaged with that will drive our six key themes:



Distribution information*						
Period end	Ex Dividend	Payment date	A Acc (GBp)	A Inc (GBp)	F Acc (GBp)	F Inc (GBp)
Jun-20	30/06/2020	28/08/2020	0.0000	0.0000	0.3645	0.1479
Dec-20	31/12/2020	26/02/2021	0.0000	0.0000	0.5239	0.4315
Jun-21	30/06/2021	31/08/2021	0.5432	0.0000	0.8949	0.7910
Dec-21	31/12/2021	28/02/2022	0.4518	0.0000	0.6681	0.5872
Jun-22	30/06/2022	31/08/2022	1.6622	0.0000	2.4595	2.1533

Cumulative performance (%)						
	1m	3m	6m	YTD	1y	Since Launch**
VT Downing Global Investors F Acc	0.23	0.27	-6.67	-15.34	-13.88	48.32
IA Global TR Index	1.94	-3.09	-3.53	-11.28	-9.30	48.00
Quartile Ranking	4	1	4	3	3	2

Discrete performance (%)		
	31/10/2021 - 31/10/2020	31/10/2022 - 31/10/2021
VT Downing Global Investors F Acc	-13.88	31.77
IA Global TR Index	-9.30	28.64
Quartile Ranking	3	2

*\* Distributions are subject to change and should not be utilised as a basis for an investment decision.*

*\*\* 24 March 2020*

Please note that past performance is not a reliable indicator of future results.



**Fund Manager**  
**Anthony Eaton**

Anthony joined Greig Middleton in 1991 and was appointed a director in 1996. He moved to JM Finn & Co in 2001 and became lead manager on the CF JM Finn Global Opportunities Fund in 2005 where he returned a 10.4%\* compound annual growth rate through to August 2019 when it was sold to Thornbridge.

He has consistently applied an evolutionary strategy over the past 15 years as the global middle-class phenomenon has gained momentum. His investment process focuses on producing compounding returns, with a view to generating growth over the long-term.

*\* MI Thornbridge Global Opportunities Fund August 2019 factsheet.*



Awarded on  
14 October 2022



Awarded on  
23 September 2022



Anthony's fund is 3 Diamond rated, defaqto 2022



As at 30 August 2021

## Investment strategy

We use pattern hunting strategies to identify areas of economic activity attracting capital. We buy equity stakes in businesses that supply the needs and wants of the expanding global middle class population. We seek to invest in the leading companies within any business grouping we identify.

## Liquidity

Our top-down conviction primarily leads to larger capitalisation businesses and aims to avoid undue exposure to any single factor. We balance defensive and cyclical stocks and sectors depending on where we are in the business cycle.

## Investment objective

The fund aims to achieve capital growth and income over the long term (5+ years) across global markets.

It will invest at least 70% in equities globally with up to 20% invested in higher risk emerging markets.

The fund will invest in any geographic, industry or economic sector on merit and weightings in these will vary with circumstances.

# Portfolio summary

As at 31 October 2022

## Top 10 holdings

	% of fund
Archer Daniels Midland Co	2.30
Glencore Plc	2.25
Unilever Plc	1.48
KRBL Ltd	1.42
KEI Industries Ltd	1.30
TotalEnergies SE	1.27
Quanta Services Inc	1.26
Devon Energy Corp	1.26
OCI NV	1.23
Enphase Energy Inc	1.18

Source: Valu-Trac Investment Management Limited.

## Portfolio by sector



## Key facts As at 31 October 2022

### Structure

London listed Open Ended Investment Company (OEIC), established as a "UCITS scheme".

### Launch date

24 March 2020 at 100.0000p per unit

### Fund size

£35.88m (A & F share classes combined)

### Share price

Class A 100.1555p (Acc)

Class A 100.0000p (Inc)

Class F 148.3194p (Acc)

Class F 127.6263p (Inc)

### Number of company holdings

134

### Liquidity

Daily pricing and daily dealing

### Sector: IA Global

### Minimum initial investment

Class A: £1,000 lump sum

Class F: £1,000,000 lump sum

### ISIN & Sedol Codes:

Class A Accumulation: GB00BHNC2499 / BHNC249

Class A Income: GB00BHNC2507 / BHNC250

Class F Accumulation: GB00BHNC1N11 / BHNC1N1

Class F Income: GB00BMQ57900 / BMQ5790

### ISA Eligible: Yes

### Contact details

Downing LLP, St Magnus House,

3 Lower Thames Street,

London EC3R 6HD

Tel: + 44 (0) 20 7416 7780

Email: customer@downing.co.uk

### Authorised Corporate Director

Valu-Trac Investment

Management Ltd

Orton, Moray

IV32 7QE

Tel: +44 (0) 1343 880 217

www.valu-trac.com

### Fund charges

Initial charge: 0%

Annual management charge:

Class A: 0.75% per annum

Class F: 0.60% per annum

Ongoing charges\*

Class A: 0.96%

Class F: 0.81%

### How to apply:

Telephone +44 (0)1343 880 217 or

visit: [www.valu-trac.com/administration-services/clients/downing/global](http://www.valu-trac.com/administration-services/clients/downing/global)

Also on the following platforms:

7IM

Aegon Institutional

Aegon Platform

AJ Bell (Investcentre)

AJ Bell (Youinvest)

Aviva

Canada Life

Embark Platform

Hargreaves Lansdown

Hubwise

Interactive Investor

J Brearley

Pershing

Praemium

Quilter

Standard Life - Elevate

Transact

We are currently working with other platforms so please let us know if yours is not listed above.

\* Please note: The ongoing charges figure is based on expenses and the net asset value as at 24 June 2022. This figure may vary from year to year. It excludes portfolio transaction costs.

The Investment Manager of the fund has undertaken to absorb any costs that would otherwise cause the fund to have ongoing charges in excess of 1%.

[www.downingglobalinvestors.com](http://www.downingglobalinvestors.com)

**Risk warning:** Your capital is at risk. Investments into this fund should be held for the long term (+5 years). The value of your investment and income derived from it can fall as well as rise and investors may not get back the full amount invested. Values may be affected by fluctuations in currency exchange rates and may cause the value of your investment to go up and down. In addition, investments in emerging markets or less developed countries may face more political, economic or structural challenges than developed countries and your money is at greater risk. Past performance is not a guide to future returns. Please refer to the latest Full Prospectus and KIID before investing; your attention is drawn to the risk, fees and taxation factors contained therein.

This document is intended for retail investors and their advisers and has been approved and issued as a financial promotion under the Financial Services and Markets Act 2000 by Downing LLP ("Downing"). This document is for information only and does not form part of a direct offer or invitation to purchase, subscribe for or dispose of securities and no reliance should be placed on it. Downing does not offer investment or tax advice or make recommendations regarding investments. This document contains information and analysis that is believed to be accurate at the time of publication, but is subject to change without notice. Whilst care has been taken in compiling the content of this document, no representation or warranty, express or implied, is made by Downing LLP as to its accuracy or completeness, including for external sources (which may have been used) which have not been verified. Downing is authorised and regulated by the Financial Conduct Authority (Firm Reference No. 545025). Registered in England No. OC341575. Registered Office: St Magnus House, 3 Lower Thames Street, London EC3R 6HD.

DLG0049\_Nov (Oct) 2022