

# VT Downing Global Investors Fund



## May 2023 Commentary

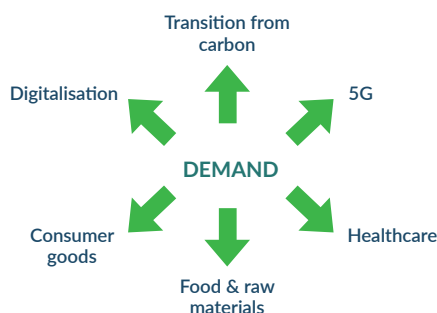
Another grinding bear market month has passed. We were up in value over all of May until the last day of the month when gains evaporated. We hold Nvidia Corp and many others like it in the portfolio. Hurrah! Up they flew at the end of the month having been weak at the beginning. However, we also hold Unilever, Nestle and many other companies like them. Down they went at the end of the month, having whizzed up at the beginning.

One of the competencies necessary at present is the stomach for all this endless change in sentiment. It will work itself out eventually once markets can see daylight. It is hard to see that when rates are still trending up at the short end. However, if anything, they are trending off at the long end as are many of the causes for their rise. Much of the commodity complex - that is food, raw materials and energy - are drifting off in price and there are mounting reports of easing logistics and supply chain bottlenecks. In our experience, more companies are now reporting ahead of expectations than behind. That has actually been the case for a while now and as markets have flatlined while profits have risen, so markets have therefore derated. Tenacity may finally be about to pay off for investors 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
Dec-22	31/12/2022	28/02/2023	1.2642	0.0000	1.8728	1.6119

Cumulative performance (%)						
	1m	3m	6m	YTD	1y	Since Launch**
VT Downing Global Investors F Acc	-0.21	-1.15	-3.97	-1.51	-6.10	45.32
IA Global TR Index	0.19	-0.19	1.06	4.05	2.38	54.36
Quartile Ranking	3	3	4	4	4	3

Discrete performance (%)			
	31/05/2022 - 31/05/2023	31/05/2021 - 31/05/2022	
VT Downing Global Investors F Acc	-6.10	-0.22	
IA Global TR Index	2.38	-0.04	
Quartile Ranking	4	3	

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

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

\*\* 24 March 2020



**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 date 1 February 2023



Awarded on 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 May 2023

## Top 10 holdings

	% of fund
Marubeni Corp	1.68
Quanta Services Inc	1.50
Varun Beverages Ltd	1.44
Microsoft Corp	1.27
Sony Corp	1.26
Novo Nordisk A/S	1.11
Koninklijke Vopak NV	1.09
Restaurant Brands International Inc	0.98
Itochu Corp	0.98
Lamb Weston Holdings Inc	0.98

## Portfolio by sector



Source: Valu-Trac Investment Management Limited.

## Key facts As at 31 May 2023

### 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

£36.19m (A & F share classes combined)

### Share price

Class A 98.0476p (Acc)

Class A 100.0000p (Inc)

Class F 145.3246p (Acc)

Class F 123.4617p (Inc)

### Number of company holdings

187

### 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: 0.93%

Class F: 0.78%

### 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.

[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.

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