

VT Downing Global Investors Fund



June 2022 Commentary

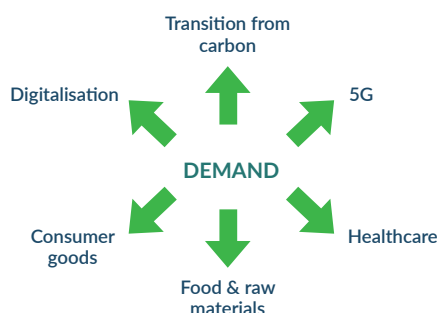
There are not many places to hide from what has become a broad market sell-off. We have remained reasonably fully invested with a cash position of around 10% on the basis that, after a prolonged and comprehensive fall, the risks of being out of a bounce at least equal those of remaining engaged. Our strategy has been to retain smaller positions and to be flexible in sectors engaged with, avoiding preconceptions like the plague. Some themes that have been forgotten about over recent years, for example shipping as a business and the Latin American continent as a geography, have made a strong, if still reasonably covert, reappearance on the radar. Russia remains central to market sentiment although substitution should become the solution as work-arounds take root in the sourcing of foods and energies.

Interestingly, over the month, prices for some commodities such as wheat and copper in particular (though not energy), have materially declined. This supports the 'spike inflation' rather than 'endemic inflation' view of what is going on. The 30-year US treasury rate is also off the top. These are admittedly short-term horizons but we have increased exposure to consumer brands on the basis that they are all hiking prices with input costs on the up, but will be slower to reduce if input cost rises tail off.

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	-7.78	-11.55	-18.54	-18.54	-11.08	42.72
IA Global TR Index	-5.41	-10.05	-14.50	-14.50	-8.77	42.62
Quartile Ranking	4	3	3	3	3	2

Discrete performance (%)		
	30/06/2021 - 30/06/2022	30/06/2020 - 30/06/2021
VT Downing Global Investors F Acc	-11.08	34.03
IA Global TR Index	-8.77	25.92
Quartile Ranking	3	1

** 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 22 June 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

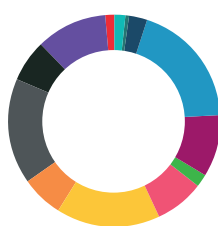
As at 30 June 2022

Top 10 holdings

	% of fund
Thales SA	2.27
Archer Daniels Midland Co	1.85
Nutrien Ltd	1.46
Reliance Industries Ltd	1.45
Unilever Plc	1.38
Wilmar International Ltd	1.35
SLC Agricola SA	1.33
Glencore Plc	1.32
Novo Nordisk A/S	1.29
Sony Corp	1.24

Source: Valu-Trac Investment Management Limited.

Portfolio by sector



1.71%	Communications	6.41%	Information Technology
0.69%	Commodity & Energy	16.16%	Materials
2.86%	Consumer Discretionary	6.23%	Real Estate
18.92%	Consumer Staples	10.79%	Cash
9.62%	Energy	1.35%	Utilities
1.93%	Financials		
7.52%	Health Care		
15.81%	Industrials		

Key facts As at 30 June 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

£32.54m (A & F share classes combined)

Share price

Class A 96.4261p (Acc)
Class A 100.0000p (Inc)
Class F 142.7194p (Acc)
Class F 122.7998p (Inc)

Number of company holdings

118

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

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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: 0.90%
Class F: 0.75%

How to apply:

Telephone +44 (0)1343 880 217 or
visit: www.valu-trac.com/administration-services/clients/downing/

Also on the following platforms:

7IM	Hubwise
Aegon	Interactive Investor
AJ Bell	M&G
Aviva	Nexus Funds Service
Canada Life International	Quilter
Elevate	Raymond James
Embark	Standard Life
FNZ	Transact
Fusion	Zurich
Hargreaves Lansdown	

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 31 December 2021. 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

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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