

VT ESPRIT TACTICAL BALANCED



MAR 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?

It was another positive month for global equities in March, with the asset class returning 3%. There was good news for investors with assets outside of the US stock market, as gains were led by UK and European equities, with the mining and energy sectors outperforming. US tech stocks actually underperformed the wider US market as the rally started to broaden out.

Bond markets had a relatively quiet month, although UK gilts performed well in response to weaker-than-expected UK inflation data. However, it wasn't so quiet in commodity markets where gold rose 8%, oil prices rose 6%, industrial metals rose 3% and agricultural prices rose 4%. It was also a good month for listed infrastructure and real estate which returned 5% and 3% respectively.

There was plenty of data to digest over the month, including a strong US jobs report and survey data. However, the US unemployment rate edged up to 3.9%. The major central banks decided to keep interest rates unchanged, but kept the door open to rate cuts beginning in June, but the Swiss National Bank surprised markets by cutting interest rates, the first time it has done so in nine years.

What is the outlook?

Despite robust US growth and signs that inflation is 'sticky', most Fed members feel that it remains

appropriate to begin cutting interest rates in June. That would be good news for the Bank of England and the European Central Bank as they seek to avoid currency weakness by moving first. However, inflation is now falling sharply across Europe and the data may force their hands, regardless of the Fed's actions in June. Political and media pressure is building and for the Bank of England especially, the optics of inflation below 2% and interest rates above 5% are poor.

Commodities struggled last year but with growth forecasts being revised higher, the asset class has enjoyed a strong rally in recent weeks. The sharp rise in oil prices could unsettle bonds and equities in the short term, but a manufacturing upturn could push industrial metals higher, particularly if Chinese economic data shows signs of bottoming out.

Markets have had a fast start to 2024, with most asset classes delivering positive returns. Bonds now offer attractive yields and equity valuations may receive a further boost from lower interest rates. However, with investor sentiment having improved so markedly since the turn of the year, we feel it's wise to sound a note of caution. Central banks may yet be spooked into delaying rate cuts and rising oil prices are an unwelcome tax on consumers and businesses.

FUND INFORMATION

Launch date:	23/01/2018
Size:	£192.3M
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
Yield ¹ :	0% (Accumulation) 2.61% (Income)
Initial charge:	0%
OCF ² :	0.97% 0.72% (C)

WHY INVEST?

Simplicity

A single fund to meet your investment needs

Diversification

Access a range of asset classes, investment styles and geographies

Actively managed

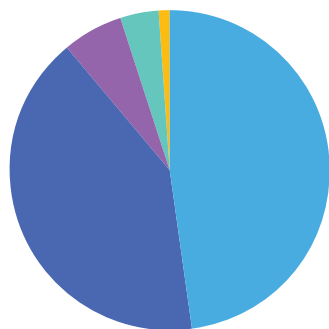
The fund will change as market conditions and the economic cycle evolves

Expertise

The managers share 40 years investment experience

PORTFOLIO BREAKDOWN - 31 MAR 2024

TARGET ASSET ALLOCATION

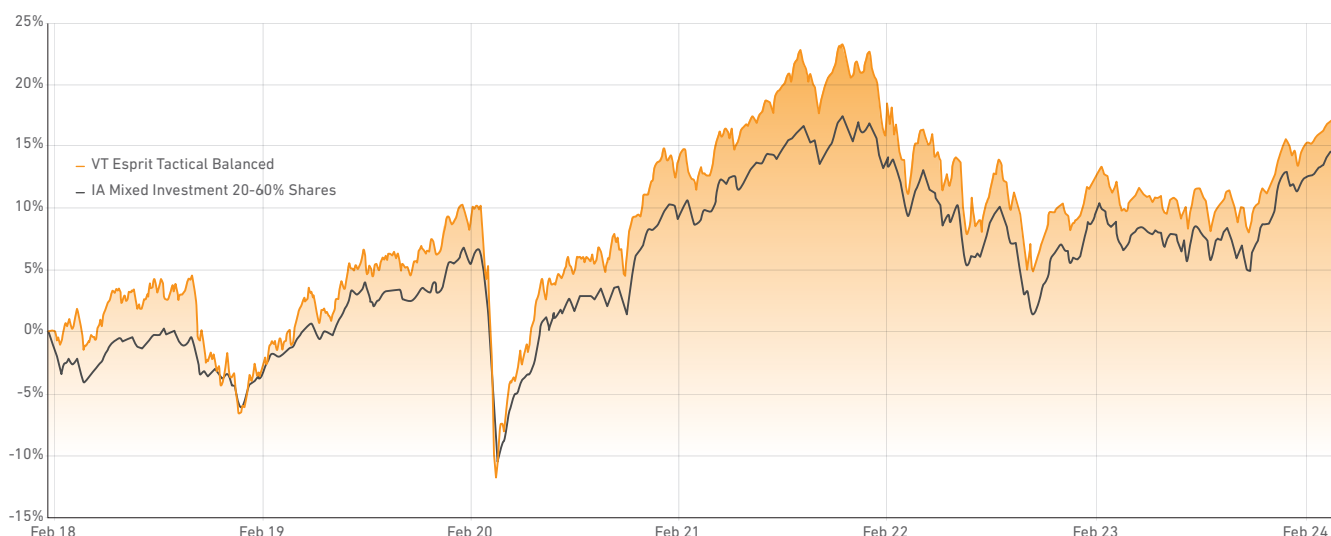


Equities	48%
Fixed Income	41%
Alternatives	6%
Money Markets	4%
Cash	1%

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%
AXA Global Strategic Bond	6%
iShares Corporate Bond Tracker	6%
Fidelity Japan Index	5%
L&G Global Emerging Markets	5%
WisdomTree US Quality Dividend Growth	4%

PERFORMANCE SINCE LAUNCH



Past performance is not necessarily a guide to future performance.

23/01/18 to 31/03/24 Data from Morningstar

CUMULATIVE PERFORMANCE (%)

	3m	6m	1y	3y	5y
VT Esprit Tactical Balanced	2.61	7.73	6.94	5.23	19.05
IA Mixed Investment 20-60% Shares	2.50	8.33	7.80	4.24	16.21

DISCRETE CALENDAR YEAR

	YTD	2023	2022	2021	2020
VT Esprit Tactical Balanced	2.61	6.00	-11.26	7.97	4.16
IA Mixed Investment 20-60% Shares	2.51	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.

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