

VT De Lisle America Fund GBP(£) Units

March 2023

Fund Information

Portfolio Manager	Richard de Lisle
Launch Date	06/08/10
Fund Size	£218m
No. of Holdings	173
Comparator	S&P 500(TR) Index
IA Sector	IA North America
Pricing	Daily, 12 noon
ACD	Valu-Trac Inv. Management

Fund Objective

To provide an attractive long-term return by investing primarily in equities in North America.

Fund Performance



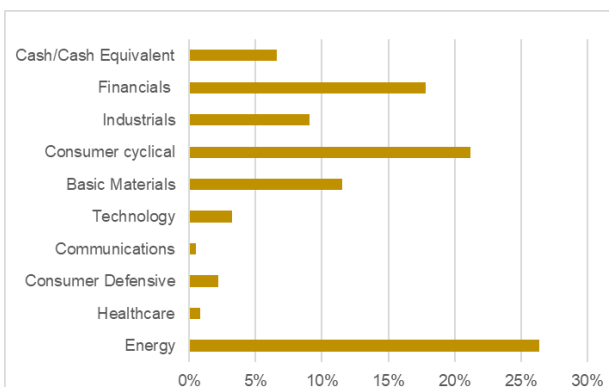
Performance

Cumulative	1 month	YTD	3 months	6 months	1 year	3 years	5 years	10 Years	Since Launch 06/08/10
VT De Lisle America GBP£	-7.8%	-1.7%	-1.7%	1.8%	-2.1%	113.7%	67.4%	232.2%	473.3%
S&P 500 TR in GB	1.5%	4.4%	4.4%	4.1%	-2.3%	64.9%	87.8%	267.9%	463.5%
IA North America TR in GB	-0.9%	2.6%	2.6%	2%	-4.7%	57.5%	75%	219.5%	363.2%

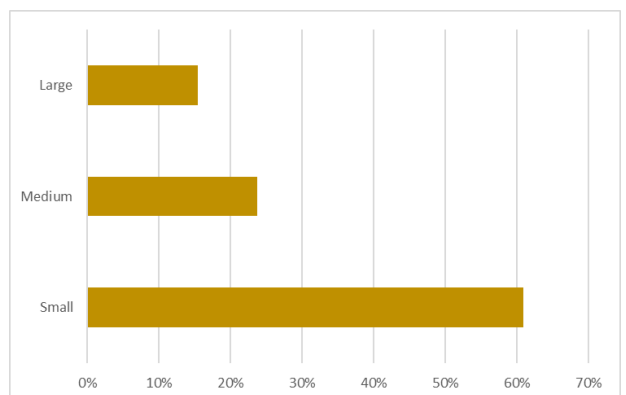
Annualised	1 Year	3 Years	5 Years	10 Years	Since Launch 06/08/10
VT De Lisle America GB£	-2.1%	28.8%	10.9%	12.8%	14.8%
S&P 500 TR in GB	-2.3%	18.1%	13.4%	13.9%	14.6%
IA North America TR in GB	-4.7%	16.4%	11.8%	12.3%	12.9%

Source: FE Analytics, 31/03/2023

Sector Allocation (%)



Market Cap Breakdown (%)



★★★★★ Morningstar rating™

Manager Commentary



In March the Fund fell 7.8% while the S&P500(TR) rose 1.5%. Dollar-holders were down 5.7% as sterling rose from \$1.2049 to \$1.2364. We were doing fine until March 9th, when a perfect storm arrived. With just an hour to batten down the hatches, as Silicon Valley Bank fell faster and faster, we sold 25 basis points (\$600,000) of community banks at or near their 52 week highs and sailed into the most rapid American banks failures ever, with a 16.5% weighting in community banks. Although this was our lowest for some years, it was still a little higher than the small cap indices. By the end of the month, the community bank ETF (QABA) was down 19.85% and this was the best of all banking indices by some way, with both regional bank indices down 29.5%. Our banks are far from the epicentre and fell about 9% as a group.

However, the knock-on consequences hit us in every sector. For instance, the Russell Microcap Index (IWC) was down 8.9% and value stocks were crushed everywhere.

By month-end, we saw the widest relative performance between growth and value, large and small, that we have seen in any month I remember. Now we are once again at extreme valuation differences between these groups, consistent with the low at the end of the third quarter 2022 or the start of the third quarter 2020. A flight to safety driven by loss of confidence and sudden imminence of recession meant value and small stocks were all sold. Energy, for instance, was even weaker than our banks because of energy price fears coupled with extant profits to be locked in.

Our current presumptions: this banking crisis is contained but confidence returns slowly; further regulation eventually which won't much impact community banks; competition for deposits will increase; loans will be in lower demand due to recession expectations. With price to book for our group back to second quarter 2020 lockdown lows and strong insider buying in our stocks, we retain our 16.5% weighting, having redeployed slightly into the remoter areas like Alaska. Too low to sell, too early to add. Elsewhere, we are investing in the uninvolved. We also added to long-term holding Climb, a technology distributor which had good earnings and moved up to fifth largest at 2.4%. The rally in growth stocks was related to the fall in interest rates as it was clear that breaking banks was an unacceptably high cost of breaking inflation. Where we do have growth stocks, like UFP Technologies and Ensign, they have been pushing to new highs but generally we have no interest in this group. Also, builders had another strong month and our Builders First Source rallied towards its high.

The only book I used to recommend for managers was Typhoon by Conrad. Captain McWhirr goes through the middle of it saying little more than 'I am the captain'. But when the ship makes port, it is agreed his action was the best possible. This storm exposed some fragilities and diminished the power of the Fed to impose its will. The instant reaction has been to treat it as a deflationary shock and revert to the pre-2020 market. We are following Captain McWhirr and heading straight through the middle, thinking these shocks actually stoke inflation longer term and we are increasing weightings in industrials and weak commodities.

Top 10 Holdings (%)

Cameco Corp	3.11%
Build-A-Bear Workshop Inc	2.82%
FS Bancorp Inc	2.81%
Borr Drilling Ltd	2.49%
Climb Global Solutions Inc	2.36%
Winnebago Industries Inc	2.04%
Builders FirstSource Inc	1.99%
Johnson Outdoors Inc	1.87%
Golar LNG Ltd	1.85%
Tidewater Inc	1.74%
Total	23.08%

Share class Information

Shareclass	B Shares Acc GBP (£)	B Shares Acc USD (\$)	B Hedged GBP (£)
Minimum Investment	£1,000	\$1,000	£1,000
Initial Charge	Nil	Nil	Nil
Management Fee	1.01%	1.01%	1.01%
OCF	1.07%	1.07%	1.07%
SEDOL	B3QF3G6	B4X7J42	BPLHRZ8
ISIN	GB00B3QF3G69	GB00B4X7J424	GB00BPLHRZ84

Ratios

	3yr	5yr	Since launch
Volatility	18.00	20.72	16.86
Alpha	12.94	-1.25	2.07
Beta	0.91	1.11	1.02
Sharpe ratio	1.41	0.36	0.70
Information Ratio	0.83	-0.08	0.16

Platform Availability



Important Information

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