

VT De Lisle America Fund USD(\$) Units

May 2023

DE LISLE PARTNERS

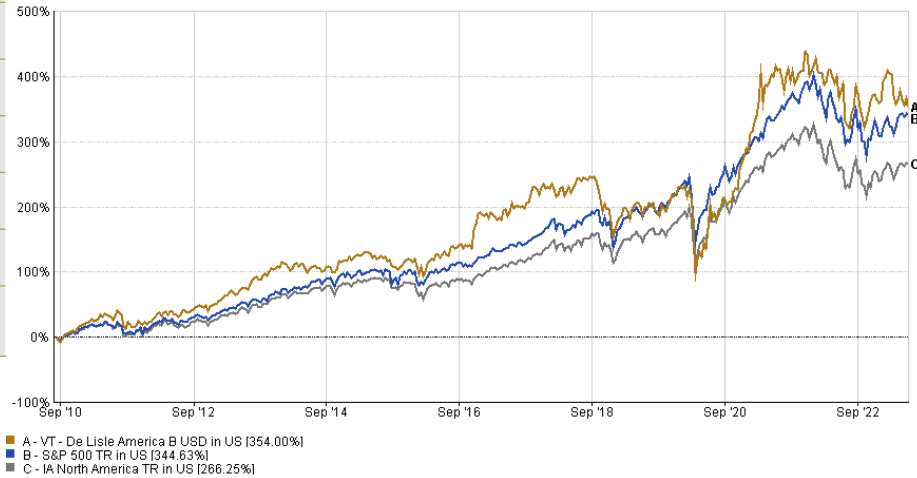
Fund Information

Portfolio Manager	Richard de Lisle
Launch Date	06/08/10
Fund Size	£214m
No. of Holdings	175
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



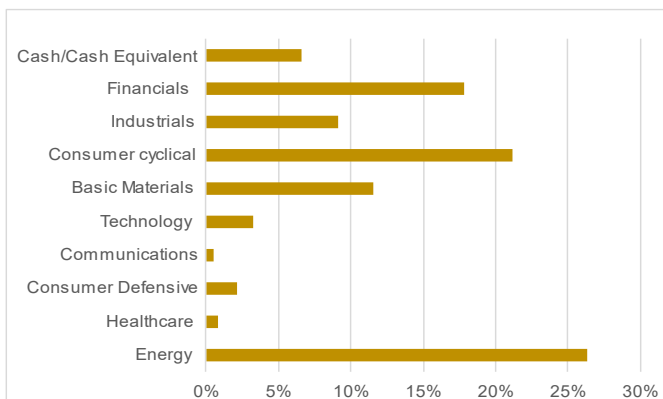
Performance

Cumulative	1 month	YTD	3 months	6 months	1 year	3 years	5 years	10 Years	Since Launch of Fund
VT De Lisle America USD(\$)	-0.8%	-2.5%	-8.9%	-3.8%	-6.2%	67.2%	34.3%	158.8%	354%
S&P 500 TR in USD(\$)	0.4%	9.4%	5.6%	3.1%	2.4%	42%	64.3%	193%	344.6%
IA North America TR in US	0.1%	7.7%	3.4%	3.6%	1.2%	35.9%	51.1%	153.6%	266.3%

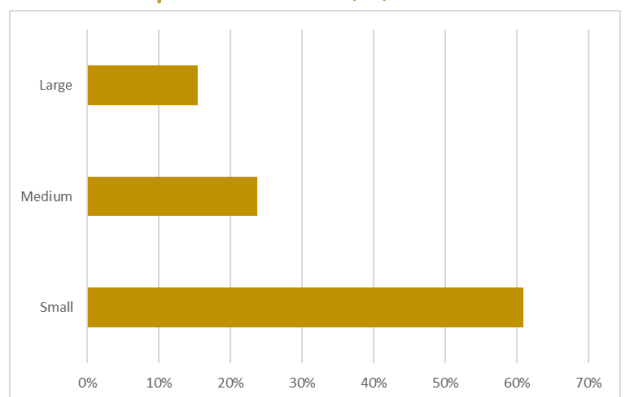
Annualised	1 Year	3 Years	5 Years	10 Years	Since Launch of Fund
VT De Lisle America USD(\$)	-6.2%	18.7%	6.1%	10%	12.5%
S&P 500 TR in USD(\$)	2.4%	12.4%	10.4%	11.4%	12.3%
IA North America TR in US	-6.2%	18.7%	6.1%	10%	10.7%

Source: FE Analytics, 31/05/2023.

Sector Allocation (%)



Market Cap Breakdown (%)



★★★★★ Morningstar rating™

Manager Commentary



In May, the Fund fell by 0.82% and the S&P500(TR) rose by 0.8%. Sterling-holders fell 0.05% as the pound fell from \$1.253 to \$1.246. The month started with a continuation of big tech outperformance as investors sought recession resistant sectors. The trend accelerated with the release of NVIDIA's earnings on May 25th which showed the rush to AI was proceeding much faster than expected. The technology sector once again offers great promise and there is hope overall productivity may eventually be increased. This is one of the few ways to reduce inflation and deal with the debt problem and consequently we returned to a virtual world and other types of stocks, especially cyclicals, became unwanted. All other sectors of the market were weak and the S&P 500 has gone to one of its biggest premiums year to date versus the S&P equal

weighted index. The other similar data points were the historic moves into large tech as at the end of 1999 and in 2020. Comparisons have been made to the tech stock euphoria at end of the 1990s at the start of the internet. While it may be that attaching 'AI' to a name is as explosive as '.com' used to be, this time the period starts with valuation differences between tech and the rest already stretched to extremes. In less than three months we have lost our outperformance generated since the start of the bear market in November 2021, yet in comparison to our niche in the market, we're not doing badly.

In the month, our companies continued to report earnings as we had hoped. One exception was Ulta Beauty, a cosmetics chain, which projected forward margins at 14.6% rather than 14.8% due to increased 'shrinkage'. For readers less familiar with the American language, the English translation of this noun is 'theft'. In 2021 US retail theft was estimated at \$94.5 billion, or \$283 per citizen, but is now even higher. However, this is exactly what we would expect going into a recession and our experiential retailer Build-A-Bear is inoculated from this problem as it is harder to steal experience. Nevertheless, having reported record first quarter earnings, Build-A-Bear also fell 10%, residing now at just 5.7x trailing earnings at month-end.

Although there was nowhere to hide in retail, commodities were worse. Energy, fertilizers and metals were down more than 10%, the narrative evolving from recession to slow China to AI solving all anyway. Against this background the banking crisis has been relegated from the headlines yet the bank indices made new lows on May 4th after the First Republic failure. The community bank ETF (QABA), for instance, was down 6.8% in May. We resolutely hold our 14% in community banks, now generally selling below tangible book value and at ratings commensurate with historic lows in 2020 and 2010.

Our general positioning in small and value would have been perfectly wrong were it not for continued scattered new highs in diverse top ten holdings such as Builders First Source and UFP Technologies and top twenty such as Sterling Infrastructure and Hawkins. We added Deere in the month at \$365 post-earnings on May 19th, as our initial attempt to get involved with AI cheaply. Like everything else of our ilk, it then went down daily but after the first two days of June, as I write, all these woes of May have been eradicated by a powerful rally. The statistics are yelling: worst month for cheap versus expensive for two decades; year to date, the 23% spread in favour of growth versus value in the Russell 1000 indices is the worst for value in all 44 years of data; relative valuation between growth and value back to the most extreme decile and value ETFs suffering their biggest withdrawals in the last three months since 2016. This is extreme and we are finally reducing liquidity and investing (in uranium, energy, industrials) to fully participate in the bounce-back. We have had net inflows every day in May and remained at 7% liquidity but with this margin of safety from extremes, we aim to get to 4%.

Top 10 Holdings (%)

Cameco Corp	3.39%
FS Bancorp Inc	2.71%
UFP Technologies Inc	2.69%
Builders FirstSource Inc	2.62%
Build-A-Bear Workshop Inc	2.62%
Climb Global Solutions Inc	2.32%
Borr Drilling Ltd	2.27%
Winnebago Industries Inc	2.07%
Tidewater Inc	1.82%
Golar LNG Ltd	1.80%
Total	24.3%

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	15.64	20.60	16.81
Alpha	10.25	-2.27	1.65
Beta	0.78	1.11	1.02
Sharpe ratio	0.96	0.21	0.67
Information Ratio	0.57	-0.17	0.12

Platform Availability



Important Information

Past performance is not a reliable indicator to future performance. Issued by De Lisle Partners LLP, registered in England No.OC310994, authorised and regulated by the Financial Conduct Authority. The Authorised Corporate Director (ACD) is Valu-Trac Investment Management Limited(VT), registered in England No. 02428648. VT is authorised and regulated by the Financial Conduct Authority. The registered office of Valu-Trac Investment Management Ltd is Level 13, Broadgate Tower, 20 Primrose Street, London, EC2A 2EW; head office at Mains of Orton, Orton, Fochabers, Moray, Scotland IV32 7QE. The Fund qualifies as an undertaking for Collective Investment in Transferable Securities (UCITSIII). This document should not be construed as investment advice or an offer to invest in the Fund. Nor should its content be interpreted as investment or tax advice for which you should consult your independent financial adviser and/or accountant. The information and opinion it contains have been compiled or arrived at from sources believed to be reliable at the time and are given in good faith, but no representation is made as to their accuracy, completeness or correctness. Any opinion expressed in this document represents the views of De Lisle Partners at the time of preparation, but is subject to change. For professional use only. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. Past performance should not be viewed as a guide to future performance. Please read the Prospectus before making an investment.