

VT De Lisle America Fund GBP(£) Units

September 2023

DE
LISLE
PARTNERS

Fund Information

Fund Objective

Portfolio Manager	Richard de Lisle
Launch Date	06/08/10
Fund Size	£270m
No. of Holdings	178
IA Sector	IA North America
Pricing	Daily, 12 noon
ACD	Valu-Trac Inv. Management

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

Fund Performance



06/08/2010 - 29/09/2023 Data from FE fundinfo 2023

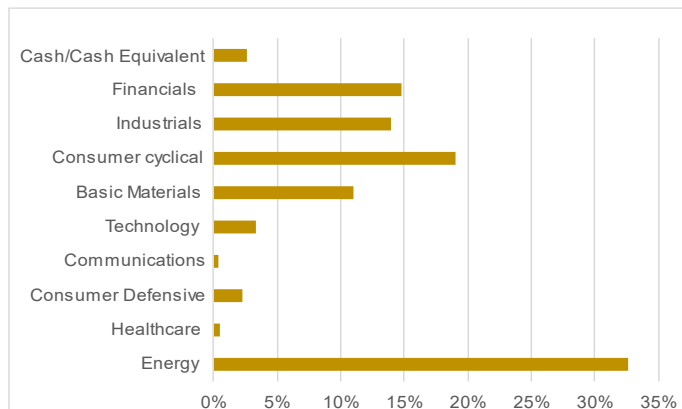
Performance

Cumulative	1 month	YTD	3 months	6 months	1 year	3 years	5 years	10 Years	Since Launch of Fund
VT De Lisle America GBPE	3.1%	9.9%	9.4%	11.8%	13.8%	81.2%	66.1%	249.8%	541.1%
IA North America TR in GB	-1.1%	8.9%	0.6%	5.6%	8.4%	33.1%	56.1%	229.2%	391.7%

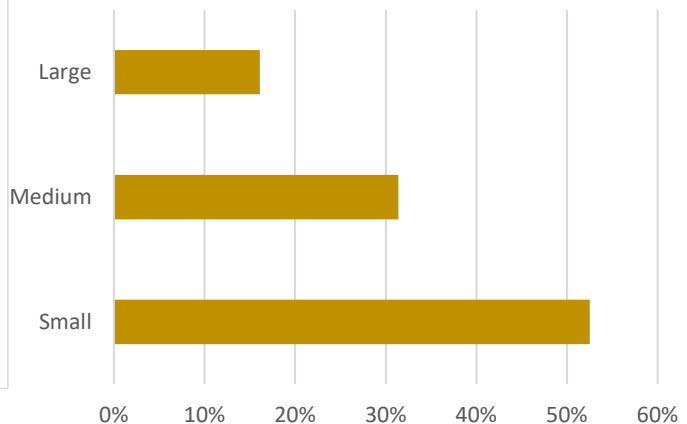
Annualised	1 Year	3 Years	5 Years	10 Years	Since Launch of Fund
VT De Lisle America GB£	13.8%	21.9%	10.7%	13.3%	15.2%
IA North America TR in GB	8.4%	10%	9.3%	12.7%	12.9%

Source: FE Analytics, 30/09/2023

Sector Allocation (%)



Market Cap Breakdown (%)



★★★★★ Morningstar rating™

Manager Commentary



In September, the Fund rose 3.1% while the IA North America TR fell 1.1%. Dollar holders were down 0.3% as the pound fell from \$1.268 to \$1.216. Long bond yields reached 16-year highs at around 4.6% after the Fed continued to signal high rates because of embedded inflation.

The market displayed a similar pattern to August and, indeed, to last September, as it went into the bear market low.

Large stocks did better than small stocks and growth did better than value. This time the range for indices varied from -4.87% for the S&P500 to -7.09% for the Russell Microcap. Value was about 1% worse than growth in the smaller indices. This underperformance of value tells us recession fears trumped interest rates, which is remarkable as the rising interest rates are negative for growth stocks. This is another step closer to the 1970s and that old hybrid word 'stagflation' is being used more. Overall, the year-to-date result, apart from the Magnificent 7 tech leaders, is now a round trip.

Relatively, we had a good month. This fits in with our view that we do well when the yield curve becomes less negative, as it did by 0.47% between 2 and 10 years. How did we get away with it when, again, we should have been in the worst place with our small-cap value?

We have 180 stocks, so it's not about a few winners. And we have no stocks in the NASDAQ 100, the last good growth sector. It was about energy, our most overweight sector. Uranium surged as acceptance improved. As the uranium debate inexorably moves in favour, we seemed to reach a tipping point where the 'ayes' became the consensus and our stocks built up momentum, going from 7% to 7.5% by market action. The oil price itself rose as OPEC+ restricted supply. The US ran down its Strategic Petroleum Reserve from 648 to 347 million barrels. They said they'd replenish at \$70 but didn't buy when it got there. Thus they revealed their hand, misplayed it, and allowed Saudi Arabia to create an easy short squeeze.

What else? Build-A-Bear (now a 3.6% weighting after adding) went on up even as retail was down. High debt stocks underperformed, which is to our advantage. Consumer non-durable (0% weight), REITs (0%) and utilities (0%) all had a very poor month, hating stagflation as in the 1970s and they are now the worst three sectors year-to-date.

Finally, against the trend, we have some small value stocks exploding upwards, all having been asleep for years: Matrix Service (MTRX, energy facilities' maintenance, 0.47% weight) +42% in September; Geospace (GEOS, seismic, 0.53%) +35%; Virco (VIRC, school desks, 0.08%) +74% and Orion (ORN, port repair, 0.32%) +12%. The common factor? Increasing backlog: a key variable for our type of stocks. As the Inflation Reduction Act begins to affect order patterns, we are looking for the beneficiaries.

Platform Availability



Top 10 Holdings (%)

Cameco Corp	4.95%
Build-A-Bear Workshop Inc	3.69%
Builders FirstSource Inc	2.44%
Borr Drilling Ltd	2.42%
Tidewater Inc	2.35%
FS Bancorp Inc	2.30%
UFP Technologies Inc	2.29%
TechnipFMC PLC	1.92%
Climb Global Solutions Inc	1.81%
Winnebago Industries Inc	1.80%
Total	25.95%

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	19.19	21.67	18.04
Alpha	12.86	3.55	3.73
Beta	0.86	0.91	0.93
Sharpe ratio	0.93	0.35	0.66
Information Ratio	0.68	0.09	0.18

Important Information

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