

## VT DE LISLE AMERICA FUND

## Monthly Commentary

August 2024

August 2024		Fund			S&P 500 Index	
		Performance	Inception to date		Performance	Inception to date
		<i>YTD</i>	<i>ITD</i>		<i>YTD</i>	<i>ITD</i>
2005		+14.01%	+14.01%		+4.78%	+4.78%
2006		+16.91%	+33.29%		+13.62%	+19.05%
2007		+4.06%	+38.70%		+3.53%	+23.25%
2008		-47.99%	-27.86%		-38.49%	-24.18%
2009		+42.74%	+2.97%		+23.45%	-6.40%
2010		+24.94%	+28.65%		+12.78%	+5.57%
2011		+1.79%	+30.96%		0.00%	+5.56%
2012		+24.17%	+62.61%		+13.41%	+19.71%
2013		+42.96%	+132.46%		+29.60%	+55.15%
2014		+3.92%	+141.59%		+11.39%	+72.82%
2015		-2.10%	+136.51%		-0.73%	+71.56%
2016		+31.95%	+212.07%		+9.54%	+87.93%
2017		+13.43%	+254.00%		+19.42%	+124.42%
2018		-20.44%	+181.65%		-6.24%	+110.42%
2019		+27.60%	+259.39%		+28.88%	+171.19%
2020		+16.17%	+317.49%		+16.26%	+215.28%
2021		+35.18%	+464.37%		+26.89%	+300.07%
2022		-10.54%	+404.87%		-19.44%	+222.29%
2023		+20.33%	+507.49%		+24.23%	+300.38%

	<i>MTD</i>	<i>YTD</i>	<i>ITD</i>	<i>MTD</i>	<i>YTD</i>	<i>ITD</i>
<b>Jan 2024</b>	<b>-3.41%</b>	<b>-3.41%</b>	<b>+486.78%</b>	<b>+1.59%</b>	<b>+1.59%</b>	<b>+306.74%</b>
<b>Feb 2024</b>	<b>+3.80%</b>	<b>+0.26%</b>	<b>+509.10%</b>	<b>+5.17%</b>	<b>+6.84%</b>	<b>+327.78%</b>
<b>Mar 2024</b>	<b>+7.64%</b>	<b>+7.92%</b>	<b>+555.62%</b>	<b>+3.10%</b>	<b>+10.16%</b>	<b>+341.05%</b>
<b>Apr 2024</b>	<b>-6.02%</b>	<b>+1.36%</b>	<b>+515.77%</b>	<b>-4.16%</b>	<b>+5.57%</b>	<b>+322.69%</b>
<b>May 2024</b>	<b>+5.20%</b>	<b>+6.63%</b>	<b>+547.79%</b>	<b>+4.80%</b>	<b>+10.64%</b>	<b>+342.99%</b>
<b>Jun 2024</b>	<b>-3.21%</b>	<b>+3.21%</b>	<b>+527.00%</b>	<b>+3.47%</b>	<b>+14.48%</b>	<b>+358.35%</b>
<b>Jul 2024</b>	<b>+8.43%</b>	<b>+11.92%</b>	<b>+579.88%</b>	<b>+1.13%</b>	<b>+15.78%</b>	<b>+363.54%</b>
<b>Aug 2024</b>	<b>-2.40%</b>	<b>+9.23%</b>	<b>+563.55%</b>	<b>+2.28%</b>	<b>+18.42%</b>	<b>+374.13%</b>

In August the Fund fell 2.40% and the S&P500 rose by 2.28%. Sterling holders lost 5.14% as the pound rose from \$1.276 to \$1.313. The month was marked by two particular days; one was a panic on August 2<sup>nd</sup> and the other saw renewed hope on August 23<sup>rd</sup>. The first day was caused by the Yen rising sharply after a 0.15% increase in Japanese rates. Many funds were the wrong side of this 'carry trade' and the general sell-off took the Russell 2000 down 10% from the end of July to its lows three days later and the Russell micro-cap down 14%. This abrupt move, reminiscent of the LTCM sell-off in August 1998, was worse for smaller and value stocks as, like all crashes, it was presumed to be recessionary. Steady recovery followed but by month-end, the S&P500 was the only market index which had regained positive territory. The second particular day was Jay Powell's Jackson Hole speech on August 23<sup>rd</sup> which confirmed there will be an interest rate cut on September 18<sup>th</sup> and accelerated the steady recovery.

We had now reverted to the same position of hope that ignited the market on July 11<sup>th</sup>, after weak consumer prices implied an interest rate cut. In the interim, doubt of getting away without a recession had returned with crashes, strong employment numbers, yet weakening confidence. Theoretically, by the end of August, we are back in the same place as July 11<sup>th</sup>, but nuanced changes of relative strength are in play, adjusting for the ongoing uncertainty. In large cap growth, staples improved relative to tech. Retailers weakened yet financials were better.

We also had to contend with weak commodity prices, another effect of the sell-off coupled with the ongoing economic uncertainty. The oil-service index finished the month down 11.5% and the spot Uranium price continued down despite longer term Kazakhstan supply restrictions keeping us positive. Housing remained better than leisure.

In the area of non-tech steady growth, the sweet spot, we have had uniform success. A good month for Murphy USA (MUSA), Climb (CLMB), UFP Technologies (UFPT), Pennant (PNTG) and Build-A-Bear (BBW), all of which are 2%+ top 10 positions and had good earnings and made new highs in the month. A special mention for BBW, whose earnings pushed it up to 3.5% of the Fund, and our largest position for the first time. Although we are now up more than ten-fold on our original purchases in December 2020, it seems as cheap

as ever with more visibility. After talking with the CEO and CFO, we continue to add. Of all the experiential pandemic plays, creating and collecting teddy bears has been the most enduring, with no reversion even as other retail slows.

#### **Risk Warnings and Other Important Information**

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The Fund qualifies as an Undertaking for Collective Investment in Transferable Securities (UCITSIII).

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