



VT SG UK Defined Return Assets Fund

Monthly Report

30th September 2023

Investment Objective & Investment Selection

The investment objective of the VT SG UK Defined Return Assets Fund is to generate capital growth over the long term.

The Fund will seek to achieve its objective primarily via exposure (indirectly by way of a swap) to a portfolio of defined return investments, namely twelve rolling up to six year autocalls (each of which will have a potential maturity date on a different calendar month each year) which are designed to provide a defined return if the FTSE 100 is at, or above, a predefined level on a specified date. Capital is at risk and there is no guarantee that a positive return will be achieved over a 12 month, or any, period.

Monthly Review

During September, the Fund returned +0.98%, relatively lagging the FTSE 100 Total Return Index which rose +2.40%.

At the start of September, it was reported that the UK economy bounced back from the Covid-19 pandemic much more quickly than previously reported, with newly revised figures adding 1.7% to the country's GDP for the historical fourth quarter of 2021. This has been factored into the latest interest rate decision by the Bank of England, which voted to keep interest rates unchanged at 5.25%, breaking the 14-month sequence of increases. It is now believed that the current cycle of rising interest rates may be closer to the peak than originally forecast.

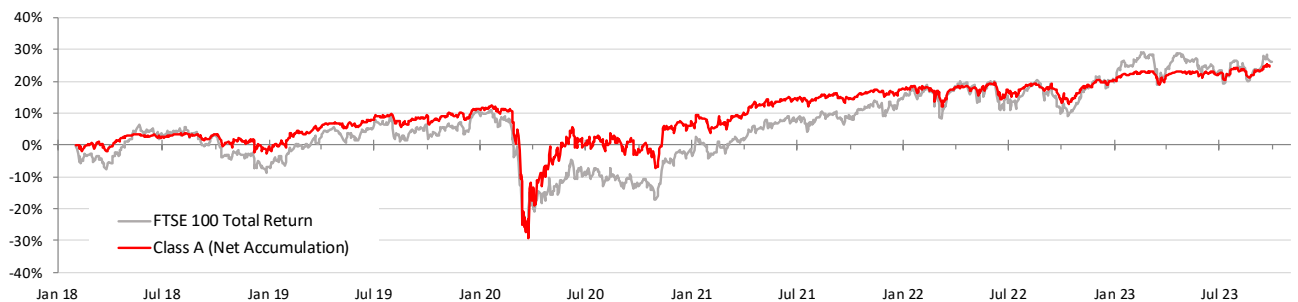
The indicated Gross Redemption Yield (GRY) at the end of September 2023 has increased slightly to 8.10%. During the month, the September leg triggered with a new coupon of 6.75%, a slight reduction to the outgoing September coupon of 7.00%. At time of writing the October leg is also set to potentially trigger.

Past performance is not necessarily a guide to future performance.

See overleaf for a strategy overview.

Fund & FTSE 100 TR Performance

Period from 31st January 2018 to 29th September 2023



Fund Performance Figures

Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2018		0.57%	-1.25%	3.59%	0.03%	-0.30%	0.86%	-0.52%	0.53%	-2.71%	1.06%	-2.30%	-0.58%
2019	2.03%	2.07%	1.69%	1.58%	-0.67%	1.47%	1.81%	-2.15%	1.83%	-0.10%	0.93%	0.78%	11.78%
2020	-0.60%	-6.06%	-18.12%	17.37%	2.94%	-1.76%	-0.81%	1.15%	-2.99%	-5.03%	12.95%	1.35%	-3.98%
2021	-1.09%	1.69%	2.65%	2.23%	0.96%	0.67%	0.07%	1.10%	-0.78%	1.23%	-0.27%	1.39%	10.25%
2022	0.03%	-0.56%	1.12%	-0.36%	1.28%	-1.74%	0.76%	-0.64%	-3.46%	2.52%	3.18%	0.51%	2.50%
2023	1.50%	0.50%	-0.87%	0.81%	-0.94%	0.49%	1.55%	-0.64%	0.98%				3.40%

Past performance is not necessarily a guide to future performance. Source Valu-Trac Investment Management Limited.

Key Facts

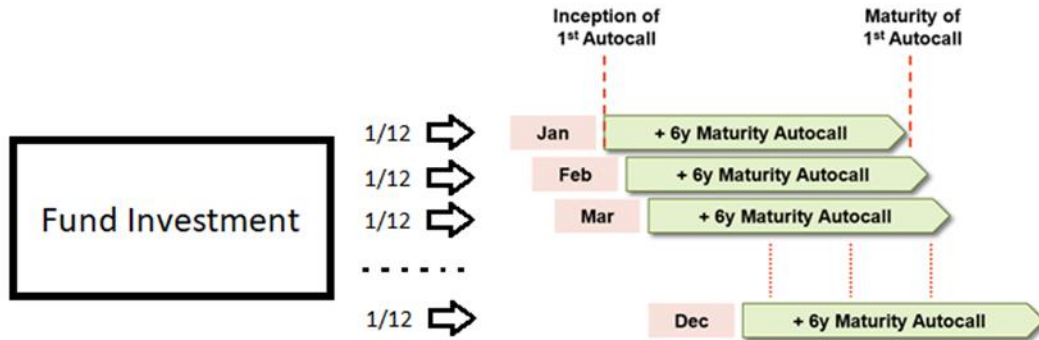
Sponsor	Societe Generale
NAV Per Share	124.6747p
Launch Date	31 st January 2018
Base Currency	GBP
Liquidity	Daily
Share Type	Accumulation
Initial Charge	0%
Annual Management Charge	£35,578 per annum (chargeable to the fund) + 0.375%
Minimum Subscription	£5,000
ISIN	GB00BDZRYK47
SEDOL	BDZRYK4
Bloomberg Code	VTSGUAG LN
IA Sector	Specialist
Pricing	12:00 noon
Dealing Deadline	12:00 noon
Dealing Line	01343 880344
Fax	01343 880267
Email	sg@valu-trac.com



The Passive Defensive Investment Strategy

→ 12 Equal Holdings – Staggered Monthly

An investment into the Fund gives investors **equal** exposure to 12 defined return investments, namely twelve rolling up to six year autocalls (each of which will have a potential maturity date on a different calendar month each year) which are designed to provide a defined return if the FTSE 100 is at, or above, a predefined level on a specified date. Capital is at risk and there is no guarantee that a positive return will be achieved. The objective over time is to ensure investors have diversity of investment timing, investment level and potential return.



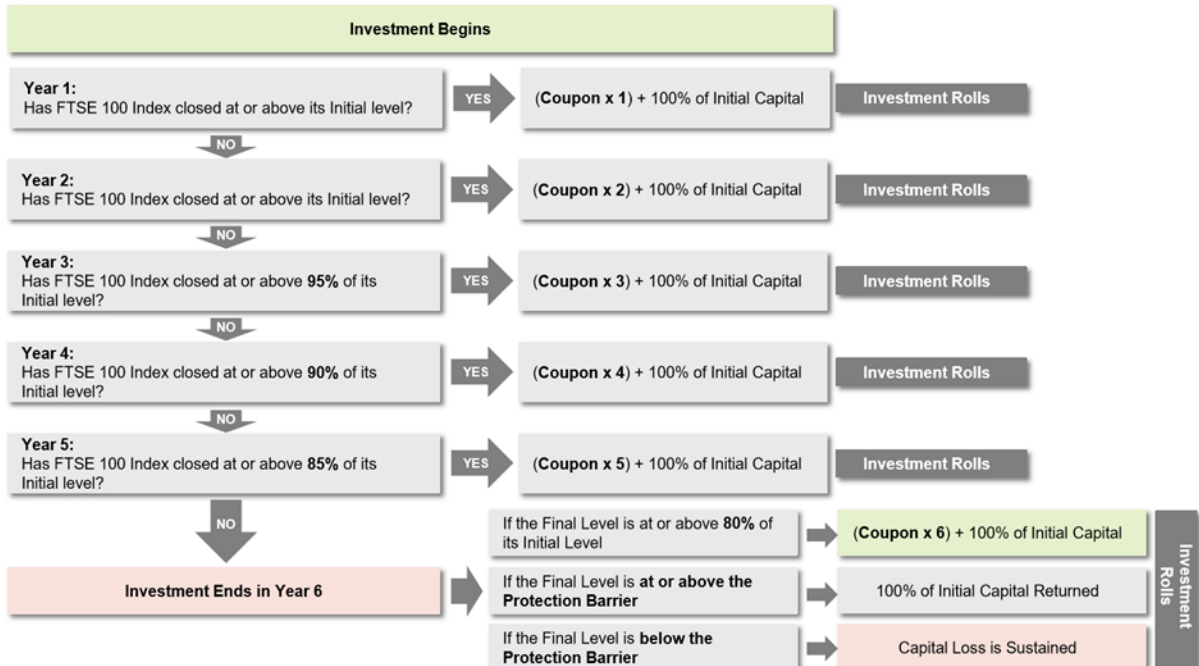
→ Example defined return investment returns

Each defined return investment return is dependent on the performance of the FTSE 100 Index.

If, on an annual autocall date, the FTSE 100 Index closes at or above the required level the defined return investment will end and the capital and any accumulated return for each year that has elapsed since the defined return investment start date, will be automatically reinvested into a new defined return investment following the very same strategy, resetting the dates and market levels at that time.

If, however, the FTSE 100 Index closes below the required level on an annual autocall date, the defined return investment will continue to the next annual autocall date.

If, the FTSE 100 Index does not close at or above the required level over any of the six annual autocall dates, the defined return investment will mature, and a capital loss will be incurred should the FTSE level be below 60% of the defined return investment start date.





VT SG UK Defined Return Assets Fund

Monthly Report

30th September 2023

Summary of Holdings

Asset Month Ref	Strike Level	Coupon	Strike Date	Next Autocall Date	Final Valuation Date	Assumed duration / time to kickoff - years	GRY*	Autocall Coupons					
								Autocall #1 (100% Level)	Autocall #2 (100% Level)	Autocall #3 (95% Level)	Autocall #4 (90% Level)	Autocall #5 (85% Level)	Autocall #6 (80% Level)
January	7724.94	6.65%	09/01/23	05/01/24	05/01/29	2.27	7.66%	106.77%	113.54%	120.31%	127.08%	133.85%	140.62%
February	7885.17	6.20%	08/02/23	05/02/24	05/02/29	2.36	7.74%	106.65%	113.30%	119.95%	126.60%	133.25%	139.90%
March	7929.92	6.35%	08/03/23	05/03/24	05/03/29	2.43	7.94%	106.20%	112.40%	118.60%	124.80%	131.00%	137.20%
April	7785.72	6.35%	11/04/23	05/04/24	05/04/29	2.52	7.54%	106.35%	112.70%	119.05%	125.40%	131.75%	138.10%
May	7741.33	6.70%	10/05/23	07/05/24	08/05/29	2.60	7.74%	106.35%	112.70%	119.05%	125.40%	131.75%	138.10%
June	7624.34	7.30%	07/06/23	05/06/24	05/06/29	2.68	7.73%	106.70%	113.40%	120.10%	126.80%	133.50%	140.20%
July	7256.94	7.80%	07/07/23	05/07/24	05/07/29	0.77	10.12%	107.30%	114.60%	121.90%	129.20%	136.50%	143.80%
August	7618.6	6.40%	10/08/23	05/08/24	06/08/29	2.85	7.46%	107.80%	115.60%	123.40%	131.20%	139.00%	146.80%
September	7441.72	6.75%	07/09/23	05/09/24	05/09/29	0.94	10.67%	106.40%	112.80%	119.20%	125.60%	132.00%	138.40%
October	7095.55	4.65%	08/10/21	05/10/23	05/10/27	0.02	6.80%	-	109.30%	113.95%	118.60%	123.25%	127.90%
November	7573.05	7.20%	09/11/22	06/11/23	06/11/28	0.10	16.19%	107.00%	114.00%	121.00%	128.00%	135.00%	142.00%
December	7489.19	6.77%	07/12/22	05/12/23	05/12/28	0.18	20.37%	107.20%	114.40%	121.60%	128.80%	136.00%	143.20%

FUND 1.64 8.10%

* per annum

Bold Autocall Coupons are the current potential returns based on the level of the FTSE 100 as of the 29th September 2023.

Performance Indicators

The table below is a snapshot of the current shape of the Fund.

Market Move	-20%	-10%	0%	10%	20%
Intrinsic Value (GBP)	1.14	1.28	1.14	1.07	1.07
Avg Time to Maturity (yrs)	5.31	3.90	1.64	0.48	0.48
Gross Redemption Yield	2.39%	6.47%	8.10%	14.34%	14.34%

→ Intrinsic value

The intrinsic value is the aggregate terminal value of the Fund taking into account estimated fees over the relevant period (not accounting for additional value from future reinvestment).

→ Average Time to Maturity

The table also shows the weighted average time to maturity of the investments held within the Fund. Currently this is 1.64 years because, at current market levels, all of the autocallable investments are likely to call within 0 to 3 years. This number gives the investor an idea of how long it will take for them to earn the expected GRY.

If the Market (The FTSE 100) moves up by 10%, then at present many of the 12 strategies would be set to mature sooner, and thus the Average Time To Maturity decreases.

→ Gross Redemption Yield

The table above shows the current expected yield of the Fund taking into account estimated fees for certain movements in the underlying indices. This yield is based on the Intrinsic Value and the Average Time to Maturity. For example, if markets do not move, we would expect the Fund to yield 8.10% given its current make-up.

If the Market (The FTSE 100) moves up by 10%, then the Average Time To Maturity decreases, and the Intrinsic Value (GBP) decreases, and combined this increases the Gross Redemption Yield from 8.10% to 14.34%.

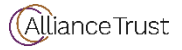


VT SG UK Defined Return Assets Fund

Monthly Report

30th September 2023

Platforms



Disclaimer

WARNING: The information in this Report is presented by Valu-Trac using all reasonable skill, care and diligence and has been obtained from or is based on third party sources believed to be reliable but is not guaranteed as to its accuracy, completeness or timeliness, nor is it a complete statement or summary of any securities, markets or developments referred to. The information within this Report should not be regarded by recipients as a substitute for the exercise of their own judgement.

The information in this Report has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient and is published solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. In the absence of detailed information about you, your circumstances or your investment portfolio, the information does not in any way constitute investment advice. If you have any doubt about any of the information presented, please consult your stockbroker, accountant, bank manager or other independent financial advisor.

Value of investments can fall as well as rise and you may not get back the amount you have invested. Income from an investment may fluctuate in money terms. If the investment involves exposure to a currency other than that in which acquisitions of the investments are invited, changes in the rates of exchange may cause the value of the investment to go up or down. Past performance is not necessarily a guide to future performance.

Any opinions expressed in this Report are subject to change without notice and Valu-Trac is not under any obligation to update or keep current the information contained herein. Sources for all tables and graphs herein are Valu-Trac unless otherwise indicated.

The information provided is "as is" without any express or implied warranty of any kind including warranties of merchantability, non-infringement of intellectual property, or fitness for any purpose. Because some jurisdictions prohibit the exclusion or limitation of liability for consequential or incidental damages, the above limitation may not apply to you.

Users are therefore warned not to rely exclusively on the comments or conclusions within the Report but to carry out their own due diligence before making their own decisions.

Valu-Trac Investment Management Limited and its affiliated companies, employees of Valu-Trac Investment Management Limited and its affiliated companies, or individuals connected to them, may have or have had interests of long or short positions in, and may at any time make purchases and/or sales as principal or agent in, the relevant securities or related financial instruments discussed in this Report.

© 2023 Valu-Trac Investment Management Limited. Authorised and regulated by the Financial Conduct Authority (UK), registration number 145168. This status can be checked with the FCA on 0800 111 6768 or on the FCA website (UK). All rights reserved. No part of this Report may be reproduced or distributed in any manner without the written permission of Valu-Trac Investment Management Limited. Valu-Trac™ is a registered trademark.