

## September Review

The fund returned 0.33% in September vs the S&P 500 ETF return of -1.14%, in sterling terms. September saw the market meaningfully correct for the first time since the March lows. Throughout the whole rally there have not been more than 4 consecutive down days until this last month, a surprising statistic but one that shows just how strong the market move has been.

On the stock front we took profits in our holding of Zoom Video. This has been a big winner for the fund, and was up 40% on 1 September alone, after some really blow out quarterly results. We wanted to lock in some profits, as this stock had also delivered 28% in August, but still own a small position and will monitor developments closely. We reduced our Tech weighting over the month from 27% down to 17% as we felt it prudent to take profits as the market was showing signs of corrective behaviour. We also wanted to re-allocate to other areas of the market, most prominently Industrials and Materials. There are noticeable signs of cyclicalty in the market and these two sectors have been performing well. We added Caterpillar and Deere to the Industrials and added back to gold miners, buying Newmont and Barrick.

## Market Outlook

The election is looming large now and there are many issues that the American voting public is worried about. It's still too early to get a real steer on what's going to happen and although Joe Biden remains in the lead in the popular vote and in key states, one feels that anything could happen and probably will. The first debate was not a great help to either candidate.

The issue of Covid 19 is still key to this election and if President Trump can be seen to get it under control, then his chances of winning will improve. Of course, he must survive it himself first.

**Felix Wintle, Fund Manager, VT Tyndall North American Fund, 30 September 2020**

# VT Tyndall North American Fund

Monthly Commentary 30 September 2020

