

# VT Tyndall Real Income Fund

Factsheet | December 2021



Manager: **Simon Murphy**

Managed fund since: 31/01/2020

Simon has over 20 years UK equity experience, including 10 years at Merian Global Investors and 10 years at M&G Investments.



## Fund Aims and Objectives

- The Fund aims to generate real income and capital growth
- A high conviction portfolio of 30-40 best ideas
- Genuine active management. Active share targeted at 75%+ and no benchmark constraints
- A diversified income stream focussed on premium yield and dividend growth opportunities

## December Performance Overview

Despite the rapidly escalating Covid-19 cases globally, December was, pleasingly, a very strong month in terms of fund performance as our portfolio gained +6.80% (share class A GBP Net Accumulation), significantly outperforming both the peer group average gain of +4.77% and the MSCI UK Index's gain of +4.81%.

In a mirror image of November's performance, positive attribution came predominantly from those companies significantly exposed to disruption from the Covid-19 developments such as WH Smith, J.D. Wetherspoon, National Express, EasyJet and Melrose. UK domestic stocks also performed strongly for the fund including Wickes, OSB Group, Premier Miton, Drax, Vistry and Taylor Wimpey.

Underperformers within the portfolio were limited, with modest relative underperformance from stocks such as Marks & Spencer, Prudential and Antofagasta. Other detractors primarily concerned large index constituents that performed well and where we have no exposure currently, including HSBC, Royal Dutch Shell, Diageo and AstraZeneca.

December was a relatively quiet month for activity in the portfolio. We made one new addition to the fund, namely automotive distributor Inchcape. We made one complete disposal of our holding in Phoenix Group. We do not believe the outlook for the company has materially changed but we feel we can deploy the capital to greater advantage elsewhere.

During early December we took advantage of significant price weakness to add to our holdings in ITV, J.D. Wetherspoon, Wickes, EasyJet and Melrose. We funded these purchases through profit taking in stocks such as OSB Group, WPP, Drax and Marks & Spencer.

Turning to our portfolio holdings, we noted last month that we felt a great many of our pandemic disrupted companies were offering extraordinary investment opportunities for the medium term, as we eventually adapt to a world that permanently includes Covid-19. As previously asserted, we do not know exactly when the market will decide to focus on the shape of that future environment and reappraise the outlook for survivors/winners accordingly. Perhaps December's performance of many of these stocks suggests that time is now. Obviously, we hope that is the case, but in reality it matters little to us, as we feel sure that the companies we own will ultimately emerge stronger post pandemic and will provide outsized returns to our investors in the years to come.

Visit fund page: <https://www.tyndallim.co.uk/tyndall-funds/vt-tyndall-real-income-fund/>

## Fund Performance

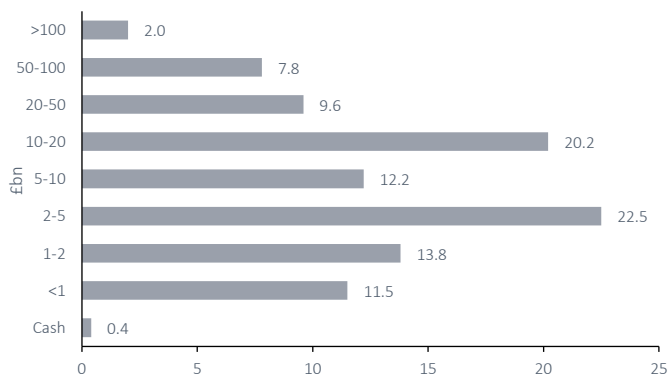
### Performance Information

Fund	1m	3m	6m	YTD	1 yr	Current manager 31/01/20
VT Tyndall Real Income A Acc	6.80%	1.65%	2.48%	13.59%	13.59%	16.05%
Quartile	1	4	4	4	4	1
IA UK Equity Income	4.77%	3.18%	5.60%	18.39%	18.39%	8.49%
MSCI United Kingdom	4.81%	5.14%	7.41%	19.59%	19.59%	7.32%

Source: © 2022 FE. Total Return, Bid-Bid in GBP, net income reinvested. Past performance is not necessarily a guide to future performance.

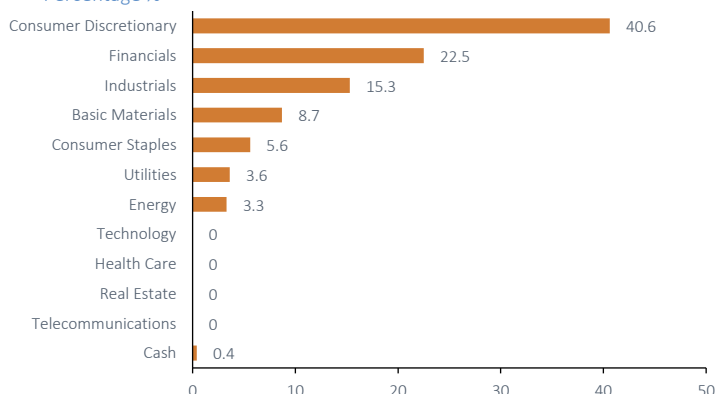
### Market Cap Breakdown

Percentage %



### Sector Breakdown

Percentage %



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## Top 10 Holdings

Stock	31 <sup>st</sup> December 2021	Stock	31 <sup>st</sup> December 2021
WH Smith Plc	4.0%	J D Wetherspoon Plc	3.5%
OSB Group Plc	3.8%	Rolls-Royce Holdings Plc	3.4%
Prudential Plc	3.8%	WPP Plc	3.4%
ITV Plc	3.7%	BP Plc	3.3%
Drax Group Plc	3.7%	Legal & General Group Plc	3.3%

## Share Class Information

Class	Type	ISIN	SEDOL	BLOOMBERG
A	GBP Income	GB00BYX0D836	BYX0D83	VTORIAI
A	GBP Accumulation	GB00BYX0D612	BYX0D61	VTORIAA

## Annual Dividend Payments

Year	Pence per Share	Y-on-Y Change	UK CPI Inflation**
2015/16*	1.03	n/a	0.5%
2016/17	3.54	244.4%	2.3%
2017/18	3.62	2.3%	2.5%
2018/19	3.97	9.6%	1.9%
2019/20	3.77	-5.0%	1.5%
2020/21	3.00	-20.4%	0.7%

A Inc shares, calculated to end March 2021. \*2015/16 partial year only. \*\* Source: Bloomberg.

## Authorised Corporate Director

Valu-Trac Investment Management Ltd  
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## Fund Information

Sector	IA UK Equity Income
Launch Date	28 <sup>th</sup> Sept 2015
Fund size	£10.7m
Fund structure	UK OEIC
Number of holdings	33
Historic Yield*	3.45%
Active share**	82.4%
Launch Price	100p
Valuation Point (UK Business Days)	12 noon (UK)

Initial Charge	0%
Annual Management Charge	Class A: 0.35%
OCF	0.78%
Minimum investment	£10,000
Ex Dividend dates	31 Mar, 30 Jun, 30 Sept, 31 Dec
Distribution dates	31 May, 31 Aug, 30 Nov, end Feb
ISA Eligible	Yes
Dealing Line	+44 (0)1343880344

\* Historic yield reflects distributions paid over the past 12 months as a percentage of the price of the A Inc share class as at 31/12/2021. It does not include any initial charge and investors may be subject to tax on their distributions. \*\* Source: Bloomberg

Please see the Key Investor Information Document for more information on the risks associated with this fund.

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