June Review

The Fund's F Acc share class units returned -3.02% vs the S&P 500 Index ETF return of -5.67%, in sterling terms.

For the first time for several months, it was the Energy sector that led the decliners in what turned out to be a very challenging month. All sectors were negative in June, led by Energy stocks -17.1%, followed by Materials -13.9%, then Financials -10.9% and Consumer Discretionary -10.8%. The best performing sector was Consumer Staples -2.4% and it's quite rare to see the best performing sector negative for the month. We reduced our weighting to Energy during the month from 19% to 10% and may yet reduce it further. It's notable that the commodity complex has been very weak of late, reflecting a more typical quad 4 environment than we have seen up until now. Copper was -13.5% and Natural Gas was -33.4% in June alone. The softs have also been weak, the wheat price -17.6% this month and has joined Corn and Fertilizer in downtrends. In fact, oil is really the only commodity that is still holding up but we are keeping our Energy positions on a tight leash as the market begins to care more about recession risk than inflation. This can also be evidenced by the 10-year bond yield which has also started to fall from a recent peak of 3.5% and is now down at 2.9%.

The best contributors to the fund in June were our Healthcare stocks and we continue to like this sector which is showing both absolute and relative strength. Utilities and Staples also made a positive contribution, and we continue to have a cautious and defensive portfolio as we navigate these tough markets.

Market Outlook

The first half of 2022 goes down in the history books as the third worst start to the year since 1950. Does that mean we can look forward to a great second half? Well, sentiment has certainly changed and there aren't too many bulls out there and that is a good development as we'll need to see pervasive bearishness before we put in a bottom. We've also seen markets price a lot in, with many growth and tech stocks having fallen a long way. But as we look forward, Q2 earnings season is going to be tough and until the Fed changes course on interest rates, we believe it's still right to be defensive and keep a healthy cash balance to deploy when the opportunities present themselves.

Felix Wintle Fund Manager, VT Tyndall North American Fund, 30 June 2022

Data sources: Bloomberg, Strategas Research Partners

Contact Details:

Fund Manager – fwintle@tyndallim.co.uk
Sales Director - hnolan@tyndallim.co.uk

Disclaimer

WARNING: All information about the VT Tyndall North American Fund ('The Fund') is available in The Fund's prospectus and Key Investor Information Document which are available free of charge (in English) from Valu-Trac Investment Management Limited (www.valu-trac.com). Any investment in the fund should be made on the basis of the terms governing the fund and not on the basis of any information provided herein.

The information in this Report is presented 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.

Capital at Risk: 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 Tyndall Investment Management is not under any obligation to update or keep current the information contained herein.

Sources for all tables and graphs herein are Valu-Trac Investment Management Limited 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.

Employees of Tyndall Investment Management, 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.

Tyndall Investment Management is a trading name of Odd Asset Management. Authorised and regulated by the Financial Conduct Authority (UK), registration number 660915. This status can be checked with the FCA on 0845 730 0104 or on the FCA website (UK).

Investment Manager: 5-8 The Sanctuary, London, SW1P 3JP.