January Review

The Fund's F Acc share class units returned -3.46% compared to the S&P 500 Index ETF return of 2.07% in sterling terms.

January has been a month of rotation and reversion. Those stocks and factor exposures that performed well in 2022 have underperformed this month and those stocks and factor exposures that performed badly in 2022 have outperformed, in some cases very meaningfully. There are many examples of this dynamic to cite but, to give a feel, stocks like Tesla which was -65% in 2022 was +40.6% in January. The Nasdaq Index was -33.1% in 2022 and is already +10.6% in January. The so called 'meme stocks' have also had a reprieve, Carvana the online car dealer fell 97.9% in 2022 and is up 114.6% in January. The Goldman Sachs Most Shorted Basket was down 51.7% in 22 and is up 19.4% this month. All these big moves have come at the expense of the more defensive areas like Healthcare -1.8%, Staples -1.1% and this is what has caused the fund to be behind the index in the month.

Reversals of this sort are not uncommon in January but tend not to be sustainable, particularly given the economic outlook, where our model shows growth continuing to decelerate over the next two quarters, with GDP forecast to hit 0% by April, and this is why we are still defensively positioned. Corporate earnings remain underwhelming in Technology, and we remain underweight the sector. This underweight is not structural however and we are monitoring the sector closely for opportunities; our contention being that the sector is very likely to produce some winners in the next bull market but that those companies will not be the mega cap growth stocks that have performed so well over the last decade. That is the big opportunity in Technology, and we are excited about the next phase for this sector.

In terms of new stocks, we initiated a position in World Wrestling Entertainment, which is one of the few remaining listed content companies. There is a global fight for content at the moment and, alongside Formula 1, which we also own via our holding in Liberty Media, stands out as a wholly owned asset with a large and very engaged fan base. Both these companies have been the subject of takeover rumours of late which have boosted their share prices.

Market Outlook

The sharp counter trend moves that we have seen so far in January are unfortunately part and parcel of what bear markets look like. Whilst painful to endure in the short term, it's important not to chase prices, they often race higher simply because they have fallen so far in the first place. I continue to believe there is trouble brewing at companies like Tesla, where ongoing criminal investigations are seemingly ignored by investors, and where volume guidance is met by cutting price. Much of the upward momentum in price during

January's rally has been the result of short covering and this is unsustainable in my view. In fact, as corporates continue to miss their numbers and remove guidance, it's even more important to not get sucked in by the noise in the short term and concentrate on those stocks which are best suited to the prevailing economic reality.

Felix Wintle Fund Manager, VT Tyndall North American Fund, 31 January 2023

Data sources: Bloomberg

Contact Details:

Fund Manager –Felix Wintle fwintle@tyndallim.co.uk
Sales Director – Theresa Russell trussell@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.