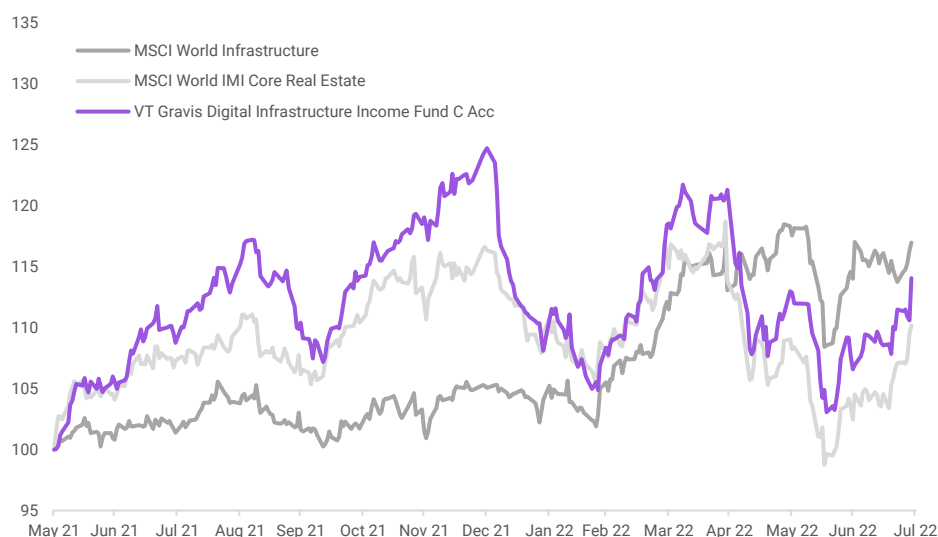


## FUND OBJECTIVES

- To achieve capital growth through market cycles<sup>1</sup>
- To invest in a diversified portfolio of transferrable securities including REITs, REOCs, collective investment schemes, equities and bonds, listed in developed nations
- To offer exposure to the companies which own the physical infrastructure assets vital to the digital economy, including data centres, telecom towers, fibre optic cable companies, logistics warehouses and the digitalisation of transportation
- Aims to deliver regular income, expected to be c.3% per annum<sup>2</sup>

## PERFORMANCE CHART

VT Gravis Digital Infrastructure Income Fund – C Acc GBP (Total Return after charges)  
31/05/2021 – 29/07/2022



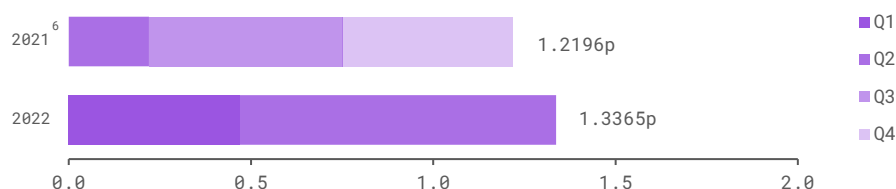
## RETURNS

	1 MONTH	3 MONTHS	6 MONTHS	12 MONTHS	SINCE INCEPTION	VOLATILITY
VT Gravis Digital Infrastructure	7.01%	-5.99%	3.07%	4.87%	14.06%	15.11%
MSCI World Infrastructure	2.62%	3.46%	11.17%	15.40%	16.99%	11.07%
MSCI World IMI Core Real Estate	7.54%	-3.22%	-0.52%	2.66%	10.17%	14.19%

Past performance is not necessarily indicative of future results.  
Fund launched on 31 May 2021  
Fund performance is illustrated by the C GBP Net Accumulation share class

## DIVIDENDS

Dividends paid since inception for C GBP Income share class.



## Company overview

Name	VT Gravis Digital Infrastructure Income Fund
Regulatory Status	FCA Authorised UK UCITS V OEIC
Launch Date	31 May 2021
Fund Size	£46.8m
Number of Holdings	31
Share Classes	Income and Accumulation Clean & Institutional (£,\$,€,¥)
Min. Investment	C: £100
Net Asset Value per share	C Acc (£): 114.06p C Inc (£): 111.41p
Annual Management Charge	C: 0.80%
Capped fund OCF <sup>3</sup>	C: 0.80%
Synthetic OCF <sup>4</sup>	C: 0.88%
Dividends Paid	End of Jan, Apr, Jul, Oct
Classification	Non-complex
Liquidity	Daily dealing
ISINs	C Acc (£): GB00BN2B4F43 C Inc (£): GB00BN2B4876

1. We expect this to be a period of 7 years
  2. This is an unofficial target and there is no guarantee it will be achieved. Per annum by reference to launch price of £1.00 per unit, payable quarterly, one month in arrears.
  3. The OCF for all share classes is capped at the AMC and any costs in excess of the OCF/AMC will be paid by the Investment Adviser.
  4. The 'Synthetic' OCF is calculated using the weighted average OCF of the Fund's underlying holdings where these figures are published. Whilst the requirement to publish the 'Synthetic' OCF is a new one as at 30th June 2022, this is not a new cash charge to investors and the OCF remains capped at the AMC.
  5. 12 month trailing net yield
  6. Part period from 31/05/2021 – 30/06/2022
- All data, source: Valu-Trac Investment Management, MSCI Inc and Reuters.

## FUND ADVISER'S REPORT

**"Equinix, the global leading data centre REIT, reported the company's 78th consecutive quarter of revenue growth - the longest streak of any S&P 500 company. Truly impressive."**

Over the course of July 2022, the NAV of the Fund increased by 7.01% (C Acc GBP), since launch, the Fund has increased by 11.94% (C Acc GBP). In comparison, the world infrastructure index<sup>1</sup> has increased by 16.99%, and the global real estate index<sup>2</sup> by 10.17%.

The strategy of the Fund is to invest in a globally diversified portfolio of best-in-class real estate and infrastructure companies, listed in developed markets that are likely to benefit from the digitalisation of economies, a trend that will see digital technologies change the way in which we work, live and play.

The Fund currently invests in 31 'next generation' infrastructure companies operating at the intersection of real estate and technology. The companies are active in four specialist sub-sectors: logistics warehouses (48.6% portfolio weight), mobile communication towers (25.2% portfolio weight), data centres (14.5% portfolio weight), and networks (7.5% portfolio weight). The underlying assets are physical in nature, generate contractual income and have long life expectancies.

The second half of the year started with a meaningful rally in digital infrastructure share prices, reducing the losses incurred in the first six months. The current financial market environment is multifaceted. Short-term interest rates are rising as central banks globally continue to grapple to contain inflation. The futures market expects that, for example, the US Federal Funds Target Rate will peak at 3.50%<sup>3</sup> in the first half of 2023. At the same time, long-term yields are falling as investors worry that the global economy will enter a recession. The yield on investment grade corporate bonds<sup>4</sup>, ended the month at 5.03%, 45 basis points lower than the multi-year high set in June. All the while the underlying financial performance remains robust for the Fund's high quality digital infrastructure investments.

This complex macro-economic environment may trigger a widening in the dispersion of future returns as investors become increasingly selective. In such an environment stock picking will remain key. Real assets, including listed digital infrastructure, that can grow rental income are likely to outperform. This is likely to include the Fund's exposure to the logistics buildings, communication towers and data centres.

During the month, Equinix (4.4% portfolio weight), the global leading data centre REIT with a market cap of \$64.1bn, reported another strong quarter of financial results. The company delivered record bookings, sizably surpassing the prior peak, and clearly avoiding the ongoing global macro-economic uncertainty. These results represent the company's 78th

consecutive quarter of revenue growth - the longest streak of any S&P 500 company.

Even after adjusting for the increase in shares outstanding, the company is currently on track to deliver its 17th consecutive year of revenue per share growth. Truly impressive.

This remarkable track record of continual growth is the result of the company owning and operating some of the most important digital infrastructure assets in the world. Equinix is a clear example of the type of digital infrastructure champions that the Fund invests in. Over 20 years the company has amassed a portfolio of 240 vendor-neutral multi-tenant data centres in 27 countries. With more than 10,000 customers Equinix has created a network effect, a gravitational pull that both attracts new customers and continuously compounds their existing customers' value.

Within communication towers infrastructure, Crown Castle (5.1% portfolio weight), the US specialist communication site REIT reported another solid quarter and, once again, increased its outlook for the current financial year fuelled by strong organic growth. The company reiterated its long-term goal of growing its annual dividend per share by 7% to 8%. A great example of digital infrastructure investments that represent growth income and not fixed income.

Consistent with the Fund's focus on investing in digital infrastructure champions listed in developed markets Crown Castle's Chief Executive Officer expressed the view that the "U.S. represents the highest growth and lowest risk market in the world for communications infrastructure ownership." With 41.3% of the Fund invested in digital infrastructure companies listed in the US the Fund has meaningful exposure to this positive trend.

Over the course of the second half of 2022, the Investment Adviser believes that both the investment strategy and current portfolio positioning are very well suited to capture the continuing growth of best-in-class digital infrastructure companies even in the face of a complex and changing global economic environment.

**Matthew Norris, CFA**  
Investment Adviser  
Gravis Advisory Ltd  
matthew.norris@graviscapital.com

<sup>1</sup> MSCI World Infrastructure Total Return GBP Index

<sup>2</sup> MSCI World IMI Core Real Estate Total Return GBP Index

<sup>3</sup> 30 day Federal Funds Future, source Bloomberg

<sup>4</sup> Moody's Corporate Bonds BAA, source Bloomberg

### Investment Adviser

Gravis Advisory Ltd is owned and managed by Gravis Capital Management Ltd ("Gravis").

Gravis Capital Management (GCM) was established in May 2008 as a specialist investor in property and infrastructure and now manages c.£3bn of assets in these sectors in the UK. GCM entered into a strategic partnership with ORIX Corporation in January 2021. Gravis Advisory Ltd is also the Investment Adviser to the c.£903m VT Gravis UK Infrastructure Income Fund, the c.£526m VT Gravis Clean Energy Income Fund and the c.£88m VT Gravis UK Listed Property (PAIF) Fund.

### Fund Advisers

**Matthew Norris, CFA** is lead adviser to the VT Gravis Digital Infrastructure Income Fund and the VT Gravis UK Listed Property (PAIF) Fund.

Matthew has over two decades investment management experience and has a specialist focus on real estate securities.

He was previously at Grosvenor with responsibility for investing in global real estate securities including the highly successful global logistics strategy. He joined Grosvenor from Fulcrum Asset Management and Buttonwood Capital Partners where he ran international equity strategies which incorporated exposure to real estate equities.

**George Nikolaou, CFA** is responsible for investment analysis and research, covering listed infrastructure and real estate. He joined Gravis in 2021 having spent 7 years working as a portfolio manager and analyst within the investment management sector.

George has obtained a MSc Finance and Investment from the University of Durham and a BSc Economics from the University of Athens.

### Sales Contacts

Cameron Gardner 07835 142763  
cameron.gardner@graviscapital.com

Ollie Matthews 07787 415151  
ollie.matthews@graviscapital.com

Robin Shepherd 07971 836433  
robin.shepherd@graviscapital.com

Nick Winder 07548 614184  
nick.winder@graviscapital.com

William MacLeod 07836 695442  
william.macleod@graviscapital.com

### Dealing

Valu-Trac 01343 880344  
Digitalinfrastructure@valu-trac.com

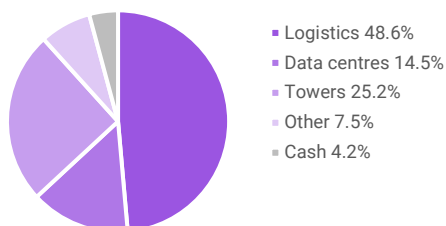
## TOP 10 HOLDINGS

As at 29 July 2022

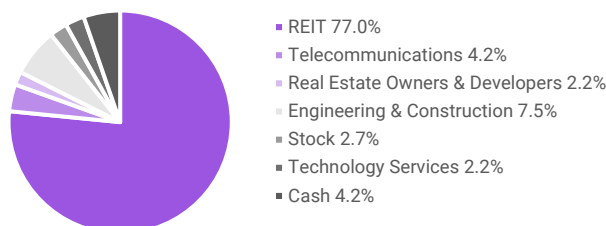
COMPANY	WEIGHTING
American Tower Corp	7.8%
Prologis Inc	6.0%
Goodman Group	5.3%
Crown Castle International Corp	5.1%
SBA Communications Corp	4.8%
SEGRO PLC	4.7%
Equinix Inc	4.4%
Digital Realty Trust Inc	3.5%
Gresham House Energy Storage Fund	3.4%
Duke Realty Corp	3.0%

## PORTFOLIO CHARACTERISTICS

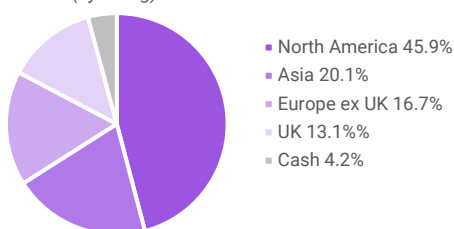
### Sector breakdown



### Security type



### Geographic breakdown (by listing)



## DISCLAIMER

**WARNING:** The information in this report is presented by Valu-Trac Investment Management Limited 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 adviser. 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 Investment Management Limited 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 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.

Unless otherwise stated Equity Market price indices used within this publication are sourced or derived from data supplied by MSCI Inc 2022.

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. © 2022 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.