

## Fund Factsheet

# VT Argonaut Equity Income Fund

At 30 June 2024

Barry Norris  
Fund Manager



Barry Norris founded Argonaut in 2005 and manages the VT Argonaut Equity Income Fund using his "earnings surprise" investment process. Barry began managing money in 2002 at Neptune, having begun his career at Baillie Gifford. He was educated at Cambridge University and has an MA in History, and an MPhil in International Relations. He also holds the CFA charter.

## Fund aim

The Fund aims to provide an income (net of fees) in excess of the yield of the European market (as represented by the IA Europe ex UK sector) with capital growth over any 5 year calendar period.

## Fund overview

Benchmark	IA Europe ex UK
Launch date	30 December 2016
Dividend Yield*	2023 2022 2021 2020
Fund:	6.43% 4.35% 3.79% 7.04%
IA Europe ex UK:	4.66% 3.46% 1.72% 2.17%
Historic dividend yield <sup>2</sup>	6.54%
Fund size	£4.0m
Share class	Class R
No. of holdings	30
Bloomberg	R (Acc) - FPEIORALN R (Inc) - FPEIORILN
Sedol codes	R (Acc) - BDSFHH3 R (Inc) - BDSFHG2
ISIN	R (Acc) - GBO0BDSFHH38 R (Inc) - GBO0BDSFHHG21
Ongoing charge (as at 31/12/23)	R Class Shares - 0.85%
Minimum investment	£500 (R Class Shares)
Minimum top up	£250 (R Class Shares)
Regular savings scheme	Yes (R Class Shares)
ISA option available	Yes (R Class Shares)
XD/Payment dates	01.03/15.04, 01.06/15.07 01.09/15.10, 01.12/15.01

\*Morningstar, 30/06/2024: Calculated by subtracting the total return, net of tax, from the capital return.

All information as at 30/06/2024, unless otherwise stated and measured against the fund's benchmark index.

Investor information - This fund may not be appropriate for investors who plan to withdraw their money within 5 years.

## Fund Commentary

TRUMP. I just won two club championships, not even senior. Two regular club championships. To do that, you have to be quite smart, and you have to be able to hit the ball a long way. And I do it. He doesn't do it. He can't hit a ball 50 yards. He challenged me to a golf match. He can't hit a ball 50 yards.....

BIDEN. Look, I'd be happy to have a driving contest with him. I got my handicap, which, when I was vice president, down to a 6.

BIDEN. And by the way, I told you before I'm happy to play golf if you carry your own bag. Think you can do it?

TRUMP: That's the biggest lie that he's a 6 handicap, of all.

BIDEN: I was 8 handicap.

TRUMP: Yeah.

BIDEN: Eight, but I have - you know how many...

TRUMP: I've seen your swing, I know your swing

### US Presidential Debate, CNN, June 27th 2024

The fund returned -3.9% over June, compared with the IA Europe ex UK sector which returned -2.1% and the Income peer group average of -2.3%.

The best performing stocks were semiconductor company BESI (+15%), GLP-1 pharma behemoth Novo Nordisk (+7%) and clean product tanker owner Torm (+6%). The worst performer was Greig Seafood (-12%).

During the month, the ECB cut its main deposit rate to 3.75% (from 4.0%), the SNB its policy rate to 1.25% (from 1.5%) and the Bank of Canada its overnight lending rate to 4.75% (5.0%).

Even though UK inflation has now fallen back to its 2% target, the BOE was on hold at 5.25% but a quarter point cut is now expected at the next meeting, conveniently post-election, in August.

The Federal Reserve was also on hold at 5.5% but even after a strangely hawkish FOMC the market moved to price in 2 (previously 1 1/2) 25bps cuts from the Fed beginning in September (November).

Recent stock market leadership has been narrowly focused on technology and specifically "Artificial Intelligence". It seems to us that when most people talk about the current possibilities of "AI" they are confusing the advances in processing power allowing computers to look for correlations in vast quantities of data, with the human ability to offer explanations based on causation.

<sup>2</sup> Morningstar 30/06/2024, R Accumulation share class performance, in Sterling with net income reinvested

<sup>3</sup> Bloomberg 30/06/2024, Calculated by the weighted average of the forecast 12-month forward dividend yield of each holding in the portfolio

Cumulative	1 Month % Growth	YTD % Growth	2023 % Growth	2022 % Growth	2021 % Growth	2020 % Growth	2019 % Growth	2018 % Growth	2017 % Growth	Since Launch % Growth
VT Argonaut Equity Income Fund	-3.9	16.3	5.2	8.4	5.9	7.1	18.0	-11.2	20.6	90.1
IA Europe ex UK NR	-2.1	5.6	13.5	-9.2	15.7	10.7	20.1	-12.4	17.4	74.5
Fund Rank	99/109	1/109	104/108	3/98	91/93	66/98	71/101	35/97	14/92	20/89
Quartile Rank	4	1	4	1	4	3	3	2	1	1

## Income peer group performance

Cumulative	1 Month % Growth	YTD % Growth	2023 % Growth	2022 % Growth	2021 % Growth	2020 % Growth	2019 % Growth	2018 % Growth	2017 % Growth	Since Launch % Growth
VT Argonaut Equity Income Fund	-3.9	16.3	5.2	8.4	5.9	7.1	18.0	-11.2	20.6	90.1
Europe ex UK income fund average	-2.3	5.0	11.1	-3.7	11.7	3.4	15.7	-11.2	15.7	57.5
Rank	9/9	1/9	9/9	1/10	10/11	5/14	7/16	6/15	3/13	1/8

Source: Morningstar 30/06/2024, R Accumulation share class performance, in Sterling with net income reinvested and no initial charges.

\*Comprised of 12 funds from the IA Europe excluding UK sector which state that they are income funds.

Past performance is not a guide to future performance. The value of shares and any income from them may fall as well as rise and is not guaranteed.

## Fund Factsheet

# VT Argonaut Equity Income Fund

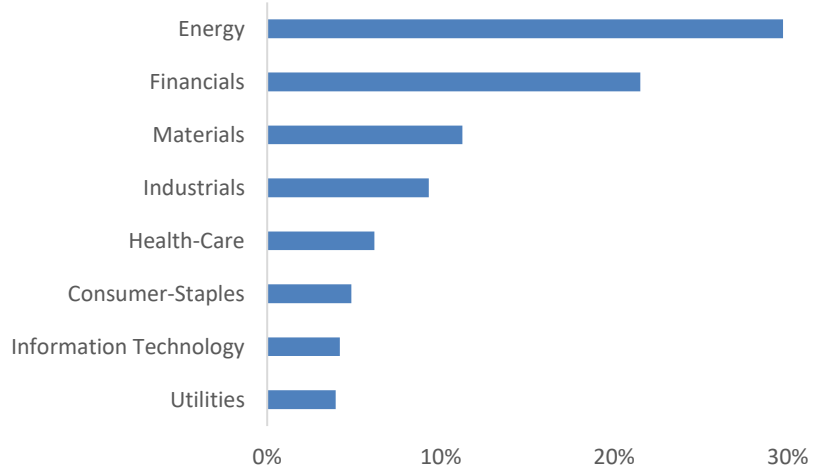
At 30 June 2024

Top Five holdings	Fund %
Torm Plc	7.5
Hafnia Ltd	7.3
Eramet	5.8
Swiss Re AG	4.8
Novo Nordisk	4.5

Country Breakdown	Fund %
Norway	27.4
Denmark	12.0
Italy	11.0
Greece	6.9
France	5.8
Germany	5.7
Switzerland	4.8
Netherlands	4.2
Other	13.2

Market Cap	Fund %
Large Cap > €5bn	49.4
Mid Cap €1bn – €5bn	34.7
Small < €1bn	6.9
Cash	9.0

## Sector Weights



Risk Analysis	Since Launch	1 Year
Beta	0.7	0.6
Standard Deviation (%)	13.3	9.9
Tracking Error	18.1	9.8
Jensen's Alpha	3.1	14.7
Sharpe Ratio	0.5	1.4
Information Ratio	0.1	1.5

Source: Morningstar, all figures at 30/09/2022, these figures are subject to rounding. Date from the 12<sup>th</sup> May 2005 – 16<sup>th</sup> July 2012 A class and 16<sup>th</sup> July 2012 – 30<sup>th</sup> April 2024 reflects class R units. Tracking error is calculated ex post.

**Past Performance is not a guide to future performance. The value of shares and any income from them may fall as well as rise and is not guaranteed.**

Source: Argonaut Capital Partners, all figures at 30/06/2024 these figures are subject to rounding. Figures are based on the VT Argonaut European Income Opportunities GBP R Acc share class.

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## Important Information

Valu-Trac Investment Management Limited is the Authorised Corporate Director (ACD) of VT Argonaut Funds and is authorised and regulated by the Financial Conduct Authority. Registered office: Level 13, Broadgate Tower, 20 Primrose Street, London, EC2A 2EW.

Investors should refer to the Key Investor Information Document (KIID) and Supplementary Information Document (SID) before investing. For a copy, please telephone Valu-Trac Investment Management Limited on +44 (0) 1343 880 217 or visit [www.argonautcapital.co.uk](http://www.argonautcapital.co.uk) Alternatively write to Valu-Trac Investment Management Limited - Argonaut, Orton, Moray, Scotland, IV32 7QE.

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