

THE VT PRICE VALUE PORTFOLIO

Factsheet as at 31 August 2024

Investment Commentary

The GBP A class of the fund recorded a loss of 1.78% for the month of August 2024. This brings the cumulative return of the fund in GBP from inception in June 2015 to 77.47%. The latest net asset value of each of the fund's share classes can be found [here](#).

Popular tech stocks constitute the same weighting in the S&P 500 Index today as at the peak of the 'tech bubble' in 2000. That period also marked a multi-decade low in investor sentiment and mining industry capex allocations. The subsequent bull market in commodities saw both gold and silver rise by more than 600%, returns that were often exceeded by gold and silver mining firms during that period. 2024 has been a record-breaking year for gold so far, rising to new all-time highs on 30 separate occasions. This has benefitted the fund's c.15% allocation to gold bullion, allocated across different jurisdictions for additional diversification. However, gold has still not fully started to outperform the broad market on a price basis despite the ratio of gold against the S&P 500 Index bottoming in late 2021. Our technical inputs however have recently highlighted that momentum in the S&P has broken key support whilst momentum in gold, silver and other commodities is breaking upwards. Therefore, we expect gold to signal a shift in asset allocation towards commodities in this environment.

Torex Gold (+18.8%) reported another positive quarter of production results from its Morelos Complex. Production of 113,822 gold ounces sold at an average price of \$2,193, 76% higher than the all-in sustaining cost of \$1,239. Throughput rates at the mill exceeded 13,000 tonnes per day for the 6th quarter in a row, consistently tracking the rate put forth in the original mine plan. Management expect their Media Luna growth project to achieve commercial production in Q1 2025. With just over 20% of the initial capex left to spend as at end June, the physical progress of the total project build was 78% complete. In our view, the closer companies get to the end of large capex outlays the more the market tends to reward their shares. The fully funded and permitted project brings the group life of mine to c.10 years from today. Management have also released positive results from an internal economic study for a deposit elsewhere in the complex, known as EPO. The study confirms the addition of 780,000 gold equivalent ounces from the EPO deposit into the group mine plan and is near Media Luna so will share much of the infrastructure

Focus

The VT Price Value Portfolio is an open-ended UCITS fund incorporated in the UK. The fund's objective is to deliver attractive long term returns.

Investment Philosophy

The Fund seeks to invest on an unconstrained basis into listed businesses of exceptional quality trading at undemanding multiples. The Fund endeavours to invest according to the time-honoured principles of 'value' investing developed by Benjamin Graham.

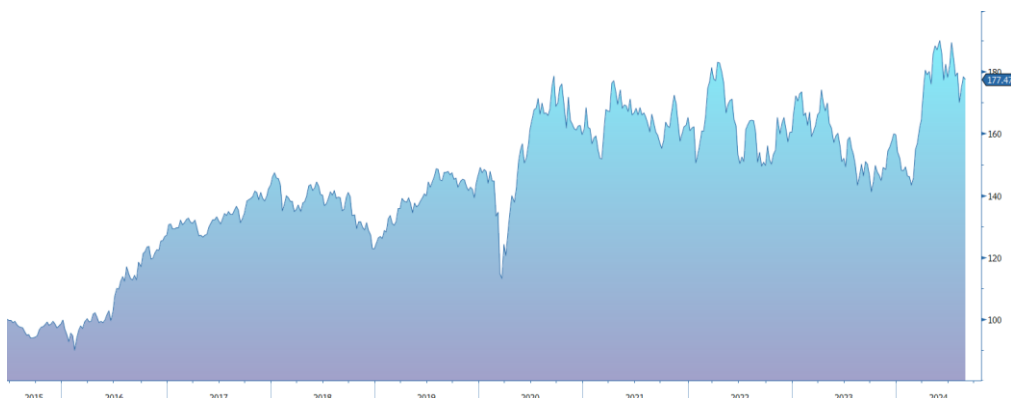
Fund Facts

Investment Manager	Price Value Partners
Launch Date	16 June 2015
Share Classes	A, B
Currency Classes	GBP, USD, EUR
Dealing, Valuation	Daily 12:00p.m. GMT
Management Fees	A: 0.75% B: 0.50%
ISIN Codes	A £ Acc: GB00BWZMTX09 A £ Inc: GB00BD8PLW60 A \$ Acc: GB00BWZMTY16 A € Acc: GB00BWZMTZ23 B £ Acc: GB00BWZMV016 B £ Inc: GB00BD8PLY84 B \$ Acc: GB00BWZMV123 B € Acc: GB00BWZMV230
(Variations in historic performance shown by the different currency share classes of the fund relate solely to foreign exchange translation effects, as the underlying holdings are identical.)	
Minimum Investment A	£1000 / \$1000 / €1000
Minimum Investment B	£1M; \$1M; €1M

Performance History

Period	GBP A Share Class
1 Month	-1.78%
Year-to-date	+11.12%
Since inception (16.06.2015)	+77.47%

Past performance is not necessarily a guide to future returns.
The fund is managed independently of any benchmarks.
Chart source: Bloomberg LLP.



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currently developed there. Media Luna and EPO together will help establish annual production levels at 450,000 gold equivalent ounces by 2030, confirming Torex as a mid-tier producer. We look forward to more updates on EPO.

Artemis Gold (+3.8%) edges closer to commercial production in the fourth quarter of this year. As at end June construction activity was 87% complete on its flagship Blackwater Mine. The project has remained within the initial cost guidance, released 3 years ago, arguably testament to management's experience, indeed this is CEO Steven Dean's seventh mine build. When complete, the mine offers an impressive 23-year initial life of mine, with an industry-leading all-in sustaining cost reaching as low at \$578 per gold ounce. Taking the end August record gold monthly close of \$2,503, this will give Artemis a 333% cash margin over the cost to produce. Encouragingly, management and the board own 38% of the firm's shares, one of the highest insider ownerships in the industry and so shows strong alignment with shareholders over the long term.

Natural gas producer Birchcliff Energy (-1.7%) operates in Alberta, Canada. The Peace River Arch area in northwestern Alberta is known for its rich natural gas and liquids-rich natural gas reserves. Indeed, natural gas accounts for 83% of Birchcliff's production. Birchcliff has drilled 16 new wells at the Pouce Coupe and Gordondale site that have been brought onstream this year. As part of the same capex program they've delayed bringing on 11 new wells at the same site that are now scheduled to be brought on in Q4 of this year so the company can operate closer to full production capacity when natural gas prices are forecasted to be stronger. Additionally, two more wells will be drilled at Elsworth that were not originally planned for during the year. This opportunistically brings capital expenditure from 2025 forward so that Birchcliff is better placed to take advantage of forecasted higher prices. Birchcliff is currently operating at 30% of its historic average margin; a reversion to the mean would significantly impact its return on equity (RoE). Birchcliff shares still trade today at 0.7 price to book ratio while also offering us a 15% cash flow yield.

Fund Platforms

The fund is available on the following platforms:

AJ Bell	Aviva	Allfunds
Alliance Trust	Ascentric	Brewin Dolphin
Co-Funds	TD Direct	Hargreaves Lansdown
James Hay	Transact	Novia
Nucleus	Stocktrade	Old Mutual Wealth
Swissquote		

Geographic Exposure*

Country	Allocation	Country	Allocation
US	38%	Canada	17%
Australia	15%	UK	14%
Europe	6%	Cash	10%

Sector Exposure*

Sector	Allocation
Commodities - Mining	52%
Commodities - Soft	4%
Commodities - Energy	2%
Value Equity	17%
Bullion	15%
Cash	10%

Major Holdings*

Tyson Foods Inc	5.4%
Hecla Mining Co	4.8%
Torex Gold Resources Inc	4.2%
SilverCrest Metals Inc	3.7%
Pan American Silver Corp	3.7%
Artemis Gold Inc	3.7%
iShares Physical Silver ETC	3.6%
WisdomTree Physical Silver ETC	3.6%
Invesco Physical Gold ETC	3.6%
TRM Physical Gold ETC	3.5%

Fund Metrics*

Price to earnings ratio	16.0x
Price to book ratio	1.4x

*as at 31 August 2024.

Important Information

Past performance is not necessarily a guide to future returns. The value of investments and the income from them may go down as well as up and is not guaranteed. An investor may not get back the amount originally invested. Price Value Partners Ltd does not give you investment advice so you will need to decide if an investment is suitable for you. Before investing in the fund please read the Key Information Document and Prospectus (and take particular note of the risk factors detailed therein). If you are unsure whether to invest you should contact a financial advisor. We have taken all reasonable steps to ensure that the above content is correct at the time of publication. However, markets are volatile and the portfolio may change at any time. If you no longer wish to receive these commentaries, please let us know and we will remove you from our distribution list, which is opt-in exclusively. The information above does not constitute investment advice or make any recommendation.

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