

# THE VT PRICE VALUE PORTFOLIO

Factsheet as at 30 September 2024

## Investment Commentary

The GBP A class of the fund recorded a gain of 2.72% for the month of September 2024. This brings the cumulative return of the fund in GBP from inception in June 2015 to 82.30%. The latest net asset value of each of the fund's share classes can be found [here](#).

Last month, following several years of rate hikes, the Federal Reserve cut its target interest rate by 0.50%. The decision to lower the rate is somewhat at odds with economic data which suggests the US economy is in full employment. However, a closer look at the employment data shows growth is coming specifically from part-time and government funded roles while full-time employment has actually fallen over the last year. Lower rates may also be in response to record high annual debt repayments, now \$1.1trn – c. 20% higher over the last 12 months. If we have entered an easing cycle, we would expect to see strong moves higher in commodities, especially gold and silver. In this light, it is hardly surprising to see silver recently reach \$31.82, the highest weekly close in over 11 years. We expect higher prices going forward, driven in part by the metal's growing supply deficit. The Silver Institute confirms that 2023 global demand was 1.2bn ounces, versus global supply of only 1.0bn ounces. This shortfall has been compounded by a 64% increase in demand for solar projects which consume large amounts of silver. The deficit is forecast to grow to 265.4m ounces this year which we believe will be to the benefit of our silver allocations, such as Coeur.

Coeur Mining (+12.1%) sold 2.59m silver ounces in Q2, 10% more than last year, at an average sales price 10% higher than 12 months ago. The compounding effect of higher volumes sold at higher prices meant gross profit rose by 105% year over year to \$77.3m, and operating margins expanded from a historic low base to 8%. We expect margins to benefit from above and below the line improvements. The firm recently guided for a 12.5% fall in costs at Palmarejo and Wharf – the most profitable complexes in Coeur's profile. Management confirmed the successful ramp-up of their Rochester expansion project, in Nevada, which is expected to reach 2.5 times higher than historical levels at 32mtpa. Rochester's Q2 silver and gold production both increased 39% versus Q1, approaching a free cash flow inflection point. A gold and silver hedging programme utilized during Rochester's construction was completed during Q2, so Coeur is now fully exposed to higher

## 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

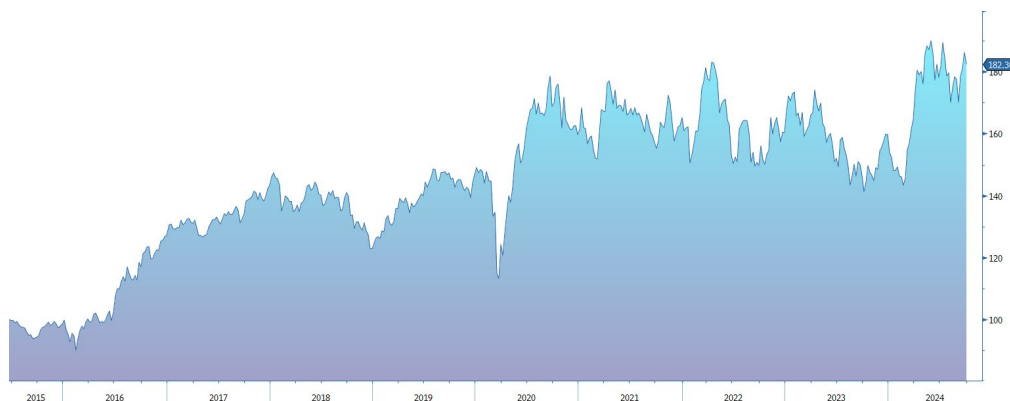
## Performance History

Period	GBP A Share Class
1 Month	+2.72%
Year-to-date	+14.14%
Since inception (16.06.2015)	+82.30%

Past performance is not necessarily a guide to future returns.

The fund is managed independently of any benchmarks.

Chart source: Bloomberg LLP.



# THE VT PRICE VALUE PORTFOLIO

## Geographic Exposure\*

Country	Allocation	Country	Allocation
US	41%	UK	20%
Australia	15%	Canada	14%
Europe	6%	Cash	4%

## Sector Exposure\*

Sector	Allocation
Commodities - Mining	51%
Commodities - Soft	4%
Commodities - Energy	2%
Value Equity	16%
Trend	9%
Bullion	14%
Cash	4%

## Major Holdings\*

Hecla Mining Co	5.2%
Tyson Foods Inc	4.7%
SilverCrest Metals Inc	4.0%
Endeavour Silver Corp	4.0%
Torex Gold Resources Inc	4.0%
Artemis Gold Inc	3.7%
Pan American Silver Corp	3.7%
iShares Physical Silver ETC	3.6%
WisdomTree Physical Silver ETC	3.6%
Invesco Physical Gold ETC	3.5%

## Fund Metrics\*

Price to earnings ratio	20.0x
Price to book ratio	1.5x

\*as at 30 September 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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## Investment Commentary

metals prices going forward.

Alamos Gold (+3.6%) updated their three-year guidance figures to incorporate the newly acquired Magino mine in Ontario, Canada, and increased production guidance for its Mulatos Complex in Northern Mexico. Both contributed to a 13% increase in group production guidance for 2024 to 550k ounces, and by more than 20% in both 2025 and 2026, to 575k and 630k ounces respectively. Other long-term growth projects include the development of PDA, a high margin development project within the existing Mulatos Complex with first production expected mid-2027, and Lynn Lake, a 17-year life mine with first production from late 2027. These projects show potential for annual group production to reach over 900k ounces, a huge step change versus the current 550k level. As with Coeur, the firm's costs are decreasing. AISC is expected to decrease by an additional 10% by 2026, to below \$1,200, which translates to a healthy 55% profit margin at current gold prices.

North American based Nutrien Ltd (+0.4%) produces over 2,000 potash and nitrogen-based crop nutrient and protection products. They operate six potash mines in Saskatchewan, Canada, and 13 nitrogen production and refinery facilities across the Americas, selling through 1,700 of their own retail locations near key agricultural markets. Net profits of the largest segment, Retail Ag Solutions, outpaced sales by 17% for the quarter, driven by Retail's sub-segment Crop Nutrients, where gross margins increased 9%. Potash segment margins increased too, and sales volume guidance has since been increased to 13.8mt. We're also finding value in the platinum metals group mining firms and will add accordingly when our technical indicators provide confirmation of meaningful shifts in price and momentum.

Please note that we have now made a 9% allocation to systematic trend-following funds. We have used such funds for over a decade within our managed account service. They have proven to be uncorrelated with other assets, and have enhanced overall returns whilst reducing portfolio volatility.

## Fund Platforms

The fund is available on the following platforms:

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