



# Value and Income Trust PLC

## Monthly Factsheet July 2019

### KEY FACTS

Market Capitalisation	£120.9m
Total Assets (cum income)	£204.4m
Net Assets (cum income, debt at par)	£154.4m
Net Gearing (debt at par)	29%
Net Yield	4.4%
Five Year Average Dividend Growth	6.8%
Year End	March
Dividends Paid	Jan, Apr, Jul, Oct
Ticker	VIN.L, VIN LN
ISIN	GB0008484718
AIC Sector	UK Equity Income
Next AGM	July 2020, Edinburgh

### INVESTMENT POLICY & AIMS

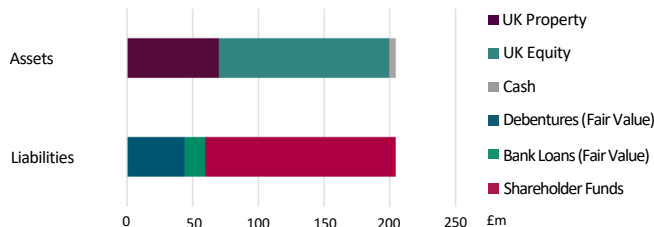
Value & Income Trust's ("VIT") aim is to invest in quoted UK equities, UK commercial property and cash or near cash. VIT does not normally invest in overseas shares or unquoted companies.

VIT invests in higher-yielding, less fashionable areas of the UK commercial property and quoted equity markets, particularly in medium and smaller sized companies. VIT aims for long-term real growth in dividends and capital value without undue risk.

### CHARGES

Annual Management Charges	0.6%
OCR to 30/09/18	4.6%
OCR to 30/09/18 excluding debt costs	1.5%

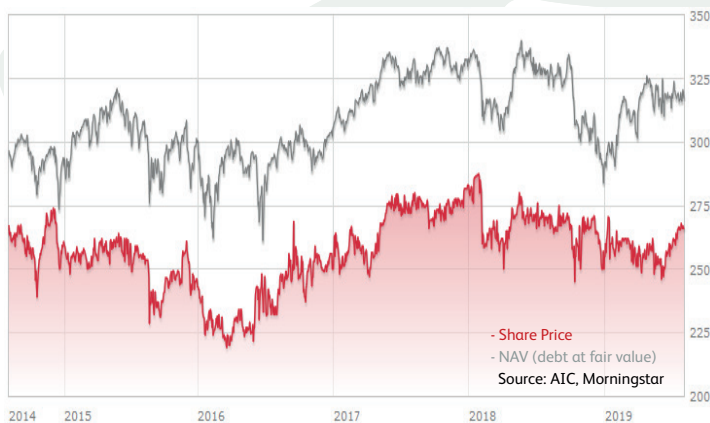
### DISTRIBUTION OF ASSETS & LIABILITIES



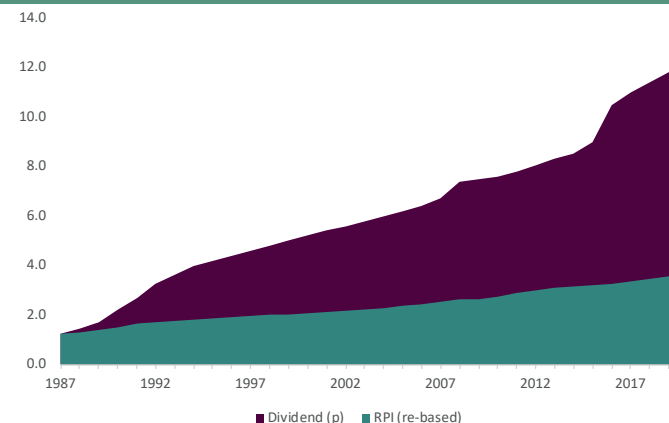
### KEY STATISTICS

Share Price	265.5p
NAV (cum income, debt at par)	339.1p
Discount (debt at par)	21.7%
NAV (debt at fair value)	318.3p
Discount (debt at fair value)	16.6%

### SHARE PRICE / NAV PERFORMANCE



### DIVIDEND HISTORY



### CUMULATIVE PERFORMANCE

To 31/7/19	1 Yr	3 Yr	5 Yr	10 Yr
Total shareholder Return	3.7%	30.3%	22.1%	236.4%
NAV Total Return	0.0%	19.8%	26.8%	264.8%
FTSE All Share Index Total Return	1.3%	27.0%	38.9%	251.0%

Source: AIC, Morningstar

### DISCRETE PERFORMANCE

	Year to 31/7/15	Year to 31/7/16	Year to 31/7/17	Year to 31/7/18	Year to 31/7/19
Total shareholder Return	-1.1%	-5.3%	22.3%	2.8%	3.7%
NAV Total Return	5.6%	0.2%	15.2%	4.0%	0.3%
FTSE All Share Index Total Return	5.4%	3.8%	14.9%	9.2%	1.3%

Source: AIC, Morningstar



**Louise Cleary**  
 louise@olimproperty.co.uk  
 +44 (0) 20 7647 6701

**OLIM**  
 Property



**Patrick Harrington**  
 patrick.harrington@olim.co.uk  
 +44 (0) 20 7367 5660

**OLIM**  
 Investment Managers

## PROPERTY COMMENTARY

OLIM Property specialises in commercial properties with long, index-related income streams to deliver strong, long-term real returns. VIT's property portfolio produced a total return of 8.0% over the year to March 2019, against 5.5% for the MSCI (formerly IPD) Index, the main benchmark for commercial property performance. The property portfolio is valued independently by Savills every six months; the 31 March 2019 total was £68,800,000. Total returns on the property portfolio have been between 11% and 13% p.a., over 3, 5, 10, 20 and 32 years. Real returns above the RPI were 6% last year and between 8% - 9% pa over all cumulative periods from 3 to 32 years.

New Purchase in Q3: Thirk - Freehold Industrial unit let to National Crime Agency at a net initial yield of 9%.

All 27 Properties: Let on full repairing and insuring leases, with upwards only rent reviews and a weighted average unexpired lease length of 15 years. The portfolio yields 6.4% on valuation and is fully let and income producing with 79% of the net rental income from index-related leases.

## EQUITY COMMENTARY

During the month we started a new holding in PayPoint, which is a payment systems and processing business focussed on convenience retailers, funded by taking profits in Beazley. PayPoint has a high return on capital and its growth prospects are improving as it provides its customers with increasing services through the PayPoint One platform. The shares are trading on an attractive yield and the company is making regular top-up payments via special dividends, in part due to its attractive cash flow characteristics and strong balance sheet. World stock markets were mixed over the last month. The US stock market rose by 1.3% as speculation grew that the US Federal Reserve would cut interest rates over the summer but European markets fell. The UK market, as measured by the FTSE All Share Index, performed well despite the on-going political turmoil. The UK's new Prime Minister is threatening a "no-deal" Brexit and this led to a 4.2% fall in the value of the pound against the dollar, which helped the internationally focussed FTSE 100 index to a gain of 2.2% whilst the more domestically focused FTSE 250 Index rose by only 1.1% and smaller companies fell by 0.5%. It remains to be seen what the eventual economic effects of a no-deal Brexit actually are but the weak pound will act as a significant shock absorber. The trust's equity portfolio lagged the wider market, in part reflecting the underperformance of mid-cap and smaller companies. Vodafone rallied strongly, after announcing plans to sell its tower estate, but this was not enough to offset weakness elsewhere. A number of VIT's holdings, including Spectris and Croda gave up some of their gains from earlier in the year on rising concerns about the economic outlook. The trust also suffered from having no tobacco exposure.

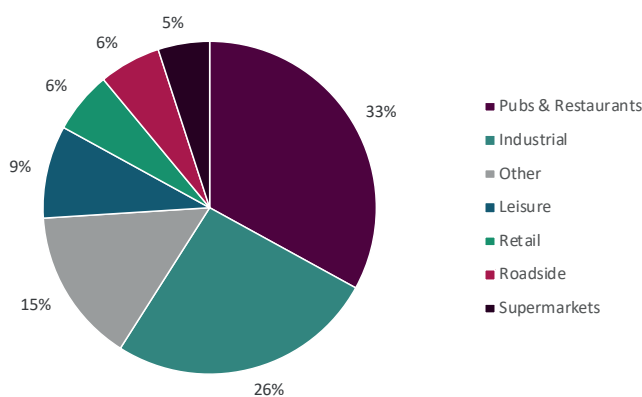
## TOP 10 HOLDINGS - PROPERTY PORTFOLIO

Holiday Park, Dover (Other)	12%
Aylesford (Industrial)	8%
Milton Keynes (Industrial)	7%
Fareham (Industrial)	7%
Smithfield, London (Pubs & Restaurants)	5%
Stafford (Leisure)	4%
Bournemouth (Pubs & Restaurants)	4%
Oxted (Pubs & Restaurants)	4%
Bedford (Pubs & Restaurants)	3%
Lymington (Retail)	3%

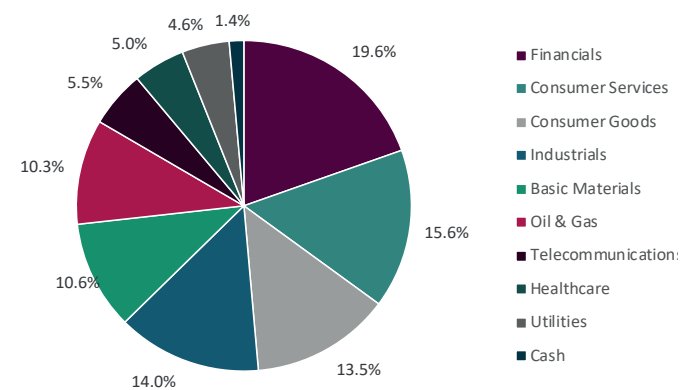
## TOP 10 HOLDINGS - EQUITY PORTFOLIO

Unilever	6.0%
BP	5.1%
Royal Dutch Shell B	5.1%
GlaxoSmithKline	5.0%
HSBC	3.9%
Vodafone	3.8%
Beazley	3.7%
Informa	3.6%
Legal & General	3.4%
Croda International	3.3%

## PROPERTY SECTOR ALLOCATION



## EQUITY SECTOR ALLOCATION



## DISCLAIMER

Please remember past performance is not a reliable indicator of future results. The value of shares and the income from them can go down as well as up as a result of market and currency fluctuations. You may not get back the amount you invest. Before any investment in Value and Income Trust plc (the "Company"), you should obtain and review the current Key Information Document (KID) and Investor Disclosure Document for the Company which is available at: <https://www.olimproperty.co.uk/services.html> and <https://www.olim.co.uk/investment-products/value-and-income-trust/>. Nothing in this factsheet should be considered to be or relied upon as constituting investment advice or an investment recommendation. If you are unsure about the suitability of an investment, you should contact your financial advisor. Certain risks: External factors may cause an entire asset class to decline in value and values of all shares or property may decline at the same time, or fluctuate in response to general market conditions. The Company may utilise gearing (borrowing) which will exaggerate market movements both up and down and so may magnify gains or losses. The Company may have investments concentrated in a limited number of companies and/or properties which can be more risky than holding a wider range of investments. The Company has significant exposure to property investments. These assets may be difficult to buy or sell, so changes in their price may be greater. The Company can buy-back its own shares, which can have the effect of increasing gearing. The information and opinions in this factsheet are subject to change. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions or projections contained herein. To the fullest extent permitted by law the Company, Value and Income Services Limited and their respective representatives shall not have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this factsheet or its contents or otherwise arising in connection with this document. Company information, including performance calculations and other data is provided by BNP Paribas Securities Services unless otherwise stated. [The ongoing charges ratio (OCR) includes the annual management charge and all other operating expenses.] Issued and approved by Value and Income Services Limited (No: 467598), registered in Scotland with registered office at Kintyre House, 205 West George Street, Glasgow G2 2LW. Authorised and regulated by the Financial Conduct Authority.