

# Fortem Capital US Equity Income Fund

## Monthly Report – 30<sup>th</sup> September 2024



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### Investment Overview

The Fund aims to generate quarterly income of 4% p.a., whilst providing for capital growth such that the Fund's total return tracks the S&P 500 Net Total Return Index, with the opportunity for slight outperformance.

### Background

- ◆ Gravitation towards passive US equity as consistent alpha hard to find.
- ◆ This can create issues for income investors since the S&P 500 traditionally offers lower yields.
- ◆ Active income funds tend to deviate away from the benchmark for a number of reasons:
  - Stock / sector / factor deviation in order to select higher yielding companies
  - Selling of options without mitigating the additional market risk they introduce

### The Fund Will

- ◆ Generate its target income from a combination of both receiving dividends and collecting premiums from the buying and selling of listed options on the S&P 500 Index.

**Dividend Yield + Option Premiums → 4% p.a. target income**

- ◆ Additionally employ hedging techniques in order to minimize daily tracking error to the S&P 500 Total Return Index.
- ◆ Use S&P 500 futures to manage the Fund's exposure back to a daily target beta of 1.

### Performance (%)



	1m	3m	6m	1y	Inception
Class F USD	2.10%	5.76%	9.73%	34.94%	43.77%
SPTR500N	2.10%	5.78%	10.20%	35.76%	45.32%

### Key Facts

Investment Manager	Fortem Capital Limited		
Net Asset Value	\$33,036,791		
Fund Type	Irish Domiciled UCITS V ICAV		
Launch Date	13 <sup>th</sup> May 2021		
Base Currency	USD		
Liquidity	Daily		
Dealing Deadline	10:30am Irish Time		
Pricing	Daily COB		
Share Type	Class A & M: Accumulation Class F: Distribution		
Initial Share Price	\$1.00		
Minimum Subscription Amount	Class F: \$5,000,000 <sup>^</sup>		
AMC OCF	Class F: 0.40% Class F: 0.60%		
Reporting Status	Registered with HMRC		
Dealing Line	+353 (0)1434 5124		
Dealing Email	davy_ta_queries@ntrs.com		
Depository, Administrator, Registrar & TA	Northern Trust		
Auditor	Deloitte		
Benchmark	S&P 500 Net Total Return		
Share Class	Unit NAV	ISIN	Bloomberg
Class F USD	1.2663	IE00BL643474	FCUSFFI ID
Class F GBP	1.1769	IE000O7DU281	FUSEIFP ID
Class M USD	1.0716	IE000WKHUJA5	FCUSMUA ID
Class M GBP	1.0680	IE000AD2MFZ0	FCUSMGA ID

<sup>^</sup>Minimum sizing can be waived upon request

### Distributions

	12m Historic Yield*	
Class F USD	4.01%	
	Oct'23	Jan'24
Class F USD	\$0.0100	\$0.0109
Class F GBP	£0.0100	£0.0141
	Apr'24	Jul'24
Class F USD	\$0.0140	\$0.0089
Class F GBP	£0.0080	£0.0086

**Past performance is not necessarily a guide for the future. Forecasts are not reliable indicators of future performance. The value of investments, and the income from them, can go down as well as up and the investor may not get back the amount originally invested. The data is sourced from Fortem Capital Limited and external sources. The data is as at the date of this document and has been reviewed by Fortem Capital Limited.**

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### Platform Availability

Allfunds

Aviva

FNZ

Pershing (Nexus)

Transact

True Potential

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- For a comprehensive list of the risks associated with your investment, please refer to the "Risk and Reward Profile" of the KIID and the "Risk Factors" section of the Supplement.

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