

# Fortem Capital US Equity Income Fund

## Monthly Report – 31st October 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 (%)



Inception Date: 13.05.2021

	1m	3m	6m	1y	Inception
Class F USD	-1.08%	3.43%	13.27%	36.47%	42.22%
SPTR500N	-0.93%	3.56%	13.85%	37.42%	43.97%

### Key Facts

Investment Manager	Fortem Capital Limited		
Net Asset Value	\$34,479,001		
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	1.2398	IE00BL643474	FCUSFFI ID
Class F GBP	1.1511	IE00007DU281	FUSEIFP ID
Class M USD	1.0594	IE000WKHUJA5	FCUSMUA ID
Class M GBP	1.0555	IE000AD2MFZ0	FCUSMGA ID

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

### Distributions

		12m Historic Yield*	
		Jan'24	Apr'24
Class F USD	4.01%		
Class F USD		\$0.0109	\$0.0140
Class F GBP		£0.0141	£0.0080
Class F USD		Jul'24	Oct'24
Class F USD		\$0.0089	\$0.0132
Class F GBP		£0.0086	£0.0131

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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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