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VT Vanneck Global Equity Income Fund – Fund Manager Review – September 2026

This review covers the VT Vanneck Global Equity Income Fund, using the July 2026 factsheet, end-of-July presentation, 2026 mid-year review, manager conversation notes and previous Money Wise UK review style.

This version is deliberately shorter than some recent Money Wise UK fund reviews. The aim is to focus on the key due diligence points: strategy, philosophy, team, portfolio, performance, risks and where the fund may fit within a diversified income portfolio.

1. Strategy Overview

The VT Vanneck Global Equity Income Fund is a global equity income fund.

The objective is to generate income while also achieving long-term capital growth, defined as five years. The fund invests at least 80% in a concentrated portfolio of shares, typically between 35 and 45 holdings, although the July 2026 factsheet shows 47 positions. It can invest globally across different sectors, industries and market capitalisations.

The fund has been running since February 2010. As of 31 July 2026, it had a fund size of £193.4m, a historic yield of 3.2%, 47 positions and was managed by William Stevenson and Heneage Stevenson.

Area	Detail
Fund	VT Vanneck Global Equity Income Fund
Structure	UK OEIC
Manager	Vanneck Ltd
Portfolio Managers	William Stevenson and Heneage Stevenson
Fund Size	£193.4m
Historic Yield	3.2%
Positions	47
Inception	26 February 2010
B Share Class OCF	0.92%
C Share Class OCF	0.79%
R Share Class OCF	1.35%

The manager's ambition is more direct than the formal objective:

To double capital over any 10-year period, while taking as little risk as possible.

The factsheet makes clear that this is a manager ambition rather than part of the fund's formal objective. That distinction is important.

In simple terms:

This is a genuine global equity income fund, not a global growth fund with an income label.

2. Why This Review Is Interesting

This fund is worth reviewing for more than its recent performance.

It appears to be doing what many equity income funds no longer clearly do.

- It has a real yield.
- It has a dividend discipline.
- It has an active process.
- It has meaningful manager alignment.

And it has not simply become a global growth fund wearing an income badge.

That matters because global equity income can be a difficult space. Some funds in the sector have performed well by holding large growth companies, but the question is whether they are genuinely income funds. Vanneck's presentation makes this point directly, noting that 57 income funds were in the sector, but only 11 had a real yield above 3%, excluding enhanced income strategies using derivatives.

Trustnet also highlighted VT Vanneck Global Equity Income in a 2026 article on global equity income funds that combined dividend growth, payouts, and total returns over five years. That does not make the fund automatically suitable, but it does support the idea that it has been doing something distinctive within the sector.

For retirement portfolios, this is interesting.

A natural income strategy needs more than just capital growth. It needs income that is real, diversified and supported by cash flows.

That is where this fund could fit in.

3. Investment Philosophy

The fund’s philosophy is described as:

Quality with dividends.

The presentation sets out four key building blocks:

- Balanced exposure
- Dividend focus
- Sell discipline
- Quality at core

The aim is not to chase the highest yield. The fund aims to combine dividend income, cash generation, valuation discipline, quality businesses, and diversified return drivers.

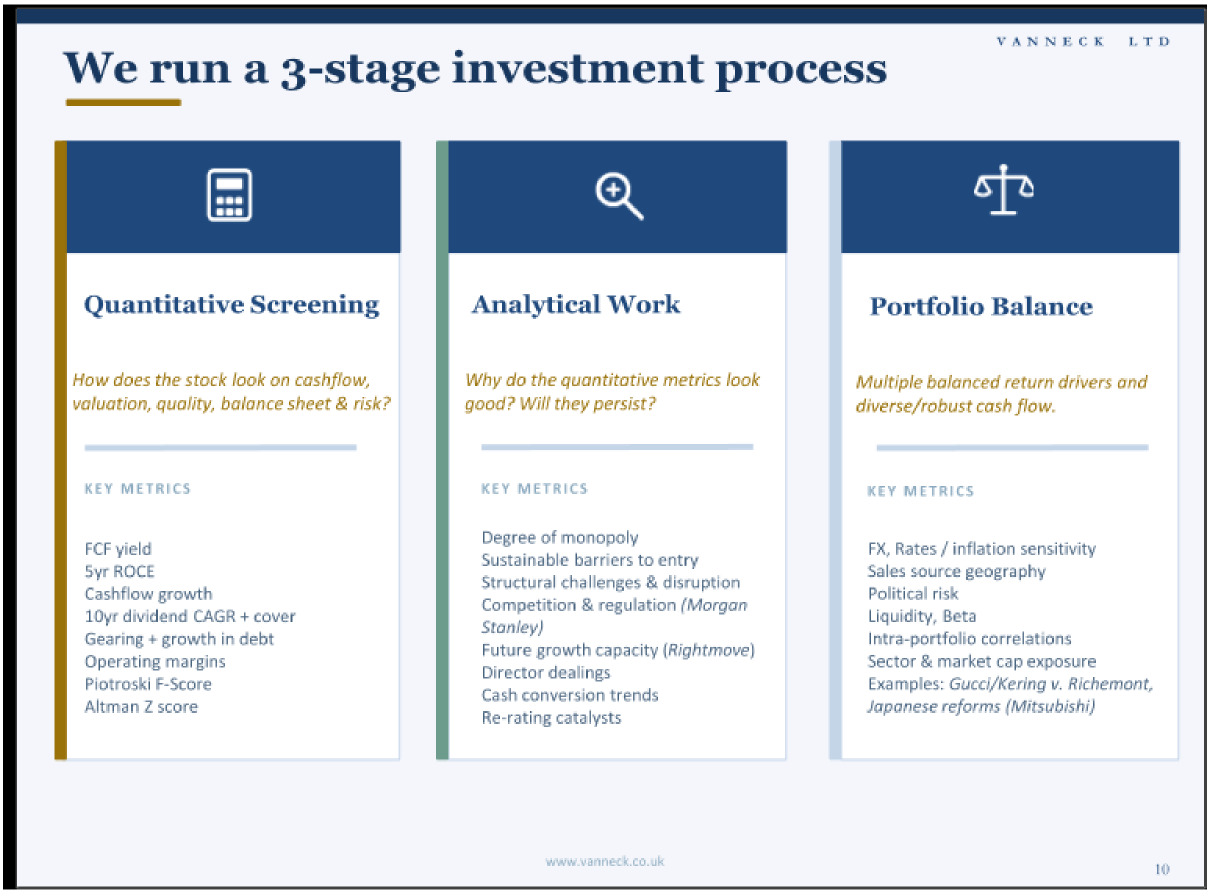
The manager's conversation brought this to life. The manager explained that to double capital over 10 years, the fund needs a return of around 7.5% per annum. If 3.5% to 4% can come from a solid dividend, then the fund is “halfway there” without relying entirely on uncertain future growth.

That is a useful way to explain the fund.

It is not saying growth does not matter.

It is saying that income reduces reliance on future growth to do all the work.

The investment process has three stages.



Quantitative screening

The first stage looks at cash flow, valuation, quality, balance sheet and risk. The presentation lists measures such as free cash flow yield, five-year ROCE, cash flow growth, dividend growth and cover, gearing, margins, the Piotroski F-score, and the Altman Z-score.

Analytical work

The second stage asks whether the numbers are sustainable. This includes barriers to entry, structural challenges, disruption risk, competition, regulation, future growth capacity, director dealings, cash conversion, and re-rating catalysts.

Portfolio balance

The third stage is about how the holdings fit together.

This is important.

The managers think in terms of return drivers, not just sectors. The presentation includes themes such as Buyback Barons, Invisible Rails, Robotic Future, Capital Collectors, Leisure in AI World, Analysable Resources, Value in Complexity and Special Situations. It also states a maximum 20% exposure per theme and target position sizing of 2% to 4%. In simple terms:

The stock needs to be good, but the blend also needs to make sense.

4. Team and Resources

Vanneck is a boutique investment manager.

The presentation describes the business as established in 2010, 100% founder-owned, based in Westminster and managing around £350m across Global Equity Income, Global Growth and Defensive strategies. It also states that the firm has more than £20m invested in its funds.

This alignment is a positive.

The line that stands out is:

“We care more about our capital than our fees.”

That is a strong message.

It doesn't guarantee performance, but it does suggest alignment between managers and investors.

Heneage Stevenson and William Stevenson manage the fund. Heneage has over 25 years of investment experience, including work at Schroders, Clearbell Capital, Salomon Smith Barney, and Citigroup. William began his career at Wachovia Securities in structured asset finance and is also a former Metropolitan Police Special Constable.

The future legacy point is important.

The material gives the impression of a firm that is trying to build something long-term rather than gather assets quickly. The presentation uses the phrases “thoughtful and long-term” and “we’re not going anywhere.”

That is attractive.

But it should also be monitored.

Boutiques can be strong because they are focused, aligned and independent. They can also carry key-person and succession risk. The supplied material supports the alignment and long-term ownership story, but it does not set out a detailed succession plan.

That should remain part of due diligence.

5. Portfolio Overview

The fund is concentrated, but not extreme.

TOP HOLDINGS

Top 10 Holdings

Bristol-Myers Squibb Co	2.7%	Siemens AG	2.5%
CME Group Inc	2.6%	Vinci SA	2.5%
Rio Tinto PLC	2.6%	Automatic Data Processing Inc	2.4%
Samsung Electronics Co Ltd	2.6%	Swire Pacific Ltd	2.4%
BlackRock Inc	2.5%	Microsoft Corp	2.4%

Top 10 as % of NAV: 25.2% · Total Positions: 47

The July 2026 factsheet shows 47 holdings, with the top 10 accounting for 25.2% of NAV. The largest holdings were Bristol-Myers Squibb, CME Group, Rio Tinto, Samsung Electronics, BlackRock, Siemens, Vinci, Automatic Data Processing, Swire Pacific and Microsoft.

The fund is global but not index-like.

As of 31 July 2026, the largest geographic exposures were:

- United States: 33.6%
- United Kingdom: 21.4%
- France: 6.0%
- Hong Kong: 4.6%
- Japan: 4.6%
- Germany: 4.5%
- Switzerland: 3.6%
- Norway: 3.6%
- Cash: 2.9%

The largest sector exposures were Financials 19.9%, Industrials 18.2%, Information Technology 14.2%, Consumer Staples 12.7%, Health Care 8.1% and Consumer Discretionary 8.0%.

The portfolio metrics in the presentation are also useful:

- Dividend yield: 3.5%
- Free cash flow yield: 6%
- Dividend cover: 2x
- Top 20 holdings: 48%
- ROCE: 21%
- Active share: 85%
- Companies buying back shares: 71%
- Operating margin: 22%

These numbers suggest a fund that is meaningfully active, focused on cash generation, and not simply hugging a global equity income index.

The 85% active share is particularly important.

It means the fund is likely to behave differently from the index and from many peers. That can be good when the process is working, but it also means periods of underperformance should be expected.

6. Performance Overview

Performance has been strong.

As of 31 July 2026, the factsheet shows the fund ahead of the IA Global Equity Income sector over one, three and five years. The fund returned 24.7% over one year, 54.7% over three years and 81.1% over five years, compared with 17.6%, 45.0% and 61.9% for the IA Global Equity Income sector.

Period	VT Vanneck Global Equity Income	IA Global Equity Income
1 month	6.2%	1.6%
3 months	10.7%	6.8%
6 months	15.4%	10.2%
1 year	24.7%	17.6%
3 years	54.7%	45.0%
5 years	81.1%	61.9%
Since inception p.a.	9.6%	—

Calendar-year performance has also been consistent, with positive returns in most years shown. The fund returned -7.2% in 2020, but was positive in 2021, 2022, 2023, 2024, 2025 and 2026 year to date.

The drawdown data is also interesting.

Drawdown Performance

VANNECK LTD

VT Vanneck Global Equity Income vs MSCI ACWI GBP · Peak-to-trough · B Accumulation, net of charges

	Market drawdown event	Dates (peak → trough)	MSCI ACWI GBP	VT Vanneck GEI	vs Benchmark
1.	Oil shock	08/09/2014 – 16/10/2014	-8.0%	-6.0%	+2.0%
2.	Chinese stock market crash	17/07/2015 – 24/08/2015	-12.1%	-8.7%	+3.5%
3.	China growth concerns	29/12/2015 – 11/02/2016	-10.3%	-8.6%	+1.7%
4.	Volatility spike	26/01/2018 – 08/02/2018	-7.8%	-5.1%	+2.6%
5.	Tech sell-off	03/09/2018 – 24/12/2018	-14.5%	-6.2%	+8.4%
6.	Coronavirus	20/02/2020 – 16/03/2020	-25.3%	-26.8%	-1.5%
7.	'Transitory' inflation / Ukraine War	04/11/2021 – 18/05/2022	-9.3%	+2.4%	+11.7%
8.	Interest rate hikes + bond shock	28/09/2022 – 18/01/2023	-2.3%	+10.5%	+12.8%
9.	Growth scare / yen carry trade	10/07/2024 – 05/08/2024	-7.0%	+0.0%	+7.1%
10.	Trump tariff uncertainty	18/02/2025 – 03/04/2025	-12.5%	-4.1%	+8.4%

Past performance is not a reliable indicator of future results. Outperformance figures reflect the arithmetic difference between fund and benchmark returns over each defined period and should not be interpreted as annualised returns. This information is provided in good faith but Vanneck Ltd makes no warranty as to its completeness or accuracy.

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The presentation compares the fund with MSCI ACWI GBP across ten market drawdown events. In most examples, the fund fell less than the index or performed better over the defined period. However, it did not protect in every environment: during the Coronavirus drawdown, the fund fell 26.8% versus 25.3% for MSCI ACWI GBP.

That is a useful balance.

The fund has shown encouraging downside characteristics, but it is still an equity fund. It can fall sharply.

The 2026 mid-year review adds useful context. VGEIF was up 9.8% in the first half of 2026, broadly matching the global equity index while, in the manager's view, taking materially less risk. The team also noted that the index has become increasingly dominated by AI, with around 80% of the ten largest constituents having a material AI investment case and around 72% of the benchmark US-listed. By contrast, VGEIF was diversified across multiple themes, sectors and revenue streams, with no holding above 3% and around 34% in US companies.

What went right included real assets, Samsung Electronics and eBay. What went wrong included companies perceived as AI losers, including ADP and Infosys, and Unilever, which was sold after a partial recovery.

That is helpful.

It shows the managers are not presenting the fund as if every decision worked.

The material shows humility, and that came through in the conversation as well.

7. What We Like, What We Would Monitor and Where It Fits

What We Like

The fund has a clear identity.

It is trying to do a specific job: provide global equity income through a diversified portfolio of dividend-paying, cash-generative companies.

The strongest points are:

- Genuine income discipline
- Strong recent and long-term performance
- Meaningful manager alignment
- Boutique ownership and culture
- Clear sell discipline
- Strong active share
- Focus on dividend cover and free cash flow
- Diversified return drivers rather than simple sector labels
- Sensible role in a natural income portfolio

The sell discipline is worth highlighting.

The presentation says sell discipline is as important as buying. It refers to cutting immediately where there is an unexpected dividend cut, significant missed guidance or existential risk. It also describes a monthly check to ask whether managers still understand the company and whether its barriers to entry will endure over the long term. That is exactly the type of discipline an active income fund needs.

What We Would Monitor

There are risks.

This is not a defensive fund.

It is a global equity income fund, and clients can lose money.

The key areas to monitor are:

- Equity market risk
- Dividend cuts or weakening dividend cover
- Style risk if non-yielding growth dominates
- Boutique and key-person risk
- Whether the fund remains genuinely income-focused
- Whether active share continues to add value
- Currency exposure

- Cost versus passive alternatives
- Succession and long-term team depth

The boutique point is both a strength and a risk.

The alignment is attractive, but the firm is smaller than large asset managers, and the fund remains closely associated with the Stevenson family and the Vanneck investment culture.

That should not put advisers off.

But it should be monitored.

Where It Fits

The fund could fit as part of a diversified income portfolio.

It may suit:

- Clients seeking global equity income
- Retirement portfolios using natural income
- Clients wanting dividend-paying equities rather than pure growth exposure
- Portfolios needing income diversification beyond UK equity income
- Advisers looking for an active income manager with a clear discipline
- Clients comfortable with equity volatility

It may be less suitable for:

- Clients needing guaranteed income
- Clients unable to accept equity market falls
- Clients wanting very low-cost passive exposure
- Clients wanting pure global growth
- Clients uncomfortable with boutique managers
- Clients likely to judge the fund only against US-heavy growth indices

In simple terms:

View this as a global equity income satellite or income-building block.

It should not sit alone.

But it could be useful alongside other sources of retirement income, including cash, bonds, annuities, property income, investment trusts and broader total return portfolios.

8. Money Wise UK Summary

The VT Vanneck Global Equity Income Fund is one of the more interesting global equity income funds I have reviewed.

The reason is clarity.

The fund knows what it is trying to do.

- It wants dividend-paying companies.
- It wants cash generation.
- It wants quality.
- It wants diversification by return driver.
- It wants to avoid relying entirely on speculative future growth.

That is valuable, especially in a market where AI has become such a dominant theme.

The managers are not ignoring AI. They hold exposure where they believe it is justified. But they are not betting the whole portfolio on one narrow outcome. The mid-year review described this as neither hiding from AI nor betting the farm on it.

That feels sensible.

The active-versus-passive point is also important.

In global equity income, active management has a stronger argument than in many other areas. It is not enough to buy yesterday's yield. The adviser needs confidence that the income is sustainable, the balance sheet is sensible, and the business can still matter in the future.

Vanneck makes a credible case here.

The fund has performed well against the IA Global Equity Income sector over one, three and five years to 31 July 2026. It also has a clear income discipline and strong manager alignment.

But this is not risk-free.

The fund is active.

It is boutique.

It has style risk.

It may lag when non-yielding growth stocks dominate.

It will not protect clients from every market fall.

It is also more expensive than passive alternatives.

A balanced conclusion:

- Strong and distinctive global equity income strategy
- Clear philosophy and process
- Good alignment through meaningful manager capital
- Strong performance record
- Genuine income discipline
- Useful role in a diversified retirement income portfolio
- Boutique and key-person risk need monitoring
- Active style risk should be clearly explained
- Not a defensive fund
- Not a passive replacement for all clients

In simple terms:

Vanneck Global Equity Income looks like a genuine income fund, not a global growth fund wearing an income badge.

That is the key point.

For clients who want global equity income as part of a diversified portfolio, it deserves serious consideration.

For clients who want the lowest-cost global equity exposure, passive will be cleaner.

For retirement income planning, the fund could play a useful role within a broader natural income strategy, provided the client understands that both income and capital can fall.

The Money Wise UK view is positive, but with a clear caveat:

This is a fund to use carefully, not blindly.

Disclaimer

Past performance is not a reliable guide to future returns. The value of investments and the income from them can fall as well as rise, and investors may get back less than they invested.

Equity income funds are exposed to market risk, currency risk, concentration risk, income risk and active management risk. Dividends are not guaranteed and may be reduced or suspended.

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