

Monthly Fact Sheet 30 June 2017

Launch Date	20th October 2014
Fund Size	£77.7m

Share Price (as at 30.06.17)

<i>Shares</i>	<i>Income</i>	<i>Accumulation</i>
B Shares	179.79p	183.75p

Codes (B Shares)

	<i>Income</i>	<i>Accumulation</i>
Sedol	BP85595	BP855B7
ISIN	GB00BP855954	GB00BP855B75

Annual Management Fee (%)

B Shares	0.75
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Minimum Investment

B Shares	£1,000
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Fund Managers



James Baker

a history graduate from Cambridge University, has over 30 years of equity market experience on both buy and sell sides, specialising for all of his career in UK Small and Mid caps stock selection. He has

worked for several organisations over the years, but most notably spent 11 years from 1999 to 2011 as part of the ABN Amro, Small Mid cap sales team, which was consistently top ranked by Extel. Prior to joining Chelverton he worked as the Assistant fund manager on the Rathbone UK Recovery Fund.



David Taylor

began his career as an analyst in the research department at Wedd Durlacher and moved into fund management in 1987 with the Merchant Navy Officers Pension Fund. He joined Gartmore Investment Limited in 1991, during this

time, he ran a combination of institutional funds and investment trusts, namely the Clydesdale Investment Trust and London & Strathclyde Trust. In 1995, he moved to LGT to manage small cap retail funds and latterly spent nearly seven years as head of UK smaller companies at HSBC Asset Management. He joined Chelverton Asset Management in January 2006 and has co-managed the Chelverton UK Equity Income Fund since launch.

MI Chelverton UK Equity Growth Fund

Investment Objective and Policy

The objective of the Fund is to achieve long-term capital growth by investing primarily in a portfolio of fully listed and AIM traded UK equities.

Investment Approach

The Fund Managers are looking for companies that can both grow faster than the market and are highly cash generative enabling them to fund their own growth. Typically these companies will have some form of sustainable competitive advantage, such as a unique product, or a dominant position in a particular market, leading to high margins and the ability to generate surplus cash.

Monthly Manager Commentary

A month on from the election and, despite the Tories and the DUP finally reaching some form of agreement, political uncertainty still persists and Brexit looks like becoming a 'legislative battleground'. This all serves to undermine business optimism and consumer confidence in the short term and we have tangible evidence of this with the warning from DFS, the sofa retailer, with respect to current trading. A year after the Brexit result, the 'easy' money has been made on the currency trades and the earnings upgrades in the overseas earners that were driven by falling sterling and are arguably now largely priced in. The outlook for domestic earners is more challenging, as the effect of imported price inflation on both the economy and corporate margins starts to take effect. Whilst weak sterling has provided a tailwind to the market as a whole as it has benefited the 'mega cap' dollar earners, we now need to see evidence of real turnover growth and productivity gains to drive share prices sustainably higher. In a quiet time for company newsflow, we are going through a period of 'price drift' in the market as there is no discernible sector or style leadership and investors remain relatively cautious.

The Fund experienced a 1.47% negative return as the market drifted last month, mildly outperforming its IA UK All Companies benchmark. There were very few major movers. Revolution Bars continued to soften after last month's profits warning, whilst Games Workshop was the Fund's best performer after yet another strong trading update.

From an investment perspective we sold out of our holding in Severfield, the structural steel business, because, despite an excellent turn-round by management and strong current trading, we're becoming more wary about the outlook for the UK commercial property new build market. We also exited our position in Trifast on valuation grounds, after strong performance over the two years we have held a position. On the buy side we participated in the IPO of Ethernity, a software solutions provider, whose patented technology enhances the performance of Cloud based networks, reducing power consumption and latency. We also added a position in Clarkson, the market-leading ship-broker, with unrivalled technology and market intelligence in the global shipping market. These additions reflect the Fund's transition towards more overseas exposure and structural growth.

Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	Since Launch
Fund (%)	16.53	-1.47	10.04	16.53	46.86	83.75
Sector Rank	8/258	20/260	3/260	8/258	1/255	1/243
Quartile Ranking	1st	1st	1st	1st	1st	1st
IA UK All Companies (%)	7.10	-2.43	2.56	7.10	22.10	33.63

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 30.06.2017

Discrete Annual Performance

	30.06.16	30.06.15	30.06.14	30.06.13	30.06.12
	30.06.17	30.06.16	30.06.15	30.06.14	30.06.13
Fund (%)	46.86	5.99	-	-	-

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 30.06.2017

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30 June 2017

ACD
Maitland Institutional Services Limited

Investment Advisor
Chelverton Asset Management Ltd

Administrator
Maitland Institutional Services Limited

Income Paid Annually

XD Dates 31 December

Valuation 12 Noon

Dealing Line 0345 305 4217

Dealing Fax 0845 280 0188

MI Chelverton UK Equity Growth Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. StatPro Group	Technology	2.3
2. Eckoh	Technology	2.1
3. Atkins (WS)	Support Services	2.0
4. Acal	Industrials	1.9
5. Games Workshop Group	Consumer	1.9
6. IMImobile	Technology	1.9
7. Avon Rubber	Industrials	1.8
8. Liontrust Asset Management	Financials	1.8
9. Euromoney Institutional Investor	Media	1.8
10. Wilmington	Media	1.8
11. Clarkson	Support Services	1.6
12. Tyman	Construction	1.6
13. Tarsus Group	Media	1.6
14. XP Power	Industrials	1.6
15. Morgan Advanced Materials	Industrials	1.6
16. Bodycote	Industrials	1.6
17. On the Beach	Consumer	1.5
18. Jackpotjoy	Consumer	1.5
19. Coats Group	Industrials	1.5
20. Quixant	Technology	1.5

Source: Chelverton Asset Management Limited

Sector Breakdown

	% of Portfolio
Technology	26.2
Consumer	15.1
Industrials	13.7
Support Services	8.8
Financials	7.8
Media	5.9
Construction	5.5
Healthcare	5.5
Resources	1.0
Property	0.3
Cash	10.1

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	13.2	12
£500m - £1bn	19.2	16
£250m - £500m	16.2	12
£100m - £250m	26.6	22
Below £100m	14.7	18
Cash and Income	10.1	N/A
Total	100.0	80

Source: Chelverton Asset Management Limited

FURTHER INFORMATION

Please contact Spring Capital Partners, in the first instance.

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Disclaimer: This fund invests in smaller companies and carries a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid and their performance more volatile over shorter time periods. The fund can also invest in smaller companies listed on the Alternative Investment Market (AIM) which also carry the risks described above. This document is provided for information purposes only and should not be interpreted as investment advice. If you have any doubts as to the suitability of an investment, please consult your financial adviser. The information contained in this document has been obtained from sources that Chelverton Asset Management Limited ("CAM") considers to be reliable. However, CAM cannot guarantee the accuracy or completeness of the information provided, and therefore no investment decision should be based solely on this data. Past performance is not a guide to future performance. This document is issued by CAM, Authorised and regulated by the Financial Conduct Authority. This document does not represent a recommendation by CAM to purchase shares in this Fund. We recommend private investors seek the services of a Financial Adviser. Maitland Institutional Services Limited are the Authorised Corporate Director of this fund and prospectuses for the fund are obtainable directly from them. Please email Chelverton@maitlandgroup.co.uk or call +44 (0) 1245 459 962.