

Monthly Fact Sheet 31 January 2018

Launch Date	20th October 2014
Fund Size	£166.6m

Share Price (as at 31.01.18)

Shares	Income	Accumulation
B Shares	210.28p	217.03p

Codes (B Shares)

	Income	Accumulation
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 Exel. Prior to joining Chelverton he worked as the Assistant fund manager on the Rathbone UK Recovery Fund.



Edward Booth

graduated from the London School of Economics with a degree in Economics with Economic History, and qualified as a Chartered Accountant at Deloitte, where he focused on

the Insurance sector. Prior to joining Chelverton, he worked as a Business Analyst for Barclays, focusing on a number of areas including Investment Bank Revenue and Group Capital performance.

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

Markets started off the New Year strongly but this early enthusiasm petered out towards the end of the month as investors started to focus on the implications for strong global economic growth on inflation and interest rates to the extent that, at the time of writing, we have seen a sharp sell-off in the market followed by heightened levels of volatility, the extent of which has not been evident for some time.

The Fund itself performed quite strongly in January. The biggest contributors were two UK financials, namely Liontrust Asset Management, which reported a strong quarter for fund flows, and Tatton Asset Management, the financial advisor services provider, which came to the market last summer. On the negative side Games Workshop, dotDigital and Immupharma all gave up some of the strong gains they made last year.

During the month we added to our UK consumer exposure, topping up relatively small positions in Topps Tiles and DFS Furniture, which have performed poorly since BREXIT, but which are now facing much easier sales comparisons going forwards, and in our view look attractively valued given their dominant market positions. On the same theme we also bought a holding in B&M European Value Retail, the expanding limited range household goods retailer that has managed to keep growing its like-for-like sales, despite the difficult consumer spending environment, thanks to its value-for-money offering.

We started two more holdings, adding TT Electronics, an electronics component group, which recently disposed of its low margin automotive components business, and Zytronic, which designs and manufactures touch sensor technology for a wide range of niche touch-screen applications.

The recent stock market fluctuations have been driven by “top down” macro factors, but set against this we believe the corporate “bottom up” earnings profile of our portfolio remains robust and broadly supportive of current valuations.

Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	3 yrs	Since Launch
Fund (%)	3.22	3.22	7.37	13.25	34.52	105.05	117.03
Sector Rank	1/258	1/258	3/258	2/255	3/255	1/238	1/236
Quartile Ranking	1st	1st	1st	1st	1st	1st	1st
IA UK All Companies (%)	-0.81	-0.81	0.93	4.03	12.37	27.94	41.44

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 31.01.2018

Discrete Annual Performance

	31.01.17	31.01.16	31.01.15	31.01.14	31.01.13
	31.01.18	31.01.17	31.01.16	31.01.15	31.01.14
Fund (%)	34.52	26.77	20.25	-	-

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 31.01.2018

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ACD
Maitland Institutional Services Limited

Investment Advisor
Chelverton Asset Management Ltd

Administrator
Maitland Institutional Services Limited

Income Paid Anually

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. Liontrust Asset Management	Financials	2.4
2. Coats Group	Industrials	1.9
3. Polypipe Group	Construction	1.9
4. Brooks MacDonald	Financials	1.9
5. Synthomer	Industrials	1.8
6. Strix	Industrials	1.7
7. dotDigital	Technology	1.7
8. Dairy Crest Group	Consumer	1.7
9. DiscoverIE Group	Industrials	1.6
10. StatPro Group	Technology	1.6
11. Spectris	Industrials	1.6
12. Ultra Electronics	Industrials	1.6
13. Curtis Banks Group	Financials	1.6
14. Avon Rubber	Industrials	1.5
15. Sthree	Support Services	1.5
16. Bodycote	Industrials	1.5
17. Euromoney Institutional Investor	Media	1.5
18. IMImobile	Technology	1.4
19. Games Workshop Group	Consumer	1.4
20. Volution Group	Construction	1.4

Source: Chelverton Asset Management Limited

Sector Breakdown

	% of Portfolio
Technology	22.6
Industrials	22.2
Consumer	14.9
Financials	10.4
Support Services	6.4
Construction	5.6
Media	4.9
Healthcare	4.3
Resources	0.9
Cash	7.8

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	16.2	13
£500m - £1bn	14.7	14
£250m - £500m	27.0	22
£100m - £250m	23.5	24
Below £100m	10.8	18
Cash and Income	7.8	N/A
Total	100.0	91

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.