

Monthly Fact Sheet 31 March 2018

Launch Date	6th March 2018
IA Sector	IA Europe ex UK

Share Price (as at 31.03.18)		
	<i>Income</i>	<i>Accumulation</i>
B Shares	96.26p	96.38p

Codes (B Shares)		
	<i>Income</i>	<i>Accumulation</i>
Sedol	BFNL2N1	BFNL2P3
ISIN	GB00BFNL2N15	GB00BFNL2P39

Fund Managers



Dale Robertson joined Chelverton in 2017. He began his career as a chartered accountant at Arthur Anderson, moving to Edinburgh Fund Managers in 1995. He then managed European funds at SWIP before moving to Edinburgh

Partners where he managed the EP European Opportunities Fund from 2003 – 2016.



Gareth Rudd joined Chelverton in 2017. He began his career in financial services in 1996 at Edinburgh Fund Managers. He then moved to ABN Amro where he was a long/short investor within Principal

Strategies until 2009. Before joining Chelverton, Gareth was a partner at Willis Welby, a boutique research house.

MI Chelverton *European Select Fund*

Investment Objective and Policy

The objective of the fund is to deliver long term capital growth to investors by investing in a diversified portfolio of European (ex-UK) companies. The fund has an unconstrained approach investing across the size spectrum down to a minimum market capitalisation of c.€50m.

Investment Approach

The managers believe there are both structural and cyclical inefficiencies in the way equity markets function and seek to apply a 'Modern Value Investing' approach to exploit these inefficiencies. The managers are looking for companies with undervalued cash flows delivered by healthy but overlooked companies.

Monthly Manager Commentary

European markets were weaker during March, with the MSCI Europe ex UK Index falling 3.6% in sterling terms, or 2.2% in local currency terms. Markets continue to suffer as a consequence of a number of macro uncertainties. This includes the threat and consequences of US trade sanctions, Russian diplomat expulsions and fears of rising inflation. March is typically a quieter month in terms of company reporting, hence there was little in the way of support from specific company newsflow.

The MI Chelverton European Select Fund launched on 6th March. We have constructed a portfolio with 46 holdings, and have been effectively fully invested since day one, adding to holdings as we receive new monies into the fund. The portfolio has a small and mid-cap bias, with over 40% of the holdings having a market cap below €5bn Euros. We believe that one of the effects of MIFIDII will be to significantly reduce sell-side coverage of smaller companies and we view this as an exciting opportunity.

In light of likely continued volatility of markets, we firmly believe that having a robust process which delivers a value anchor for our investments will enable us to achieve good long-term performance. We have a strong reserve list of potential investments and creating this healthy competitive tension for places within the portfolio is a key output of our process. Structural change, driven mainly by technological development is an ongoing, and accelerating feature of many market areas. Our process is designed to steer us away from these types of businesses which are facing significant structural challenges, but where mean-reversion hopes are still embedded in the valuations.

Top 20 Holdings

<i> Holding</i>	<i> Sector</i>	<i> % of Portfolio</i>
1. Roche	Health Care	3.3
2. UBS	Financials	3.1
3. ING Groep	Financials	3.0
4. Sanofi	Health Care	3.0
5. Unilever	Consumer Goods	2.7
6. Zurich Insurance	Financials	2.6
7. Nilorngruppen	Consumer Goods	2.6
8. Siemens	Industrials	2.6
9. CRH	Industrials	2.5
10. TKH	Industrials	2.5
11. Tenaris	Basic Materials	2.5
12. Ageas	Financials	2.5
13. Capgemini	Technology	2.4
14. Dometic	Consumer Goods	2.4
15. Bayer	Health Care	2.3
16. IFG Group	Financials	2.2
17. Schneider	Industrials	2.2
18. Vestas Wind Systems	Oil & Gas	2.2
19. Hexpol	Basic Materials	2.2
20. RELX	Consumer Services	2.2

Source: Chelverton Asset Management Limited



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ACD
Maitland Institutional Services Limited

Investment Advisor
Chelverton Asset Management Limited

Administrator
Maitland Institutional Services Limited

Income Paid Biannually
XD Dates 30 June, 31 December
Valuation 12 Noon

Annual Management Fee (%)

B Shares 0.75

Minimum Investment

B Shares £1,000

Ongoing Charge (%)

B Shares 1.00

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FURTHER INFORMATION

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MI Chelverton *European Select Fund*

Sector Breakdown

	% of Portfolio	
Industrials	25.2	
Financials	20.1	
Consumer Goods	17.6	
Health Care	12.7	
Oil & Gas	5.8	
Technology	5.7	
Basic Materials	4.7	
Consumer Services	3.7	
Cash	4.5	

Geographic Breakdown

	% of Portfolio	
Switzerland	14.5	
Sweden	14.2	
Netherlands	12.1	
France	9.3	
Germany	9.1	
Ireland	8.9	
Italy	7.9	
Norway	7.8	
Belgium	4.4	
Denmark	4.4	
Spain	1.5	
Finland	1.4	
Cash	4.5	

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above €5bn	54.0	23
€2bn - €5bn	18.1	9
< €2bn	23.4	14
Cash and Income	4.5	N/A
Total	100.0	46

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.