

Monthly Fact Sheet 30 June 2018

Launch Date	20th October 2014
Fund Size	£261m
Historic Yield (%)*	0.94

Share Price (as at 30.06.18)

<i>Shares</i>	<i>Income</i>	<i>Accumulation</i>
B Shares	214.68p	221.58p

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.

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.



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 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

As we end the first half of 2018, equity markets saw a rise in volatility as the threat of an escalating trade war loomed large in the minds of asset allocators. Additionally, whilst European political concerns have eased off, there continues to be discord within the Conservative party regarding the manner of our exit from the European Union. Whilst sentiment did appear to bounce back from a weak (and weather impacted) Q1, the longer-term outlook remains uncertain.

At the portfolio level, we started several new positions in June. We participated in the IPO of Aquis Exchange, a multi-lateral trading facility, which offers a disruptive subscription pricing model allowing significant savings for market participants. We also added a position in RWS, a world leading translation company focused on intellectual property, life sciences and, through a new acquisition, technology localisation. We have held RWS before, and added a position after weakness in the share price, primarily due to FX headwinds. Finally, we participated in a placing to fund a transformational acquisition for Diversified Gas and Oil, a low-cost oil producer in the Appalachian basin in the USA. Elsewhere in the portfolio, we added to Equiniti and Porvair, on share price weakness, and to RPS, the global consultant engineer, to increase our holding to a more meaningful size. We reduced our JTC and Games Workshop positions after excellent recent performance and exited Craneware on valuation grounds.

From a contribution perspective, the Aquis new issue got off to a very strong start, whilst we also saw strong performances from Strix (which benefitted from a re-rating) and Chemring (on positive interim results). On the downside, Ergomed warned the market that contract delays and reductions would cause revenue and profit to fall below analyst expectations. Additionally, Equiniti was weak on concerns from some investors about certain aspects of their accounting. Finally, we saw pressure on our industrial holdings, which have an overseas earnings bias, due to the macro concerns about tariffs and a trade war.

Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	3 yrs	Since Launch
Fund (%)	5.38	0.18	6.05	5.38	20.59	87.70	121.58
Sector Rank	30/255	68/260	242/257	30/255	4/252	1/239	1/234
Quartile Ranking	1st	2nd	4th	1st	1st	1st	1st
IA UK All Companies (%)	2.50	-0.19	8.94	2.50	8.70	27.59	45.86

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 30.06.2018

Discrete Annual Performance

	30.06.17	30.06.16	30.06.15	30.06.14	30.06.13
	30.06.18	30.06.17	30.06.16	30.06.15	30.06.14
Fund (%)	20.59	46.86	5.99	-	-
IA UK All Companies (%)	8.70	22.26	-3.81	-	-

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 30.06.2018

*The historic yield reflects distributions over the past 12 months as a percentage of the bid price of the B share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

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30 June 2018

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

Codes (B Shares)

	Income	Accumulation
Sedol	BP85595	BP855B7
ISIN	GB00BP855954	GB00BP855B75

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 UK Equity Growth Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Equiniti Group	Support Services	2.3
2. Strix	Industrials	1.9
3. Clinigen	Healthcare	1.9
4. Polypipe Group	Construction	1.8
5. Tyman	Construction	1.8
6. Renew Holdings	Support Services	1.8
7. Coats Group	Industrials	1.7
8. Castleton Technology	Technology	1.6
9. Liontrust Asset Management	Financials	1.6
10. Tarsus Group	Media	1.6
11. Quixant	Technology	1.6
12. Morgan Advanced Materials	Industrials	1.6
13. Brooks MacDonald	Financials	1.5
14. Eco Animal Health Group	Healthcare	1.5
15. Elektron Technology	Industrials	1.4
16. Sthree	Support Services	1.4
17. Amino Technologies	Technology	1.4
18. Alliance Pharma	Healthcare	1.4
19. TT Electronics	Industrials	1.4
20. RPS Group	Support Services	1.4

Source: Chelverton Asset Management Limited

Sector Breakdown

	% of Portfolio
Industrials	22.4
Technology	21.8
Financials	10.6
Support Services	10.2
Consumer	9.5
Healthcare	7.1
Construction	5.6
Media	4.4
Resources	1.2
Cash	7.2

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	15.1	13
£500m - £1bn	16.4	14
£250m - £500m	27.6	23
£100m - £250m	21.3	23
Below £100m	12.4	20
Cash and Income	7.2	N/A
Total	100.0	93

Source: Chelverton Asset Management Limited

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.