

Monthly Fact Sheet 31 March 2019

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.

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

Share Price (as at 31.03.19)

	Income	Accumulation
B Shares	89.35p	92.06p

Codes (B Shares)

	Income	Accumulation
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

Monthly Manager Commentary

European markets were somewhat subdued over the month. The ECB substantially downgraded its growth forecasts for the Eurozone, now seeing annual GDP growth of just 1.1% in 2019, 1.6% in 2020 and 1.5% in 2021. As recently as December 2018, the growth forecast for 2019 had been 1.7%. This significant reduction in the outlook was the main reason why the equity market rally in Europe began to stall in March.

The fund enjoyed a positive performance during March. IFG, one of our financial services holdings, received a bid approach. Leonardo (aerospace and defence) performed well following positive results, and Novartis also contributed to the positive month, as the market took on a slightly more defensive stance following the ECB's growth downgrade.

At the other end of the spectrum, Bayer (pharmaceuticals and crop science) was weak, following another disappointing legal decision surrounding its Roundup product. We believe that the shares fully discount the likely liability here, and have topped up our holding. ING Groep and Nordea were both weak, as the subject of money-laundering was again a dominant issue for European financials.

It was an active month in terms of investments. The fund purchased five new holdings, and exited three. Purchases were Aubay and Knowit (both IT service companies), Danone (nutrition), Bpost (mail) and ST Microelectronics (semiconductors). The fund exited Unicredit (Italian bank), Kion (warehouse automation) and Data Respons (IT services).

Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	3 yrs	Since Launch
Fund (%)	9.04	1.10	9.04	-9.00	-4.49	-	-7.94
Sector Rank	18/104	74/104	18/104	86/104	78/103	-	78/103
Quartile Ranking	1st	3rd	1st	4th	3rd	-	3rd
IA Europe ex UK (%)	7.25	1.68	7.25	-6.86	-1.77	-	-4.43

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 31.03.2019

Discrete Annual Performance

	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Fund (%)	31.03.19	31.03.18	31.03.17	31.03.16	31.03.15
Fund (%)	-4.49	-	-	-	-
IA Europe ex UK (%)	-1.77	-	-	-	-

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 31.03.2019

Sector Breakdown

	% of Portfolio
Industrials	28.3
Financials	17.9
Health Care	13.3
Consumer Goods	12.6
Technology	12.3
Oil & Gas	6.0
Basic Materials	3.7
Consumer Services	1.9
Cash	4.0

Geographic Breakdown

	% of Portfolio
France	19.9
Netherlands	18.8
Switzerland	12.3
Sweden	9.2
Germany	9.2
Belgium	5.7
Ireland	4.2
Spain	4.0
Italy	3.7
Finland	3.3
Denmark	2.9
Norway	2.8
Cash	4.0

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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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springcapital

MI Chelverton *European Select Fund*

Top 20 Holdings

Holding	Sector	% of Portfolio
1. BE Semiconductor	Technology	3.1
2. Novartis	Healthcare	3.0
3. ISS	Industrials	2.9
4. Bayer	Healthcare	2.9
5. Unilever	Consumer Goods	2.7
6. Roche	Healthcare	2.6
7. Sanofi	Healthcare	2.6
8. Bravida	Industrials	2.5
9. Santander	Financials	2.5
10. Ageas	Financials	2.5
11. PostNL	Industrials	2.4
12. Zurich Insurance	Financials	2.3
13. Kaufman & Broad	Consumer Goods	2.3
14. UBS	Financials	2.3
15. Total	Oil & Gas	2.3
16. ING Groep	Financials	2.3
17. CPL Resources	Industrials	2.2
18. Schneider	Industrials	2.2
19. Fresenius	Healthcare	2.2
20. Dometic	Consumer Goods	2.2

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above €5bn	53.5	24
€2bn - €5bn	8.8	5
Below €2bn	33.7	19
Cash and Income	4.0	N/A
Total	100.0	48

Disclaimer: The value of any investment, and any income from it, can rise and fall with movements in stockmarkets, currencies and interest rates. These can move irrationally and can be affected unpredictably by diverse factors, including political and economic events. This could mean that you won't get back the amount you originally invested. This fund can invest 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. 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.