

Monthly Fact Sheet 30 April 2019

About the Fund

The objective of the Chelverton European Select Fund is to generate long term compounding outperformance of major Continental European indices and peers. The aim is to deliver capital growth to investors over the longer term and achieve this by buying companies with strong free cash flow characteristics that the managers believe are being undervalued by the market.

The fund is a Europe ex-UK equity fund managed within the Investment Association guidelines for its sector. It invests solely in the equity securities of companies listed in Europe, but outside of the UK, across the size spectrum down to a minimum market capitalisation of €50m.

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

Share Price (as at 30.04.19)		
	<i>Income</i>	<i>Accumulation</i>
B Shares	95.46p	98.35p

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*

Monthly Manager Commentary

European markets were strong during April. Company reporting season dominated attention. Generally, results were positive, with a significant proportion of companies reporting increased sales and profitability, despite the rather subdued macroeconomic data of recent months.

The fund enjoyed a strong performance during the month, led by good performances from a number of our Semiconductor holdings – BE Semiconductor, ASM, ST Microelectronics and VAT Group. This is an area of the market where we continue to see good investment opportunities and supportive valuations generally. That said, VAT group was sold following the strong share price recovery, as the valuation had become more stretched here than with the others. The reporting season has generally been positive for our holdings.

Underperformers over the month included our pharma holdings – Roche, Sanofi and Novartis. The latter spun off its Alcon business, but elsewhere there was little in the way of newsflow to explain the weak performance. We took advantage of the weakness to top up our holding in Novartis.

We lowered the financial and operational leverage of our oil services holdings by selling small positions in Fugro and Borr Drilling, and purchasing TGS Nopec. We exited Schneider (Electrical products), following a positive share price reaction to results, as the valuation is no longer compelling. We also sold the small holding in Alcon we received as a result of its spin-out from Novartis. Finally, we purchased Hexpol, an international polymers business.

Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	3 yrs	Since Launch
Fund (%)	16.49	6.83	10.67	4.12	-1.92	-	-1.65
Sector Rank	12/104	7/105	19/104	71/103	61/102	-	65/102
Quartile Ranking	1st	1st	1st	3rd	3rd	-	3rd
IA Europe ex UK (%)	12.41	4.81	8.37	5.18	-0.88	-	0.12

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 30.04.2019

Discrete Annual Performance

	30.04.18	30.04.17	30.04.16	30.04.15	30.04.14
Fund (%)	-1.92	-	-	-	-
IA Europe ex UK (%)	-0.88	-	-	-	-

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 30.04.2019

Sector Breakdown

	% of Portfolio
Industrials	24.4
Financials	18.0
Consumer Goods	13.8
Health Care	13.1
Technology	13.0
Oil & Gas	5.8
Basic Materials	5.1
Consumer Services	2.4
Cash	4.4

Geographic Breakdown

	% of Portfolio
Netherlands	18.9
France	18.9
Switzerland	11.0
Sweden	10.6
Germany	9.1
Belgium	5.9
Spain	4.0
Ireland	3.9
Norway	3.7
Italy	3.5
Finland	3.2
Denmark	2.9
Cash	4.4

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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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Top 20 Holdings

Holding	Sector	% of Portfolio
1. Novartis	Health Care	3.2
2. Bayer	Health Care	2.9
3. ISS	Industrials	2.9
4. BE Semiconductor	Technology	2.9
5. Kaufman & Broad	Consumer Goods	2.7
6. Unilever	Consumer Goods	2.6
7. Ageas	Financials	2.6
8. Santander	Financials	2.6
9. Danone	Consumer Goods	2.6
10. UBS	Financials	2.5
11. Sanofi	Health Care	2.4
12. Dometic	Consumer Goods	2.4
13. RELX	Consumer Services	2.4
14. Roche	Health Care	2.4
15. PostNL	Industrials	2.4
16. ING Group	Financials	2.3
17. Total	Oil & Gas	2.2
18. Siemens	Industrials	2.2
19. Zurich Insurance	Financials	2.2
20. Fresenius	Health Care	2.2

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above €5bn	52.9	23
€2bn - €5bn	11.1	6
Below €2bn	31.6	17
Cash and Income	4.4	N/A
Total	100.0	46

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.