

Monthly Fact Sheet

30 November 2023

Launch Date 4 December 2006

Fund Size £297m

Historic Yield 6.13%

The historic yield reflects distributions over the past 12 months as a percentage of the 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.

Share Price (as at 30.11.23)

Shares	Income	Accumulation
B Shares	95.00p	231.87p

SEDOL Codes

	Income	Accumulation
Sedol	B1FD646	B1Y9J57
ISIN	GB00B1FD6467	GB00B1Y9J570

Income Paid Quarterly

XD Dates 31 March, 30 June,
30 September, 31 December

Valuation 12 Noon, Daily

Initial Charge (%) 5.0*

Annual Management Fee (%) 0.75

Minimum Investment £1,000

Ongoing Charge (%) 0.90

Charges are for B share class.

*or any such lower amount agreed with the ACD

ACD

Apex Fundrock Ltd

Investment Advisor

Chelverton Asset Management Limited

Administrator

Apex Fundrock Ltd

Dealing Details

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MI Chelverton UK Equity Income Fund

Investment Objective and Policy

The objective of the Fund is to provide a progressive income stream and achieve long-term capital growth by investing primarily in a portfolio of fully listed and AIM traded UK equities. The Fund will invest in UK companies which aim to provide a high initial dividend, progressive dividend payments and long term capital appreciation.

Monthly Manager Commentary

The 'bottom up' market interest rate narrative has gradually shifted from how high rates will go to how quickly they will fall. We saw mid-way through last month a sharp bounce in the valuation of our underlying assets as a brief period of 'risk on' sentiment took hold amongst investors, although it proved to be rather short lived as Central banks responded quite quickly with a more cautious rhetoric. The Bank of England was particularly negative about the near-term prospects for the domestic economy. Despite this 'top down' domestic gloom there does appear to be a growing number of commentators highlighting the relative 'value' in UK equities and recent events would suggest that when the current macro headwinds turn to tailwinds, prices should respond rapidly. The autumn statement gave a little bit back to the UK consumer with national insurance cuts and a rise in the minimum living wage and ultimately passed with little disruption to markets.

At the stock level there was a press rumour relating to a merger between two of our holdings, Redde, our largest weighting who have just released some good results where earnings have been upgraded, and Halfords whose price fell on the back of short-term consumer sentiment. We continue to see medium term value in both entities in their own right. We also saw strong interim results and further upgrades from XPS Pensions, another of our larger holdings. The combination of strong demand for pensions consulting services and inflation linked revenues is providing a strong tailwind, which has not yet run its course. On the downside, FDM provided a trading update which pointed to clients delaying spending decisions given the wider level of macro uncertainty. The level of underlying demand is still strong, so we would expect client spend to pick up as business confidence returns. Overall we have seen a little more interest in the mid and smallcap equity space in which we operate over the last month. If this were to continue it could provide some welcome relief from the well-documented outflows which have been depressing equity valuations of late.

Cumulative Performance

	1 m	3 m	1 yr	3 yrs	5 yrs	10 yrs
Fund (%)	6.33	-1.50	-3.34	8.79	3.76	49.45
Rank in sector	7/69	63/69	64/69	59/66	63/66	38/56
Quartile	1st	4th	4th	4th	4th	3rd
IA UK Equity Income (%)	4.29	1.05	1.53	22.50	20.94	54.88

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 30.11.2023

Calendar Year Performance (%)

	YTD	2022	2021	2020	2019	2018
Fund	-4.28	-12.16	22.68	-14.45	24.59	-14.20
IA Sector (%)	2.11	-2.18	18.30	-10.91	20.12	-10.53

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 30.11.2023

Dividend History

	Q1	Q2	Q3	Q4	Total
2019 B Income	0.80p	1.50p	1.50p	1.99p	5.79p
2020 B Income	0.24p	0.55p	0.97p	0.70p	2.46p
2021 B Income	0.65p	1.64p	1.56p	0.95p	4.80p
2022 B Income	0.79p	2.30p	1.55p	1.07p	5.71p
2023 B Income	0.94p	2.08p	1.75p		

History of dividends declared per share. Source: Chelverton Asset Management Limited

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30 November 2023

Fund Managers



David Horner joined 3i Corporate Finance Limited in 1986 where he was a manager giving corporate finance advice. In May 1993 he joined Strand Partners Limited, and was appointed a director in January 1994, where

he carried out a range of corporate finance assignments identifying, structuring and managing investments in quoted and unquoted companies. In October 1997 he left to set up Chelverton Asset Management Limited and was responsible for setting up, in May 1999, the Small Companies Dividend Trust, which he still manages. He has co-managed the Chelverton UK Equity Income Fund since launch.



David Taylor began his career as an analyst in the research department at Wedd Durlacher and moved into fund management in 1987 with the Merchant Navy Officers Pension Fund. He joined Gartmore

Investment Limited in 1991, during this time, he ran a combination of institutional funds and investment trusts, namely the Clydesdale Investment Trust and London & Strathclyde Trust. In 1995, he moved to LGT to manage small cap retail funds and latterly spent nearly seven years as head of UK smaller companies at HSBC Asset Management. He joined Chelverton Asset Management in January 2006 and has co-managed the Chelverton UK Equity Income Fund since launch.



Oliver Knott joined Chelverton Asset Management in January 2020 as an Assistant Fund Manager. He has extensive experience in UK small and mid cap equities having joined Brewin Dolphin as a generalist salesman after

graduating from the University of Essex with a 1st class honours degree in Politics, Philosophy and Economics. Prior to joining Chelverton, he worked as an equity analyst for N+1 Singer, in their highly respected technology research franchise. Oliver is a CFA Charterholder.

FURTHER INFORMATION

Please contact Spring Capital Partners, in the first instance.

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MI Chelverton UK Equity Income Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Redde Northgate	Industrial Transportation	3.17
2. Chesnara	Life Insurance	3.14
3. XPS Pensions Group	Investment Banking & Brokerage Services	3.11
4. Keller Group	Construction & Materials	2.73
5. Telecom Plus	Telecommunications Service Providers	2.63
6. Moneysupermarket.com	Software & Computer Services	2.33
7. Vesuvius	Industrial Engineering	2.25
8. Severfield	Construction & Materials	1.90
9. Diversified Energy	Oil, Gas & Coal	1.87
10. Polar Capital Holdings	Investment Banking & Brokerage Services	1.83
11. Bakkavor Group	Food Producers	1.81
12. Dunelm	Retailers	1.79
13. Rathbones	Investment Banking & Brokerage Services	1.76
14. ICG	Investment Banking & Brokerage Services	1.72
15. Mortgage Advice Bureau	Finance & Credit Services	1.70
16. PayPoint	Industrial Support Services	1.62
17. Bellway	Household Goods & Home Construction	1.58
18. Wilmington	Media	1.55
19. Tyman	Construction & Materials	1.50
20. Close Brothers	Banks	1.48

Source: Chelverton Asset Management Limited

Market Cap Breakdown

% of Portfolio	No. of Stocks	
Above £1bn	31.82	24
£500m - £1bn	17.96	12
£250m - £500m	28.35	21
£100m - £250m	12.68	17
Below £100m	5.62	11
Cash and Income	3.57	-
Total	100.00	85

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. Fund performance figures are net of the ongoing charges and portfolio transaction costs unless otherwise stated. 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. The contents of this document are intended for Professional Investors and Eligible Counterparties only. We recommend private investors seek the services of a Financial Adviser. Apex Fundrock Ltd 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)345 305 4217. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.