

## Monthly Fact Sheet

**31 July 2024**

<b>Launch Date</b>	4 December 2006
<b>Fund Size</b>	£250m
<b>Historic Yield</b>	5.45% (e)

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.

<b>Share Price</b> (as at 31.07.24)		
<b>Shares</b>	<b>Income</b>	<b>Accumulation</b>
B Shares	109.66p	278.74p

<b>SEDOL Codes</b>		
	<b>Income</b>	<b>Accumulation</b>
Sedol	B1FD646	B1Y9J57
ISIN	GB00B1FD6467	GB00B1Y9J570

<b>Income Paid</b>	Quarterly
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<b>XD Dates</b>	31 March, 30 June, 30 September, 31 December
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<b>Valuation</b>	12 Noon, Daily
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<b>Initial Charge (%)</b>	5.0*
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<b>Annual Management Fee (%)</b>	0.75
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<b>Minimum Investment</b>	£1,000
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<b>Ongoing Charge (%)</b>	0.91
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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

<b>Dealing Line</b>	0345 305 4217
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<b>Dealing Fax</b>	0845 280 0188
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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

July was a positive month for equities which was bookended by two key events in the UK. The General Election at the start of the month delivered the expected large majority for Labour, giving the new Government a strong mandate to pursue its stated growth agenda. The market largely shrugged off the new Chancellor's warnings of a £22 billion black hole in the public finances and focussed on the positive PMI data and GDP growth data for May, which was ahead of expectations. There was also further solid newsflow on inflation ahead of the Monetary Policy Committee meeting on 1<sup>st</sup> August. CPI remained at the target 2.0% in June, although some analysts had hoped for it to drop below 2%, with services prices remaining a little stickier than hoped. Despite this the MPC took the decision to reduce Interest Rates by 0.25% at the August meeting, the first cut since March 2020. The speed and timing of future interest rate cuts remains a subject of debate, however the combination of positive UK GDP data and falling interest rates is supportive of an improving economic environment in 2025, which ought to provide a positive backdrop for UK equities.

At the portfolio level, trading updates and dividends continue to be largely in-line, with good updates being rewarded with positive share price moves. Dunelm delivered a positive full year update, with PBT expected to be slightly ahead of expectations despite the challenging consumer environment. Rathbones and Polar Capital both provided reassuring updates and Keller was strong in anticipation of an encouraging set of Interim Results. Card Factory also rallied after a large known seller was cleared, removing the overhang on the shares. On the downside, Dowlais was weak on the back of poor automotive market data and Midwich also detracted from performance after its trading statement pointed to continued challenging market conditions, although management maintained its full year profit guidance. August has begun with a sharp fall in global equity markets after weak US jobs data raised fears that the US has been too slow to lower interest rates, which could push the world's largest economy into recession territory. This has provided the opportunity to build positions in selected stocks which we feel are attractively priced on a medium-term view.

## Cumulative Performance

	1 m	3 m	1 yr	3 yrs	5 yrs	10 yrs
Fund (%)	5.25	7.75	16.18	2.25	21.75	74.26
Rank in sector	11/71	9/71	36/71	66/70	59/68	33/58
Quartile	1st	1st	2nd	4th	4th	3rd
IA UK Equity Income (%)	4.08	6.02	16.24	22.23	31.79	75.36

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 31.07.2024

## Calendar Year Performance (%)

	YTD	2023	2022	2021	2020	2019
Fund	12.40	2.38	-12.16	22.68	-14.45	24.59
IA UK Equity Income	11.59	7.08	-2.18	18.30	-10.91	20.12

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 31.07.2024

## Dividend History

		Q1	Q2	Q3	Q4	Total
2020	B Income	0.24p	0.55p	0.97p	0.70p	4.46p
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	2.07p	1.75p	1.05p	5.81p
2024	B Income	0.89p	2.28p (e)			3.17p (e)

History of dividends declared per share. Source: Chelverton Asset Management Limited  
(e) is estimated

## Monthly Fact Sheet

31 July 2024

### 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

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## MI Chelverton UK Equity Income Fund

### Top 20 Holdings

Holding	Industry	% of Portfolio
1. ZIGUP	Ground Transportation	3.92
2. Telecom Plus	Multi-Utilities	3.74
3. Chesnara	Insurance	3.40
4. Bakkavor Group	Food Products	2.78
5. Polar Capital Holdings	Capital Markets	2.41
6. PayPoint	Financial Services	2.34
7. Severfield	Construction & Engineering	2.27
8. Vesuvius	Machinery	2.21
9. XPS Pensions Group	Capital Markets	2.14
10. Keller Group	Construction & Engineering	2.05
11. Dunelm	Specialty Retail	1.97
12. Phoenix Group	Insurance	1.97
13. Sabre Insurance Group	Insurance	1.90
14. Diversified Energy	Oil, Gas & Consumable Fuels	1.88
15. MONY Group	Interactive Media & Services	1.84
16. TP ICAP	Capital Markets	1.79
17. Epwin Group	Building Products	1.77
18. Inchcape	Distributors	1.67
19. FDM	IT Services	1.65
20. Mortgage Advice Bureau	Financial Services	1.60

Source: Chelverton Asset Management Limited, Sector and Industry information per GICS

### Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	30.17	19
£500m - £1bn	28.87	18
£250m - £500m	18.08	17
£100m - £250m	15.96	17
Below £100m	2.63	6
Cash and Income	4.29	-
Total	100.00	77

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@apexgroup.co.uk](mailto:chelverton@apexgroup.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.