

Monthly Fact Sheet

30 September 2024

Launch Date	4 December 2006
Fund Size	£221m
Historic Yield	5.52% (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.

Share Price (as at 30.09.24)		
Shares	Income	Accumulation
B Shares	107.13p	272.37p

SEDOL Codes		
	Income	Accumulation
Sedol	B1FD646	B1Y9J57
ISIN	GB00B1FD6467	GB00B1Y9J570

Income Paid	Quarterly
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XD Dates	31 March, 30 June, 30 September, 31 December
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Valuation	12 Noon, Daily
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Initial Charge (%)	5.0*
Annual Management Fee (%)	0.75
Minimum Investment	£1,000
Ongoing Charge (%)	0.93

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

Dealing Line	0345 305 4217
Dealing Fax	0845 280 0188

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

After a prolonged period when budgets were essentially pre-announced the fact that there has been very little news, and a lot of speculation, about the new governments first budget at the end of October has added to an already uncertain short term domestic outlook. The continued gloomy rhetoric emanating from central government with respect to the economy has contributed to a dramatic fall in both consumer and business confidence in the month. At the same time the political situation has worsened significantly in the Middle East leading to a short term rise in oil prices. Despite top down issues the important results season delivered a largely supportive bottom up message as the majority of company profits and cash flows came in in-line with estimates. With interest rates falling both here and in the US and UK real wages rising we believe that the medium term outlook for the UK economy remains positive, underpinned by attractive valuations in our small and mid cap universe. The timing of the earnings upgrades needed to deliver positive share price momentum however has moved to the right as investors keep their powder dry until after the budget.

At the stock level the top contributor to performance was TI Fluids which was the subject of a bid approach albeit from what we believe to be depressed levels. Kitwave responded well to raising £31.5m and the acquisition of Creed catering supplies, a leading independent food wholesaler in the South of England. Other relatively strong performers included Ashmore, Epwin and Bakkavor. On the downside TT Electronics performed poorly as profits were downgraded due to operational issues at 2 of its US sites and Mortgage Advice Bureau fell as the FCA announced a study of the pure protection market. Other underperformers included Card Factory after a very strong run and Dunelm. Dividends continue to come in ahead of our expectations, which combined with continued company share buybacks, highlights the strength of balance sheets within our investible universe.

Cumulative Performance

	1m	3m	1yr	3yrs	5yrs	10yrs
Fund (%)	-1.72	2.84	17.86	-1.33	16.48	71.30
Rank in sector	48/69	31/69	19/69	65/68	63/66	33/55
Quartile	3rd	2nd	2nd	4th	4th	3rd
IA UK Equity Income (%)	-1.32	2.79	15.25	19.07	30.39	73.40

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 30.09.2024

Calendar Year Performance (%)

	YTD	2023	2022	2021	2020	2019
Fund	9.83	2.38	-12.16	22.68	-14.45	24.59
IA UK Equity Income	10.21	7.08	-2.18	18.30	-10.91	20.12

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 30.09.2024

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	2.29p	1.67p (e)		4.86p (e)

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

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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

Rank	Holding	Industry	% of Portfolio
1.	Chesnara	Insurance	3.59
2.	ZIGUP	Ground Transportation	3.19
3.	Telecom Plus	Multi-Utilities	3.12
4.	Bakkavor Group	Food Products	2.88
5.	Severfield	Construction & Engineering	2.53
6.	PayPoint	Financial Services	2.39
7.	Polar Capital Holdings	Capital Markets	2.18
8.	Phoenix Group	Insurance	2.17
9.	TP ICAP	Capital Markets	1.93
10.	Vesuvius	Machinery	1.90
11.	Ashmore Group	Capital Markets	1.87
12.	Dunelm	Specialty Retail	1.84
13.	Wickes	Specialty Retail	1.84
14.	MONY Group	Interactive Media & Services	1.81
15.	Epwin Group	Building Products	1.80
16.	XPS Pension Group	Capital Markets	1.79
17.	FDM	IT Services	1.68
18.	Sabre Insurance Group	Insurance	1.68
19.	Keller Group	Construction & Engineering	1.64
20.	Ocean Wilsons	Transportation Infrastructure	1.61

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

Market Cap Breakdown

Market Cap	% of Portfolio	No. of Stocks
Above £1bn	30.88	21
£500m - £1bn	23.23	16
£250m - £500m	21.47	17
£100m - £250m	16.01	17
Below £100m	3.49	7
Cash and Income	4.92	-
Total	100.00	78

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 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.