

## Monthly Fact Sheet

### 30 September 2024

<b>Launch Date</b>	20 October 2014
<b>Fund Size</b>	£641m
<b>Historic Yield*</b>	1.55%

#### Share Price (as at 30.09.24)

Shares	Income	Accumulation
B Shares	305.49p	334.23p

### Investment Objective and Policy

The objective of the Fund is to achieve long-term capital growth by investing primarily in a portfolio of small and medium sized fully listed and AIM traded UK equities.

### Fund Managers



#### James Baker

a history graduate from Cambridge University, has over 30 years of equity market experience on both buy and sell sides, specialising for all of his career in UK Small and Mid caps stock selection. He has worked for several organisations over the years, but most notably spent 11 years from 1999 to 2011 as part of the ABN Amro, Small Mid cap sales team, which was consistently top ranked by Exel. Prior to joining Chelverton he worked as the Assistant fund manager on the Rathbone UK Recovery Fund.



#### Edward Booth

graduated from the London School of Economics with a degree in Economics with Economic History, and qualified as a Chartered Accountant at Deloitte, where he focused on the Insurance sector. Prior to joining Chelverton, he worked as a Business Analyst for Barclays, focusing on a number of areas including Investment Bank Revenue and Group Capital performance.



#### Henry Botting

joined Chelverton Asset Management in 2021 and was appointed co-manager in August 2022. Prior to joining, Henry worked on the Equity Sales team at finnCap, where he specialised in UK small and micro-cap companies. He has a degree in Economic and Social History from the University of Edinburgh and prior investment management experience at Rathbones and OLIM. Henry is a CFA Charterholder.

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

# MI Chelverton UK Equity Growth Fund

## Monthly Manager Commentary

The macro picture in the UK continues to be dominated by the upcoming Budget, the first by the newly elected Labour Government. The downbeat narrative of the Chancellor about the UK economy and speculation about the future direction of taxation, business and economic policy has started to show in economic data, with consumer confidence dropping to the lowest level in 6 months. However, PMIs remain positive, real wages are growing and monetary policy should continue to ease from here, post the first cut to interest rates in August, and we look forward to greater clarity post the Budget announcement on October 30th.

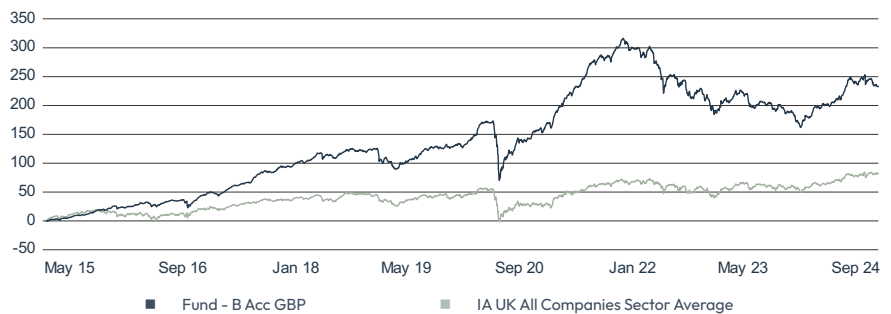
Elsewhere, tensions remain high in the Middle East post the Iranian missile attack on Israel and Israeli action in Lebanon, which has driven up the oil price. In the US, the Fed started to cut interest rates with a 50bps rate cut, with economic data from the US remaining solid. In Europe, the macro picture is weaker and there remains speculation as to whether that may drive accelerated monetary easing. Finally, the Bank of China took steps to stabilise the nation's property market, amongst continued economic weakness.

September is a busy month for company results, as our December year-end companies release interim statements. Our key detractor to performance this month was Next Fifteen. The company announced weakness in B2B spend from its large technology customers, a theme we have seen elsewhere in our portfolio. More significantly however, they announced the non-renewal of a large contract, which meant materially reduced forecasts for future years. Also weak was Alpha Group, as it announced that their Founder-CEO would step-down, to be replaced by the current Chairman, and TT Electronics, on operational issues in its North American operation, and a slower than expected recovery in order intake in its components business.

On the positive side, Learning Tech was up after confirming it had received a conditional approach for the company, Eurocell was strong after interim results and unchanged expectations for the full year, and Gamma Communications was positive, after announcing 10% EBITDA growth in H1 and guiding towards the top end of market expectations for the full year. Additionally, the company announced it is considering a move to the main market. We trimmed some of our Gamma holding into strength off the back of the results, and sold some Tate and Lyle given the scale of turnaround required in their recent acquisition. On the purchases side, we restarted a holding in Victrex for the first time since 2020, added to our Moonpig holding and added to Ashtead Tech and DiscoverIE on weakness.

Amidst speculation about the future of business relief on AIM in the upcoming budget, several of our AIM stocks have been under pressure in recent weeks. As part of recent company meetings, many of our AIM holdings have articulated that they would consider a move to the Main Market (as we have seen Alpha Group do recently, and Gamma Communication consider) should business relief be withdrawn, given the easing main market listing rules and the demand from index funds.

### Performance Since Launch (%)



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

### Cumulative Performance

	1m	3m	1yr	3yrs	5yrs	Since Launch
Fund (%)	-3.81	-1.40	17.62	-18.52	43.18	234.58
Rank in sector	193/203	193/203	34/203	189/198	17/189	1/161
Quartile	4th	4th	1st	4th	1st	1st
IA UK All Companies (%)	-1.37	2.28	14.21	8.79	25.34	81.82

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

### Calendar Year Performance (%)

	YTD	2023	2022	2021	2020	2019
Fund	11.15	-3.86	-22.16	28.73	15.93	40.58
IA UK All Companies	9.30	7.35	-9.23	17.14	-6.17	22.37

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

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30 September 2024

### ACD

Apex Fundrock Ltd

### Investment Advisor

Chelverton Asset Management Limited

### Administrator

Apex Fundrock Ltd

<b>Income Paid</b>	Annually
<b>XD Dates</b>	31 December
<b>Valuation</b>	12 Noon

### Codes (B Shares)

	Income	Accumulation
Sedol	BP85595	BP855B7
ISIN	GB00BP855954	GB00BP855B75

<b>Initial Charge (%)</b>	
B Shares	5.0*

<b>Annual Management Fee (%)</b>	
B Shares	0.75

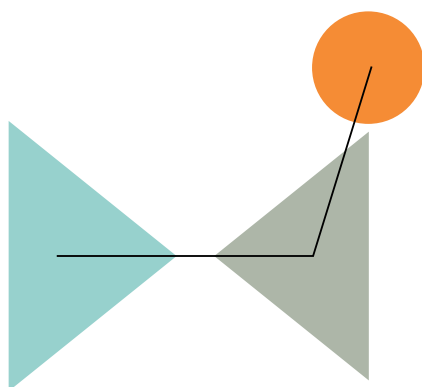
<b>Minimum Investment</b>	
B Shares	£1,000

<b>Ongoing Charge (%)</b>	
B Shares	0.87

\*or any such lower amount agreed with the ACD

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

Please contact Spring Capital Partners, in the first instance.

**Tel** +44 (0)20 3307 8086

**Email** chelverton@springcapitalpartners.com

**Visit** springcapitalpartners.com



# MI Chelverton UK Equity Growth Fund

## Top 20 Holdings

Holding	Sector	% of Portfolio
1. Sigmaroc	Construction	3.3
2. Gamma Communications	Technology	2.5
3. Globaldata	Media	2.4
4. Premier Foods	Consumer	2.1
5. Alpha Group	Financials	2.0
6. GB Group	Technology	1.8
7. Inchcape	Support Services	1.7
8. Conduit Re	Financials	1.7
9. Coats Group	Consumer	1.7
10. Future plc	Media	1.7
11. Spirent Communications	Technology	1.7
12. Severfield	Construction	1.6
13. Big Technologies	Technology	1.6
14. Brooks MacDonald	Financials	1.6
15. Foresight Group	Financials	1.6
16. Keywords Studios	Consumer	1.5
17. Stelrad Group	Construction	1.5
18. Advanced Medical Solutions	Healthcare	1.4
19. Restore	Support Services	1.4
20. Eurocell	Construction	1.4

Source: Chelverton Asset Management Limited

## Sector Breakdown

	% of Portfolio
Technology	25.5
Financials	13.0
Construction	12.0
Media	11.3
Support Services	10.4
Consumer	10.2
Industrials	6.1
Healthcare	4.2
Resources	1.9
Property	0.9
Telecoms	0.4
Aerospace & Defence	0.3
Cash	3.8

Source: Chelverton Asset Management Limited

## Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	27.0	25
£500m - £1bn	24.3	22
£250m - £500m	20.3	24
£100m - £250m	16.9	22
Below £100m	7.7	40
Cash and Income	3.8	N/A
<b>Total</b>	<b>100.0</b>	<b>133</b>

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.