

This is a marketing communication.



## Monthly Fact Sheet

### 30 November 2024

<b>Launch Date</b>	4 December 2006
<b>Fund Size</b>	£209m
<b>Historic Yield</b>	5.70%

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 30.11.24)		
<b>Shares</b>	<b>Income</b>	<b>Accumulation</b>
B Shares	103.84p	268.18p

<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>	<b>12 Noon, Daily</b>
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<b>Initial Charge (%)</b>	5.0*
<b>Annual Management Fee (%)</b>	0.75
<b>Minimum Investment</b>	£1,000
<b>Ongoing Charge (%)</b>	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

<b>Dealing Line</b>	0345 305 4217
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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 last month has been dominated by widespread criticism from the business community of the budget announced at the end of October. The general consensus is that the severity of the National Insurance rises will lead to price increases, recruitment freezes and even layoffs as companies seek to mitigate the increased costs. Analysts are busy refining earnings estimates for next year in light of the new cost increases and some sectors such as retail, where there are fewer levers to pull in terms of increasing productivity, appear to be relatively worse off. We shall see. At the same time confidence indicators continue to fall, leading to deferment of capital investment decisions and remain a headwind to the short term growth prospects for the domestic economy. The Bank of England cut interest rates by 0.25% but the timing of further cuts has probably moved to the right as the full impact of the budget on inflation needs to be determined first. Compare our domestic position to that of the US, where the new President elect Trump appears to be preparing to hit the ground running with tax cuts and policies aimed at boosting GDP growth. This may continue to prolong the shift from UK equities into the US as the relative growth rates of the two economies diverge further in the short term.

In terms of portfolio construction we have been top slicing some of our longer standing holdings such as Chesnara and Zigup based on their relatively high weightings in the fund. We also reduced Paypoint, Diversified Energy and ICAP as their prices rose and we sold our holding in N.Brown in its entirety after the bid. We added to some of our newer holdings as we continued to build positions in Robert Walters, Bioventix and Pets at Home. Our worst performer over the month was Severfield where some of their anticipated construction work has been deferred and where they have to repair some welds on bridges that have already been delivered. Given the macro events over the past month or so there continues to be substantial opportunity for us to invest in new stocks that fulfil our minimum four percent dividend yield requirement. This is testament to the strength of corporate balance sheets and cash flows within our investment universe which should start to appeal to a wider investment audience as interest rates eventually start to fall on a sustained basis. We believe that after the months of uncertainty leading up to the budget the short-term outlook is increasingly priced in and valuations remain attractive. In this vein TI Fluids accepted a 200p a share takeover offer from Canada's ABC Technologies and Volex made an initial approach that was rejected for TT Electronics.

## Cumulative Performance

	1 m	3 m	1 yr	3 yrs	5 yrs	10 yrs
Fund (%)	0.46	-3.23	15.66	1.60	8.63	69.01
Rank in sector	58/69	55/69	31/69	64/68	62/66	31/55
Quartile	4th	4th	2nd	4th	4th	3rd
IA UK Equity Income (%)	2.14	-1.52	15.38	20.76	26.18	68.58

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 30.11.2024

## Calendar Year Performance (%)

	YTD	2023	2022	2021	2020	2019
Fund	8.14	2.38	-12.16	22.68	-14.45	24.59
IA UK Equity Income	9.98	7.08	-2.18	18.30	-10.91	20.12

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 30.11.2024

## 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		4.86p

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

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### 30 November 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. Telecom Plus	Multi-Utilities	3.26
2. PayPoint	Financial Services	3.07
3. ZIGUP	Ground Transportation	3.01
4. Chesnara	Insurance	2.76
5. Bakkavor Group	Food Products	2.72
6. Polar Capital Holdings	Capital Markets	2.34
7. Vesuvius	Machinery	2.17
8. TP ICAP	Capital Markets	2.14
9. XPS Pension Group	Capital Markets	2.11
10. Phoenix Group	Insurance	2.10
11. Dunelm	Specialty Retail	1.92
12. TI Fluid Systems	Automobile Components	1.84
13. MONY Group	Interactive Media & Services	1.79
14. IG Group	Capital Markets	1.73
15. Epwin Group	Building Products	1.69
16. Ashmore Group	Capital Markets	1.68
17. Wickes	Specialty Retail	1.65
18. Sabre Insurance Group	Insurance	1.64
19. Morgan Sindall	Construction & Engineering	1.64
20. Keller Group	Construction & Engineering	1.62

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

#### Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	32.38	22
£500m - £1bn	26.36	16
£250m - £500m	16.93	16
£100m - £250m	16.41	19
Below £100m	4.27	8
Cash and Income	3.65	-
<b>Total</b>	<b>100.00</b>	<b>81</b>

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. This is a marketing communication and is 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.