

Monthly Fact Sheet 29 February 2020

Launch Date	20th October 2014
Fund Size	£517m
Historic Yield (%)*	1.25

Share Price (as at 29.02.20)

Shares	Income	Accumulation
B Shares	230.81p	243.85p

Investment Objective and Policy

The objective of the Fund is to achieve long-term capital growth by investing primarily in a portfolio of 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 Extel. 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.

*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.

ELITE RATED
by FundCalibre.com



MI Chelverton UK Equity Growth Fund

Monthly Manager Commentary

The last few weeks have seen a massive sell-off in the equity market caused by the COVID-19 pandemic threat to the global economy and exacerbated by the oil price collapse. Initially seen as a supply side problem for the global economy as China shut down to contain the virus, the issue has swiftly become an even more serious global demand side problem, as the virus has spread to developed markets, with efforts to contain the disease severely disrupting economic activity. In recent days, we have seen government and central bank stimulus measures in an attempt to mitigate the worst impacts of the economic slowdown.

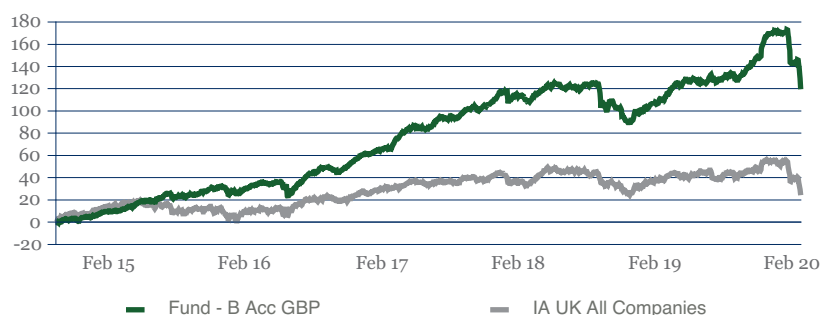
Our poorest contributors since the start of February have been driven by several different investor concerns. Elementis has sold off on concerns about its end markets and the strength of its balance sheet and Accesso has been weak given its exposure to ticket sales at its venue customers. The RPS share price has fallen on limited earnings progression and exposure to activity in the Oil and Gas market and IWG has sold down on a lack of further franchise deals and concerns about a trend to home-working.

As the crisis has evolved, we have taken several steps. Initially we reduced our holdings in companies that we felt were heavily reliant on Chinese manufactured goods, namely B&M European Value Retail (discount homewares) and IG Design (global giftware products). As we became concerned about tourism in London we reduced our holding in Rank Group (casinos, bingo and online gaming) after a very strong run. Finally we have been reducing holdings in some of our more highly rated stocks such as Blancco Technology, IMIMobile and The Pebble Group, all after strong relative outperformance, feeling their valuations looked exposed as the tide went out, with a view to increasing our weightings again if and when they sell-off.

To date the sell-off has been pretty indiscriminate giving us the opportunity to top up holdings which we felt look over-sold, to start buying some old favourites, which until recently have not met our valuation criteria (like Electrocomponents and Bodycote) and finally to add some less economically correlated stocks like Qinetiq (defence), Auegan (specialist waste) and Goco (the price comparison site), which hopefully will prove to be resilient in depressed economic conditions.

Just as with the 1987 crash and the 2008 credit crunch, we expect the equity market to recover from the Corona crash at some stage. It's interesting to note that the companies we have spoken to with Chinese (the initial virus hotspot) supply chains are indicating that production there is pretty much back to normal after the period of containment. Whilst we can't predict when the current sell-off and volatility will end, it's worth remembering that in the meantime the Fund's investment strategy is to invest in cash generative companies with strong market positions. On recent analysis circa 40% of the Fund's assets are held in stocks with no debt

Performance Since Launch (%)



Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 29.02.2020

Cumulative Performance

	YTD	1 m	3 m	1 yr	3 yr	5 yrs	Since Launch
Fund (%)	-9.44	-9.92	-1.76	18.61	49.01	122.54	143.85
Sector Rank	37/253	181/254	9/253	3/250	1/241	1/224	1/220
Quartile Ranking	1st	3rd	1st	1st	1st	1st	1st
IA UK All Companies (%)	-11.55	-9.39	-8.22	1.03	6.47	20.09	36.97

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 29.02.2020

Discrete Annual Performance

	01.03.19 29.02.20	28.02.18 28.02.19	28.02.17 28.02.18	28.02.16 28.02.17	01.03.15 29.02.16
Fund (%)	18.61	-4.49	31.55	27.64	17.01
IA UK All Companies (%)	1.03	-1.14	6.61	19.11	-5.30

Source: Morningstar, NAV to NAV, B Shares Acc, Total Return to 29.02.2020

© Morningstar 2019. All rights reserved. Use of this content requires expert knowledge. It is to be used by specialist institutions only. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied, adapted or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information, except where such damages or losses cannot be limited or excluded by law in your jurisdiction. Past financial performance is no guarantee of future results.

Monthly Fact Sheet 29 February 2020

ACD
Maitland Institutional Services Limited

Investment Advisor
Chelverton Asset Management Ltd

Administrator
Maitland Institutional Services Limited

Income Paid Annually

XD Dates 31 December

Valuation 12 Noon

Codes (B Shares)

	Income	Accumulation
Sedol	BP85595	BP855B7
ISIN	GB00BP855954	GB00BP855B75

Annual Management Fee (%)

B Shares 0.75

Minimum Investment

B Shares £1,000

Ongoing Charge (%)

B Shares 0.91

Dealing Line 0345 305 4217

Dealing Fax 0845 280 0188

FURTHER INFORMATION

Please contact Spring Capital Partners, in the first instance.

Tel +44 (0)20 3195 0076

Email chelverton@springcapitalpartners.com

Visit springcapitalpartners.com

springcapital

MI Chelverton UK Equity Growth Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Future plc	Media	2.0
2. Morgan Advanced Materials	Industrials	1.9
3. Volvation Group	Construction	1.9
4. Weir Group	Industrials	1.8
5. Clinigen	Healthcare	1.7
6. Sthree	Support Services	1.7
7. dotDigital	Technology	1.7
8. Elementis	Industrials	1.6
9. SDL	Technology	1.5
10. Renew Holdings	Support Services	1.5
11. Alliance Pharma	Healthcare	1.5
12. Euromoney Institutional Investor	Media	1.5
13. Vitec Group	Media	1.4
14. Diversified Gas & Oil	Resources	1.4
15. Restore	Support Services	1.4
16. CentralNic	Technology	1.3
17. Liontrust Asset Management	Financials	1.3
18. River & Mercantile Group	Financials	1.3
19. TT Electronics	Industrials	1.3
20. Synthomer	Industrials	1.3

Source: Chelverton Asset Management Limited

Sector Breakdown

	% of Portfolio
Technology	19.6
Financials	10.6
Industrials	10.6
Consumer	9.1
Healthcare	9.1
Construction	8.6
Support Services	8.2
Media	7.3
Resources	4.4
Aerospace & Defence	2.8
Cash	9.7

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	12.3	13
£500m - £1bn	17.4	14
£250m - £500m	27.8	29
£100m - £250m	22.4	31
Below £100m	10.4	26
Cash and Income	9.7	N/A
Total	100.0	113

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. 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. Maitland Institutional Services Limited 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.