

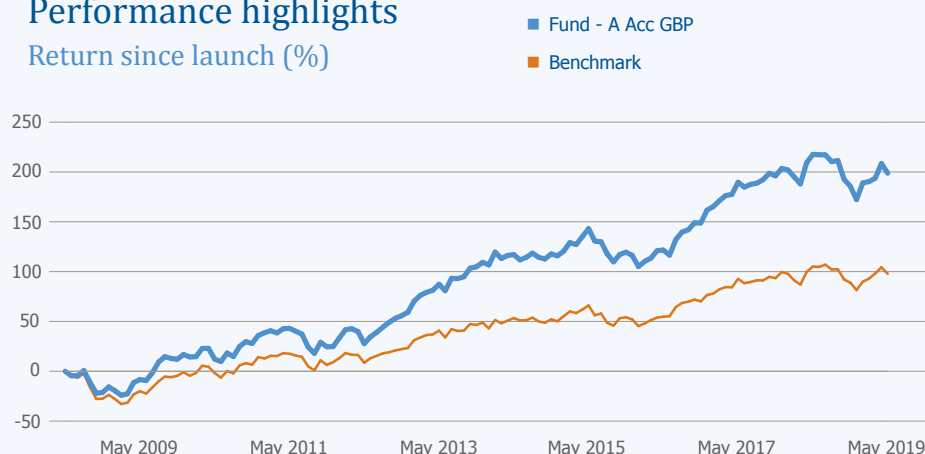
JOHCM UK Dynamic Fund

Fund overview

- Objective: to generate long-term capital growth through active management of a portfolio of UK equities
- Senior Fund Manager Alex Savvides believes misunderstanding of corporate change by the stock market regularly presents opportunities for the patient, disciplined and unemotional investor
- His process aims to profit from understanding change and investing where there is the highest probability of success but with the highest cash-based valuation support

Performance highlights

Return since launch (%)



Return history

	1m	3m	1yr	3yr	5yr	10yr	SL	Annualised*
A Acc GBP	-3.15	2.90	-5.94	34.83	37.67	226.08	198.77	10.50
Benchmark	-3.21	2.51	-3.52	27.82	28.94	147.38	97.79	6.42
Quartile**	2	2	3	1	1	1	1	-

Discrete 12 month performance to

	31.05.2019	31.05.2018	31.05.2017	31.05.2016	31.05.2015
A Acc GBP	-5.94	9.66	30.71	-8.86	12.03

Past performance is no guarantee of future performance.

The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. The Fund's investment include shares in small-cap companies and these tend to be traded less frequently and in lower volumes than larger companies making them potentially less liquid and more volatile. The annual management charge is deducted from the capital of the Fund. This will increase the income from the Fund but may constrain or erode potential for capital growth. We recommend that you read the Prospectus and Key Investor Information Document available from the address overleaf or from our website.

Source: JOHCM/FTSE International/Bloomberg, NAV of Share Class A in GBP, net income reinvested, net of fees. The A Acc GBP class was launched on 23 October 2009. During the period 16 June 2008 to 23 October 2009 the performance record is based on the pre-existing share class that had a higher management fee. Benchmark: FTSE All-Share TR (12pm adjusted). Performance data for the period 16 June 2008 to 22 October 2009 is for Ryder Court UK Dynamic Fund. From 23 October 2009 onwards, the Fund converted to the JOHCM UK Dynamic Fund. Performance of other share classes may vary and is available on request.

*Annualised since launch. **Sector quartile ranking: IA UK All Companies.

Source and copyright of Citywire. Alex Savvides is rated by Citywire for his three year risk-adjusted performance for the period 30/04/2016 to 30/04/2019. Citywire awards apply to the Manager, rather than the Fund.

A Acc GBP

ISIN: GB00B4T7HR59

Fund details

Fund size	GBP 1.43bn
Strategy size	GBP 1.79bn
Launch date	16 June 2008
Benchmark	FTSE All-Share TR (12pm adjusted)
No. of holdings	44
Domicile	UK
Fund structure	UCITS
Denominations	GBP
Valuation point	12pm Dublin time
Historic Yield (%)	4.04
XD date	31-Dec
Pay date	28-Feb

Total strategy assets updated quarterly and shown as at 31 March 2019.

Fund managers



Alex Savvides

Senior Fund Manager

Alex has managed the Fund since launch. He joined JOHCM in 2003 and has 22 years of industry experience.



Tom Matthews

Analyst

Tom has worked on the Fund since he joined JOHCM in 2013 and has 13 years of industry experience.

Contact details

J O Hambro Capital Management Limited
Level 3
1 St James's Market
London SW1Y 4AH

OEIC Dealing & Investing

0845 450 1970 / 1972

+44 (0) 20 7747 5646
(international calls)

Fax

+353 1613 1132

Email info@johcm.co.uk

www.johcm.com



Portfolio analysis (%)

Data as at 31 May 2019

Top 10 holdings

	Absolute	Relative
Shell	5.8	-3.3
BP	5.8	1.0
GSK	4.6	1.2
3i	4.4	4.0
HSBC	3.8	-2.1
Electrocomponents	3.6	3.5
Lloyds Banking Group	3.5	1.7
Barclays	3.4	2.3
Anglo American	3.4	2.5
QinetiQ	3.3	3.2
Total	41.6	

Sector breakdown

	Absolute	Relative
Consumer Services	20.7	9.0
Industrials	16.1	4.8
Telecommunications	3.1	0.7
Technology	0.9	-0.2
Basic Materials	7.4	-0.3
Financials	25.8	-0.4
Oil & Gas	13.3	-1.1
Utilities	0.8	-1.8
Health Care	5.1	-3.2
Consumer Goods	4.2	-10.2
Cash	2.7	2.7

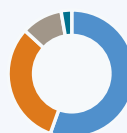
Active bets

Top 5	Relative
3i	4.0
Electrocomponents	3.5
QinetiQ	3.2
Restaurant Group	3.0
Morrisons	2.9

Bottom 5	Relative
Diageo	-3.5
AstraZeneca	-3.4
Shell	-3.3
British American Tobacco	-2.8
Unilever	-2.4

Market cap breakdown

	Absolute
FTSE 100	55.5
FTSE 250	31.3
FTSE Small	10.5
Cash	2.7



FTSE Small = FTSE Small Cap, FTSE Fledgling and FTSE AIM

Attribution & contribution (%)

Stock attribution

Top contributors	Relative return
Urban & Civic	0.30
Daily Mail and Gen. Trust	0.25
St. Modwen Properties	0.22
Glencore	0.20
Euromoney	0.19
Top detractors	
Melrose Industries	-0.26
ITV	-0.26
Restaurant Group	-0.21
Hunting	-0.20
Diageo	-0.19

Sector attribution*

	Relative return
Financials	0.31
Basic Materials	0.15
Consumer Goods	0.05
Telecommunications	0.00
Technology	0.00
Utilities	-0.01
Consumer Services	-0.01
Health Care	-0.23
Industrials	-0.25
Oil & Gas	-0.29

*Excludes cash

Source: JOHCM/FTSE International/Bloomberg. Benchmark: FTSE All-Share TR (12pm adjusted). Please note that due to rounding breakdowns may not add to 100.00%. All Attribution figures are as at end of day and are calculated on a gross basis.



Fund manager's commentary

- UK political developments, the breakdown in US/China trade talks, a continued weakening in global macroeconomic indicators, a defensive market and the resulting market mix were all generally unfavourable headline developments for the Fund's holdings.
- The Fund performed in line with its benchmark, with positive developments at Urban & Civic and DMGT and share price weakness in Melrose and ITV.
- We remain highly encouraged by the operational delivery from the current investments and are confident therefore in the obvious and hidden value within the portfolio.

Investment background

May was a tough month for stock markets globally, with few individual markets escaping the sell-off. The collapse of US / China trade talks in early May was the main reason for the market falls. This came as a surprise given the many positive signs previously emanating from the discussions. Staying in the UK, whilst the headline fall in the FTSE All-Share index was not as aggressive as in other equity markets, the market mix was quite damaging. Political risk in the UK remained heightened. Theresa May announced that she would step down as leader of the Conservative Party after a further unsuccessful attempt to get her Brexit deal through Parliament and after the Conservative Party was beaten into fifth place at the European elections. The success of Nigel Farage's Brexit Party in those elections, along with the resurgence of the Liberal Democrats, who finished in second place on the back of a firm 'Remain' campaign, served to emphasise the continued split in the UK electorate. Sterling closed the month down 3.2 % against the dollar and down 2.9% on a trade-weighted basis.

Fund review

In performing broadly in line with the index, we feel the Fund fared reasonably well given the amount of macro uncertainty and political developments in the UK, both of which resulted in a defensive market and were broadly unfavourable developments for the Fund's holdings.

May saw the long-awaited approval of Urban & Civic's plan to develop 6500 homes at Waterbeach Barracks on the outskirts of Cambridge. This is one of the company's largest and most exciting development schemes. It is also one of the most undervalued on the balance sheet, given the nature of the development agreement. Whilst Urban & Civic was the Fund's best-performing stock in May, the positive implications of this piece of news will be felt for many months and years ahead.

Interim results from DMGT were materially ahead of expectations, particularly in the consumer media business, but with broadly positive developments across the whole portfolio. The restructuring of this group started in 2016 with the appointment of CEO Paul Zwillenberg and accelerated materially in the last 18 months, yet thus far it has gone relatively unnoticed by the stock market.

On the negative side, Melrose (trade war) was the worst performing stock, along with ITV, which suffered from a major sell-off after a slightly disappointing Q1 trading update. UK uncertainty is taking a toll on advertising demand and led to earnings downgrades of c. 4%. This, and some other shorter-term issues, led to a near 20% decline over the remainder of the month. We added to the Fund's position.

We remain highly encouraged by the operational delivery from the current investments and are confident in both the obvious and hidden value within the portfolio. With a long-term and lower turnover strategy and conviction capital behind the Fund's positions, we believe that with some patience and, hopefully at some point, a stabilising set of external conditions, the power of that delivery will become clear.

Performance over 1 month	%
Fund - A Acc GBP	-3.15
Benchmark	-3.21

Statistics

	Annualised since launch
Active share* (%)	69.97
Fund volatility (%)	17.29
Benchmark volatility (%)	17.35
Alpha	4.02
R squared	0.94
Correlation	0.97
Tracking error (%)	4.30
Information ratio	0.95
Sharpe ratio	0.57

Source: JOHCM/FTSE International/Bloomberg (calculated weekly). Performance data for the period 16 June 2008 to 22 October 2009 is for Ryder Court UK Dynamic Fund. From 23 October 2009 onwards, the Fund converted to the JOHCM UK Dynamic Fund.

*The proportion of stock holdings in a fund's composition is different from the composition found in its benchmark. The greater the difference between the composition of the fund and its benchmark, the greater the active share.

Fund awards & ratings



Morningstar Overall Ratings and Morningstar Analyst Ratings are as at 30/04/2019. Copyright © 2007-2019 Morningstar UK Limited. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied 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. Past performance is no guarantee of future results.

The Elite Rating™ system is proprietary to FundCalibre Ltd, but should not be taken as a recommendation.

Country registration

	A Acc GBP	A Dis GBP	B Acc GBP	B Dis GBP	Y Acc GBP	Y Dis GBP
Austria	✓	✓	✓	✓	✓	✓
Germany	✓	✓	✓	✓	✓	✓
Ireland	✓	✓	✓	✓	✓	✓
Singapore	✓	✓	✓	✓	✓	✓
UK	✓	✓	✓	✓	✓	✓

Regulatory documents

English language KIIDs can be found on our website at www.johcm.com

Foreign language versions are available on request by calling +44 (0) 20 7747 5646

Share class details (Further details on additional share classes are available on request)

	ISIN	SEDOL	Bloomberg	WKN	Initial charge	Annual charge	Ongoing charge	Minimum investment*
A Acc GBP	GB00B4T7HR59	B4T7HR5	JODYNIA LN	A0YKNH	Up to 5%	0.75%	0.79%	£1,000
A Dis GBP	GB00B4T85529	B4T8552	JODYNII LN	A0YKNG	Up to 5%	0.75%	0.79%	£1,000
B Acc GBP	GB00B4T7JX59	B4T7JX5	JODYNRA LN	A0YKNF	Up to 5%	1.25%	1.29%	£1,000
B Dis GBP	GB00B4TXJ339	B4TXJ33	JODYNRI LN	A0YKNE	Up to 5%	1.25%	1.29%	£1,000
Y Acc GBP	GB00BDZRJ101	BDZRJ10	JODYAGB LN	A1XCA0	Up to 5%	0.625%	0.66%	£50,000,000
Y Dis GBP	GB00BDZRJ218	BDZRJ21	JODYIGB LN	A1XCA1	Up to 5%	0.625%	0.66%	£50,000,000

Performance fee: 15% on excess if Fund outperforms benchmark, calculated daily. Any underperformance carried forward.

*Other currency equivalents apply.

Important information

This document is for professional investors only, it should not be circulated to retail investors.

Sources for all data: JOHCM/FTSE International/Bloomberg (unless otherwise stated).

Citywire's Fund Manager Ratings identify the individual managers who have the best risk-adjusted personal performance track records over three years and highlights the funds they are currently managing. The Citywire Manager Ratings are based on what is referred to as the Citywire Manager Ratio (equivalent of the Information Ratio). This takes into account career moves, career breaks and switches in funds managed. The figure reflects how much 'added value' in terms of outperformance against the benchmark the fund manager delivers for each unit of risk assumed (where risk is defined as not mirroring the index's return).

FE Alpha Manager and Crown Rating. Ratings do not constitute investment advice offered by FE and should not be used as the sole basis for making any investment decision. All rights reserved. © 2019 FE.

Source: FTSE International Limited ("FTSE") © FTSE 2019. The Industry Classification Benchmark ("ICB") and all rights in it are owned by and vest in FTSE and/or its licensors. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. Neither FTSE, nor its licensors accept any liability for any errors or omissions in the ICB. No further distribution of ICB is permitted without FTSE's express written consent.

Issued and approved in the UK by J O Hambro Capital Management Limited ("JOHCM") which is authorised and regulated by the Financial Conduct Authority. Registered office: Level 3, 1 St James's Market, London SW1Y 4AH.

The information in this document does not constitute, or form part of, any offer to sell or issue, or any solicitation of an offer to purchase or subscribe for Funds described in this document; nor shall this document, or any part of it, or the fact of its distribution form the basis of, or be relied on, in connection with any contract.

Telephone calls to and from JOHCM may be recorded. Information on how JOHCM handles personal data which it receives can be found in the JOHCM Privacy Statement on its website: www.johcm.com. The registered mark J O Hambro® is owned by Barnham Broom Holdings Limited and is used under licence. JOHCM® is a registered trademark of J O Hambro Capital Management Limited.