

TM CRUX UK Opportunities Fund

GBP factsheet June 2020

CRUX
ASSET MANAGEMENT

Fund Facts as at 30/05/20

Fund Objective

The investment objective of the Fund is to achieve capital growth. The Fund will seek to achieve returns that are 2% p.a. in excess of the FTSE All-Share Index over a rolling three year period, though there is no guarantee that it will do so.

Launch Date

23 June 2015 (renamed TM CRUX UK Opportunities Fund on 2 December 2019)

Structure

OEIC

Fund Size

£13.8m

XD Dates

31-Dec, 30-Jun

Dividend Pay Dates

30-Apr, 31-Aug

Market Capitalisation	(%)
> £50bn	25.4%
£20-50bn	17.6%
£5-20bn	25.5%
£1-5bn	18.8%
<£1bn	4.6%

Charges (%)	Initial	OCF
A Class	Nil	0.87
F Class	Nil	0.77

Minimum Investment	
A Share Class (GBP)	£20,000
F Share Class (GBP)	£5,000,000

ISIN Numbers (GBP)	
A Acc GB00BX RTP059	
F Acc GB00BX RTP273	

Top 10 Holdings	%	Top 10 Sectors	%
Barclays	5.5	Banks	16.6
GlaxoSmithKline	5.0	Food, Beverage & Tobacco	13.1
Diageo	4.8	Commercial & Professional Services	12.6
British American Tobacco	4.6	Diversified Financials	8.6
National Grid	4.4	Pharmaceuticals, Biotechnology & Life Sciences	5.0
Burberry	4.2	Media & Entertainment	5.0
Standard Chartered	4.1	Insurance	4.9
HSBC	4.0	Utilities	4.4
BP	4.0	Consumer Durables & Apparel	4.2
RELX	3.9	Energy	4.0
Total Holdings	27	Cash	8.1

Source: CRUX Asset Management.

Fund Manager Commentary

Markets in May remained volatile with a notably positive trend punctuated by a short, sharp retracement mid-month. The fund continued to give back some of the outperformance we earned earlier in the year as our, generally, conservatively-positioned portfolio is wont to do in steeply rising markets.

Much of the market looks expensive from a bottom up point of view. It isn't the multiple that concerns us, rather the sustainability of the earnings to which it is applied. Many businesses came into 2020 already earning at or above previous peak profitability levels (determined by ROIC). When combined with an unprecedented shock to economic activity, this profitability may be (and very likely will be in some instances) savagely impaired for a good while longer than some valuations imply. The dearth of opportunities that adequately compensate for the risk required accounts for our continued elevated cash levels (c. 9%).

During the month, we took advantage of volatility to exit two positions in stocks which looked to be fully valued. Those were Vodafone, which has performed relatively well during the recent crisis and IG Group, which has been a direct beneficiary of highly uncertain markets and is therefore likely to be up with events. We redeployed this capital in a mixture of existing holdings and a new position in Intertek, the global testing inspection and certification business.

Fund Manager Profile



Jamie Ward
Fund Manager

Jamie has more than 12 years of experience in the industry and currently manages the TM CRUX UK Core Fund and the TM CRUX UK Opportunities Fund. He began his career as a Fund Manager at Brown Shipley, moving on to be an equity analyst at Investec and Williams de Broë with responsibility for several sectors. After this, Jamie was an equity analyst at boutique hedge fund manager Wolos Capital. He joined Oriel Asset Management in 2014 to run what is now the TM CRUX UK Core Fund; moving to CRUX Asset Management at the start of 2017. Jamie graduated with a first-class degree in Mathematics from the University of Hull and is a CFA charter holder.

Important Information

Please note the views, opinions and forecasts expressed in this document are based on CRUX's research and analysis at the time of publication. Before entering into an investment agreement in respect of an investment referred to in this document, you should consult your own professional and/or investment adviser. TM CRUX UK Opportunities Fund (the 'Fund') is a sub-fund of TM Investment Fund (the 'Company'). The Company is an investment company with variable capital and is a UCITS Scheme. It is incorporated under the Open-Ended Investment Companies Regulations 2001 ('OEIC Regulations') in England and Wales under registry number IC0001019. The Company is regulated by the FCA and was authorised on 11 August 2014. The TM Sanditon UK Fund was renamed the TM CRUX UK Opportunities Fund on 2 December 2019.

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Please note: Due to rounding the figures in the holdings breakdown may not add up to 100%. Unless otherwise indicated all figures are sourced from Financial Express, Datastream, State Street and CRUX Asset Management Ltd. Third party data is believed to be reliable, but its completeness and accuracy is not guaranteed.

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