

## Monthly Fact Sheet 31 May 2016

<b>Launch Date</b>	20th October 2014
<b>Fund Size</b>	£28.4m

### Share Price (as at 31.05.16)

<i>Shares</i>	<i>Income</i>	<i>Accumulation</i>
B Shares	134.78p	136.04p

### Codes (B Shares)

	<i>Income</i>	<i>Accumulation</i>
Sedol	BP85595	BP855B7
ISIN	GB00BP855954	GB00BP855B75

### Annual Management Fee (%)

B Shares	0.75
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### Minimum Investment

B Shares	£1,000
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## 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.



### 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.

Source & Copyright: CITYWIRE. David Taylor is AAA rated by Citywire for his 3 year risk adjusted performance for the period 31/05/2013 - 31/05/2016.

# MI Chelverton UK Equity Growth Fund

## 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.

## Investment Approach

The fund managers are looking for companies that can both grow faster than the market and are highly cash generative enabling them to fund their own growth. Typically these companies will have some form of sustainable competitive advantage, such as a unique product, or a dominant position in a particular market, leading to high margins and the ability to generate surplus cash.

## Monthly Manager Commentary

Through the month the assumption that an EU remain vote was a foregone conclusion became increasingly challenged by a steady narrowing of the gap between "ins" and "outs" in the opinion polls. The increasing uncertainty impacted investor confidence as we progressed through the month with domestically orientated sectors most affected. Indeed segments of the domestic economy already appear to be slowing as decision makers put plans on ice until there's more certainty about what the result will be. Consequently the Fund with its UK Small and Mid cap orientation had a lacklustre month returning 0.66% underperforming its UK All Companies benchmark, which returned 1.31%. As with the General Election an "in" vote later this month should result in a strong market rally particularly in the domestic names, which dominate UK Small and Mid cap segment. A "no" vote would take us into uncharted territory and, depending on the prevailing market level at the time, could result in a short term flight to liquidity driving the market down further as investors try to understand the consequences. The possibility of the poll going either way makes it very difficult to position the Fund for the outcome. However our domestically orientated stocks have strong balance sheets and cashflows. Over half the Fund has exposure to structural growth trends, which we expect to continue whatever the outcome of the vote, and we have a relatively high exposure to overseas earnings compared to UK Small and Mid caps generally. We believe these factors should stand us in relatively good shape going forwards.

At the individual stock level there were very few major movers last month. A new holding, ULS Technology, which operates online price comparison sites for conveyancing services, was our top performing stock, followed by Avon Rubber, which after a period of sustained weakness rallied on the back of reassuring interim results. Conversely Tyman, the North American and European building materials group, was the biggest drag on our performance despite issuing an in-line trading update. During the month we sold out of Headlam and Personal Group on valuation grounds.

## Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	Since Launch
Fund (%)	2.79	0.66	6.11	4.94	14.77	36.04
Sector Rank	26/267	170/268	27/267	7/266	1/262	5/257
Quartile Ranking	1st	3rd	1st	1st	1st	1st
IA UK All Companies (%)	0.10	1.28	4.28	-0.32	-5.83	12.77

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 31.05.2016

## Discrete Annual Performance

	31.05.15	31.05.14	31.05.13	31.05.12	31.05.11
	31.05.16	31.05.15	31.05.14	31.05.13	31.05.12
Fund (%)	14.77	-	-	-	-

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 31.05.2016

Monthly Fact Sheet  
**31 May 2016**

**ACD**  
Maitland Institutional Services Ltd

**Investment Advisor**  
Chelverton Asset Management Ltd

**Administrator**  
Maitland Institutional Services Ltd

**Income Paid** Annually

**XD Dates** 31 December

**Valuation** 12 Noon

**Dealing Line** 0845 305 4217

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**FURTHER INFORMATION**

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**springcapital**

## MI Chelverton UK Equity Growth Fund

### Top 20 Holdings

Holding	Sector	% of Portfolio
1. Clinigen Group	Healthcare	2.2
2. Polypipe Group	Construction	2.0
3. Victrex	Industrials	1.8
4. Gamma Communications	Technology	1.7
5. Brooks MacDonald	Financials	1.7
6. Photo-Me International	Consumer	1.7
7. DFS Furnitur	Consumer	1.7
8. Rank Group	Consumer	1.7
9. Tyman	Construction	1.7
10. IMImobile	Technology	1.7
11. dotDigital Group	Technology	1.7
12. Revolution Bars Group	Consumer	1.6
13. Watkin Jones	Construction	1.6
14. Mortgage Advice Bureau	Financials	1.6
15. OMG	Technology	1.6
16. Dairy Crest	Consumer	1.6
17. Wireless Group	Media	1.6
18. WYG	Support Services	1.5
19. Iomart Group	Technology	1.5
20. Volution Group	Construction	1.5

Source: Chelverton Asset Management Limited

### Sector Breakdown

	% of Portfolio
Technology	24.7
Industrials	13.2
Consumer	12.6
Construction	11.7
Healthcare	8.9
Media	8.2
Financials	7.3
Support Services	5.6
Property	2.4
Cash	5.4

### Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	6.5	6
£500m-£1bn	17.7	13
£250m-£500m	19.8	17
£100m-£250m	28.5	23
Below £100m	22.1	21
Cash & Income	5.4	N/A
Total	100.00	79

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. 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 pfsenquiries@phoenixfundservices.com or call +44 (0) 1245 459 962.