

## Monthly Fact Sheet 31 January 2014

<b>Launch Date</b>	4th December 2006
<b>Fund Size</b>	£240.8m
<b>Historic Yield (%)*</b>	4.65

### Share Price (as at 31.01.14)

Shares	Income	Accumulation
A Shares	100.03p	149.66p
B Shares	103.67p	160.89p



## Fund Managers



### David Horner

qualified as a chartered accountant in 1984 with Touche Ross & Co before joining 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.



\*The historic yield reflects distributions over the past 12 months as a percentage of the bid price of the A share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

# PFS 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

After a strong start to the new year share prices ran into a headwind in the latter part of the month caused by worries over growth rates in emerging markets. This was felt most acutely in currency markets and was reflected in the valuation of our holding in Investec. Our fund did deliver a small positive return which, once again, can largely be attributed to our focus on UK small and mid cap companies who continue to benefit from the increasingly strong momentum in the domestic economy. After a busy month for trading updates the overall message from the corporate sector is that whilst confidence is improving there is little tangible evidence yet of the anticipated pick up in earnings, especially as there have been a number of currency driven downgrades to estimates. We still believe that consensus numbers will begin to be revised upwards but that investors may have to wait until the second half of the year before it happens on a widespread basis. In the meantime short term valuations will remain vulnerable to disappointing macro news.

Pleasingly there were a number of stocks in our portfolio that delivered double digit returns last month including Wilmington, Low&Bonar, Headlam, and Go-Ahead the transport business. Greggs bounced strongly after a good trading update and the price of UTV Media rose as investors digested the implications of their new TV channel in the Republic of Ireland which was announced in the last quarter of last year. Numis the stock broker continued to perform well as corporate activity, including IPO's in the London market look set to continue to be strong and ISG reacted well to contract wins. On the downside Ashmore fell in response to a trading statement and Games Workshop fell as news of the short term dividend prospects disappointed, although we have continued to add to our positions in both of these companies at lower levels. Hansard Global issued a trading update that led to a share price fall. We sold our small holding in Avesco, completed the sale of Firstgroup and received the monies for our holding in Abbey Protection. With strong positive fund inflows we added to a broad range of existing stocks, and added one new one, Balfour Beatty.

## Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs
Fund (%)	0.37	2.16	0.37	34.44	70.13	241.67
Sector Rank	6/98	7/98	6/98	5/96	2/86	2/73
Quartile Ranking	1st	1st	1st	1st	1st	1st
IMA UK Equity Income (%)	-2.38	-0.73	-2.38	15.97	35.16	100.94

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 31.01.2014

## Discrete Annual Performance

	31.01.13 31.01.14	31.01.12 31.01.13	31.01.11 31.01.12	29.01.10 31.01.11	30.01.09 29.01.10
Fund (%)	34.44	27.70	-0.91	34.85	48.93

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 31.01.2014

## Dividend History

		Q1	Q2	Q3	Q4	Total
2010	B (Inc)	0.60p	0.80p	0.80p	1.67p	3.87p
	A (Inc)	0.60p	0.80p	0.80p	1.64p	3.84p
2011	B (Inc)	0.63p	0.85p	0.85p	2.02p	4.35p
	A (Inc)	0.63p	0.85p	0.85p	1.97p	4.30p
2012	B (Inc)	0.67p	0.90p	0.90p	1.83p	4.30p
	A (Inc)	0.67p	0.90p	0.90p	1.72p	4.19p
2013	B (Inc)	0.69p	1.00p	1.00p	2.12p	4.81p
	A (Inc)	0.69p	1.00p	1.00p	1.96p	4.65p

History of dividends declared per share. Source: Chelverton Asset Management Limited

Source & Copyright: CITYWIRE. David Horner & David Taylor are AAA rated by Citywire for their 3 year risk adjusted performance for the period 31/01/2011 - 31/01/2014.

Monthly Fact Sheet  
**31 January 2014**

**ACD**  
Phoenix Fund Services Ltd

**Investment Advisor**  
Chelverton Asset Management Ltd

**Administrator**  
Phoenix Fund Services Ltd

**Income Paid** Quarterly

**XD Dates** 31 March, 30 June  
30 September, 31 December

**Valuation** 12 Noon, Daily

**SEDOL Codes**

	Income	Accumulation
A Shares	B1FD624	B1Y9J46
B Shares	B1FD646	B1Y9J57

**Initial Charge (%)**

A Shares	2.0
B Shares	0.0

**Annual Management Fee (%)**

A Shares	1.5
B Shares	0.75

**Minimum Investment**

A Shares	£1,000
B Shares	£100,000

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**FURTHER INFORMATION**

Please contact Spring Capital Partners, in the first instance.

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**springcapital**

## PFS Chelverton UK Equity Income Fund

### Top 20 Holdings

Holding	Sector	% of Portfolio
1. Galliford Try	Construction & Building Materials	1.66
2. Phoenix Group	Investment Companies	1.62
3. Premier Farnell	Electronic & Electrical Equipment	1.54
4. WH Smith	General Retailers	1.50
5. Go-Ahead Group	Transport	1.42
6. Domino Printing Sciences	Software & Computer Services	1.35
7. Brewin Dolphin Holdings	Speciality & Other Finance	1.31
8. Soco International	Oil & Gas	1.30
9. Sthree	Support Services	1.30
10. Ashmore	Investment Companies	1.29
11. Segro	Real Estate	1.29
12. St.Ives	Support Services	1.29
13. Hansteen	Real Estate	1.27
14. Kier Group	Industrials	1.26
15. Pennon Group	Water	1.26
16. Braemar Shipping Services	Support Services	1.26
17. Fidessa Group	Software & Computer Services	1.26
18. Smiths News	Industrials	1.24
19. Dairy Crest Group	Consumer Goods	1.24
20. Headlam	Construction & Building Materials	1.24

Source: Chelverton Asset Management Limited

### Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	29.43	28
£500m - £1bn	22.08	18
£250m - £500m	14.33	15
£100m - £250m	17.91	20
Below £100m	3.76	7
Cash and Income	3.78	-
Total	100.00	88

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. Phoenix Fund Services (UK) Ltd are the Authorised Corporate Director of this fund and prospectuses for the fund are obtainable directly from them. Please email pfsinfo@phoenixfundservices.com or call +44 (0) 1245 398 950.