



Chelverton

ASSET MANAGEMENT LTD

Monthly Fact Sheet 30 June 2013

Launch Date	4th December 2006
Fund Size	£90.2m
Historic Yield (%)*	4.99

Share Price (as at 30.06.13)

Shares	Income	Accumulation
A Shares	86.29p	123.82p
B Shares	89.07p	132.55p

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 retail (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 longterm capital appreciation.

Monthly Manager Commentary

In the last month the fund produced a small negative return but held up relatively well within the income universe as small and mid caps outperformed their larger counterparts. The macro news was dominated by signals from the Federal Reserve of an end to QE, which inevitably led to a sharp rise in bond yields. Whilst those commentators of a 'glass half full' disposition will suggest that this is a result of improved growth prospects and should therefore ultimately be bullish for equities, the reality is that in the short term we would expect a period of consolidation to allow earnings forecasts to catch up with share prices. On a day to day basis we expect markets to remain volatile.

Our fund flows have remained positive and we invested across twelve of our existing holdings, including KCOM, St. Ives, Bloomsbury, Ashmore, TT Electronics and VP; the latter after a reassuring set of results. A number of stocks performed well in the month with Numis, WS Atkins, RWS and National Express all contributing strongly. Interestingly, these four stocks are a mixture of growth, value, defensive and cyclical, further highlighting the relevance of our relatively 'balanced' approach to portfolio construction. Anecdotal evidence suggests that, whilst trading remains tough for the majority of our investee companies, there is a slightly more optimistic feel about the outlook. Any improvement in underlying confidence however remains fragile and we believe that we need to see a sustained pick up in business confidence before company directors begin to use their balance sheet strength to substantially increase capital investment.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs
Fund (%)	-1.34	3.51	17.03	39.33	71.37	81.83
Sector Rank	4/99	3/98	2/97	1/96	2/85	3/71
Quartile Ranking	1st	1st	1st	1st	1st	1st
IMA UK Equity Income (%)	-3.49	0.31	11.01	21.37	46.72	45.67

Source: Lipper, NAV to NAV, Retail Inc shares, Total Return to 30.06.2013

Discrete Annual Performance

	29.06.12	30.06.11	30.06.10	30.06.09	30.06.08
	28.06.13	29.06.12	30.06.11	30.06.10	30.06.09
Fund (%)	39.33	-2.04	25.56	35.18	-21.51

Source: Lipper, NAV to NAV, Retail Inc shares, Total Return to 30.06.2013

Dividend History

		Q1	Q2	Q3	Q4	Total
2010	A Shares	0.60p	0.80p	0.80p	1.64p	3.84p
	B Shares	0.60p	0.80p	0.80p	1.67p	3.87p
2011	A Shares	0.63p	0.85p	0.85p	1.97p	4.30p
	B Shares	0.63p	0.85p	0.85p	2.02p	4.35p
2012	A Shares	0.67p	0.90p	0.90p	1.72p	4.19p
	B Shares	0.67p	0.90p	0.90p	1.83p	4.30p
2013	A Shares	0.69p	1.00p			1.69p
	B Shares	0.69p	1.00p			1.69p

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

Source & Copyright: CITYWIRE. David Horner & David Taylor are AA rated by Citywire for their 3 year risk adjusted performance for the period 30/06/2010 - 30/06/2013.



PFS Chelverton UK Equity Income Fund

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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

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Top 20 Holdings

Holding	Sector	% of Portfolio
1. Galliford Try	Construction & Building Materials	2.07
2. Micro Focus International	Software & Computer Services	1.89
3. Fidessa Group	Software & Computer Services	1.79
4. Chesnara	Insurance	1.78
5. TalkTalk Telecom Group	Telecommunications Services	1.76
6. Kcom Group	Telecommunications Services	1.75
7. Brown (N) Group	General Retailers	1.66
8. Atkins (WS)	Engineering & Machinery	1.65
9. 4imprint	Media & Photography	1.65
10. Dairy Crest Group	Consumer Goods	1.59
11. Intermediate Capital Group	Investment Companies	1.58
12. Premier Farnell	Electronic & Electrical Equipment	1.57
13. Debenhams	General Retailers	1.55
14. St.Ives	Support Services	1.54
15. WH Smith	General Retailers	1.53
16. Ashmore	Investment Companies	1.51
17. Games Workshop Group	Leisure, Entertainment & Hotels	1.50
18. National Express	Transport	1.49
19. Go-Ahead Group	Transport	1.48
20. Keller Group	Engineering & Machinery	1.43

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	22.46	16
£500m - £1bn	22.23	16
£250m - £500m	21.33	18
£100m - £250m	18.74	16
Below £100m	10.24	14
Cash and Income	5.00	-
Total	100.00	80

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 Services 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.