



Chelverton

ASSET MANAGEMENT LTD

Monthly Fact Sheet 31 October 2013

Launch Date	4th December 2006
Fund Size	£189.9m
Historic Yield (%)*	4.41

Share Price (as at 31.10.13)

Shares	Income	Accumulation
A Shares	99.85p	146.50p
B Shares	103.37p	157.16p



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

Domestic GDP growth has continued to accelerate and looks set to underpin the upward momentum in the equity market through to the year end. Ironically at the same time as the macro environment is proving to be increasingly supportive of equity valuations, the rate of corporate earnings upgrades has slowed. This is seen by some commentators as an acknowledgment by Company Directors that a policy of 'under promising' and 'over delivering' is the most appropriate response to a buoyant market. We concur with this and look forward to the busy reporting period at the end of the first quarter of next year to really set the tone for the earnings outlook for the year as a whole. As we have stated before, we believe that a period of sustained earnings growth is required for the market to move from its current trading range.

Whilst short term valuations continue to be driven by changes in earnings expectations our focus remains firmly on the longer term prospects for dividend growth and the underlying dividend yield of our investment universe. It is often the case that the short term 'noise' created by a disappointing few months for earnings can create a sound medium term investment opportunity for us as income investors. The fund continued to see a strong fund inflow in the last month and we invested across forty seven of our existing holdings being careful to broadly maintain the underlying yield on the portfolio. Strong positive contributors to performance were Galliford Try, Dairy Crest and Talk Talk all of which are amongst our largest weightings and other notable share price rises included UTV media, 4Imprint and Bloomsbury, representing a good balance between our mid and small cap holdings.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs
Fund (%)	5.53	10.59	38.45	43.96	76.30	205.32
Sector Rank	17/97	3/97	1/95	2/94	2/83	2/68
Quartile Ranking	1st	1st	1st	1st	1st	1st
IMA UK Equity Income (%)	4.68	4.26	23.05	25.54	41.58	104.10

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 31.10.2013

Discrete Annual Performance

	31.10.12	31.10.11	29.10.10	30.10.09	31.10.08
	31.10.13	31.10.12	31.10.11	29.10.10	30.10.09
Fund (%)	43.96	20.80	1.38	29.70	33.52

Source: Lipper, NAV to NAV, A Shares Inc, Total Return to 31.10.2013

Dividend History

		Q1	Q2	Q3	Q4	Total
2010	Institutional Shares	0.60p	0.80p	0.80p	1.67p	3.87p
	Retail Shares	0.60p	0.80p	0.80p	1.64p	3.84p
2011	Institutional Shares	0.63p	0.85p	0.85p	2.02p	4.35p
	Retail Shares	0.63p	0.85p	0.85p	1.97p	4.30p
2012	Institutional Shares	0.67p	0.90p	0.90p	1.83p	4.30p
	Retail Shares	0.67p	0.90p	0.90p	1.72p	4.19p
2013	Institutional Shares	0.69p	1.00p	1.00p		2.69p
	Retail Shares	0.69p	1.00p	1.00p		2.69p

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 31/10/2010 - 31/10/2013.



PFS Chelverton UK Equity Income Fund

Monthly Fact Sheet 31 October 2013

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

Dealing Line 0845 305 4217

Dealing Fax 0845 280 0188

FURTHER INFORMATION

Please contact Spring Capital Partners, in the first instance.

Tel +44 (0)20 3195 0076

Email chelverton@springcapitalpartners.com

Visit springcapitalpartners.com

springcapital

Top 20 Holdings

Holding	Sector	% of Portfolio
1. TalkTalk Telecom Group	Telecommunications Services	1.83
2. Premier Farnell	Electronic & Electrical Equipment	1.79
3. Galliford Try	Construction & Building Materials	1.78
4. Ashmore	Investment Companies	1.67
5. Smiths News	Industrials	1.59
6. Informa	Media & Photography	1.59
7. St.Ives	Support Services	1.58
8. Fidessa Group	Software & Computer Services	1.57
9. Phoenix Group	Investment Companies	1.55
10. Go-Ahead Group	Transport	1.54
11. WH Smith	General Retailers	1.52
12. Dairy Crest Group	Consumer Goods	1.51
13. Ladbrokes	Leisure, Entertainment & Hotels	1.51
14. Soco International	Oil & Gas	1.49
15. Kier Group	Industrials	1.49
16. Games Workshop Group	Leisure, Entertainment & Hotels	1.47
17. Low and Bonar	Household Goods	1.44
18. Amlin Plc	Speciality & Other Finance	1.43
19. 4imprint	Media & Photography	1.40
20. Chesnara	Insurance	1.38

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	31.92	25
£500m - £1bn	21.81	19
£250m - £500m	17.29	16
£100m - £250m	20.84	20
Below £100m	3.94	7
Cash and Income	4.21	-
Total	100.00	87

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.