

Monthly Fact Sheet 31 March 2016

Launch Date	4th December 2006
Fund Size	£434.1m
Historic Yield (%)*	4.67

Share Price (as at 31.03.16)

<i>Shares</i>	<i>Income</i>	<i>Accumulation</i>
B Shares	109.67p	187.00p



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 B share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

Source & Copyright: CITYWIRE. David Horner & David Taylor are AAA rated by Citywire for their 3 year risk adjusted performance for the period 31/03/2013 - 31/03/2016.

MI 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

With little discernible trend the market continues to broadly react from a top down perspective, to moves in the US dollar and commodity prices and, bottom up, to short-term stock specific news flow. The Brexit poll continues to overhang the domestic market and is undermining confidence as investors recall the volatility ahead of the Grexit vote last year. The good news for us is that the relative performance of small and mid caps has picked up as there has been an increase in the number of earnings upgrades across the UK equity market. As we have said before however sustained positive earnings momentum is a necessary precondition of multiple expansion from current levels and this remains unlikely in the short term until the UK has decided whether they are 'in' or 'out' of the European Union.

The sound corporate news flow that we highlighted last month continued for the remainder of the busy results season. The better than expected dividend payments underpin a positive message for a wide range of our small and mid-cap 'value' stocks, which is particularly reassuring in an environment of relatively low short-term return expectations. The main contributors to performance in the month included, Mortgage Advice Bureau, Hill and Smith, McColl's Retail and FDM, all of which were driven by good results. Also Ashmore continued to bounce from recent lows. Pleasingly performance has come from a diverse range of sectors which is consistent with our aim to add value over the long term through a 'balanced' approach to portfolio construction. On the downside Cobham and Centaur Media detracted from fund performance and fell to levels of valuation where we were happy to add to our existing holdings. We also topped up our positions in Hogg Robinson, SOCO and Wireless Group. On the sell side we completed the sales of Berkeley Group, Hiscox and RPC in their entirety. We added two new holdings to the fund, Restaurant Group on a very attractive free cash flow yield and an IPO, Watkin Jones, which is a contracting business specialising in student accommodation.

Cumulative Performance

	1 m	3 m	YTD	1 yr	3 yrs	5 yrs	7 yrs
Fund (%)	3.06	-0.95	-0.95	10.27	48.64	106.36	333.21
Sector Rank	10/83	30/83	30/83	2/82	2/78	1/69	2/60
Quartile Ranking	1st	2nd	2nd	1st	1st	1st	1st
IA UK Equity Income (%)	1.93	-1.39	-1.39	-0.89	22.97	49.88	145.17

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 31.03.2016

Discrete Annual Performance

	31.03.15	31.03.14	29.03.13	30.03.12	31.03.11
	31.03.16	31.03.15	31.03.14	29.03.13	30.03.12
Fund (%)	10.27	4.78	28.65	31.14	5.87

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 31.03.2016

Dividend History

		Q1	Q2	Q3	Q4	Total
2013	B Inc	0.69p	1.00p	1.00p	2.12p	4.81p
2014	B Inc	0.70p	1.05p	1.05p	2.09p	4.89p
2015	B Inc	0.72p	1.15p	1.15p	2.08p	5.10p
2016	B Inc	0.75p (e)				

History of dividends declared per share; (e) estimated. Source: Chelverton Asset Management Limited

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ACD
Maitland Institutional Services Ltd

Investment Advisor
Chelverton Asset Management Ltd

Administrator
Maitland Institutional Services Ltd

Income Paid Quarterly

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

Valuation 12 Noon, Daily

SEDOL Codes

	Income	Accumulation
B Shares	B1FD646	B1Y9J57

Initial Charge (%)

B Shares 5.0*

Annual Management Fee (%)

B Shares 0.75

Minimum Investment

B Shares £1,000

* or any such lower amount agreed with the ACD

Dealing Line 0345 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

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MI Chelverton UK Equity Income Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Phoenix Group	Investment Companies	2.17
2. Ashmore	Investment Companies	2.16
3. Galliford Try	Construction & Building Materials	1.91
4. Dairy Crest Group	Consumer Goods	1.58
5. Fidessa Group	Software & Computer Services	1.50
6. RWS Holdings	Support Services	1.48
7. Go-Ahead Group	Transport	1.45
8. Informa	Media & Photography	1.37
9. Connect Group	Industrials	1.36
10. FDM	Software & Computer Services	1.35
11. National Express	Transport	1.34
12. DS Smith	Packaging	1.32
13. Kcom Group	Telecommunications Services	1.32
14. Brown (N) Group	General Retailers	1.31
15. Marston's	Leisure, Entertainment & Hotels	1.31
16. Intermediate Capital Group	Financials	1.31
17. Greene King	Beverages	1.31
18. Headlam	Construction & Building Materials	1.30
19. Mortgage Advice Bureau	Speciality & Other Finance	1.29
20. Segro	Real Estate	1.28

Source: Chelverton Asset Management Limited

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	33.09	27
£500m - £1bn	19.28	18
£250m - £500m	21.13	21
£100m - £250m	18.61	21
Below £100m	3.72	8
Cash and Income	4.18	-
Total	100.00	95

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.