

Monthly Fact Sheet 30 June 2016

Launch Date	20th October 2014
Fund Size	£26.7m

Share Price (as at 30.06.16)

<i>Shares</i>	<i>Income</i>	<i>Accumulation</i>
B Shares	123.96p	125.12p

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 A rated by Citywire for his 3 year risk adjusted performance for the period 30/06/2013 - 30/06/2016.

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

Last month was dominated by the EU referendum and the ramifications both political and economic of the 'Leave' outcome. The poll result and ensuing turmoil in both the main political parties wrong-footed the market, which had begun to price in the status quo being preserved, causing a sharp depreciation in Sterling and a sell-off in the equity market. The main market, which is dominated by overseas earners rallied as the ramifications of a weaker pound sank in; however domestic cyclicals, which are more prevalent in the Small and Mid cap segments where the Fund invests, continued to sell-down.

In terms of portfolio positioning we did not try to anticipate the outcome of the Referendum, as the polls were too close to call, but went into the vote with a relatively well-balanced portfolio of structural growth stocks, some defensive domestic consumer plays with growth opportunities and a mix of both UK and international cyclicals. In the immediate aftermath of the BREXIT result we took some limited action to reduce our UK cyclical exposure increasing our cash balances to cope with any outflows, but then stood back as the UK cyclical sell-off accelerated. Apart from Servelec, which was hit by a profits warning earlier in the month, our worst performers were unsurprisingly domestic retailers and housing orientated stocks. DFS Furniture, Halfords, Topps Tiles, Mortgage Advice Bureau, Foxtons and LSL Property Services all had negative returns in excess of 20% as did Matchtech, the UK centric employment agency and Centaur Media, the media business. Our structural growth stocks, UK consumer defensives and overseas earners held up relatively well, whilst our best performing stock was Source Bioscience, on the back of a bid approach.

The speedy resolution of the Tory party leadership has helped calm market nerves, although domestic cyclical names remain over-sold. Going forwards we would expect the BREXIT vote to temper UK economic growth for the immediate future as inward investment is put on hold until our future relationship with the EU becomes clearer, and as consumer spending power is eroded by the weaker pound. With growth harder to come by in the UK, we will gradually put more emphasis on structural growth stocks, which should be less affected by any domestic slowdown, and overseas earners, reducing our exposure to UK cyclicals as and when valuations normalise. To this end we have made a modest start, initiating a holding in GB Group, an online identity verification business, which is growing rapidly as more and more business is conducted over the internet.

Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	Since Launch
Fund (%)	-5.46	-8.03	-6.30	-5.46	5.99	25.12
Sector Rank	188/265	233/266	236/266	188/265	9/261	8/255
Quartile Ranking	3rd	4th	4th	3rd	1st	1st
IA UK All Companies (%)	-2.87	-3.02	-1.17	-2.87	-4.01	9.32

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 30.06.2016

Discrete Annual Performance

	30.06.15	30.06.14	30.06.13	30.06.12	30.06.11
	30.06.16	30.06.15	30.06.14	30.06.13	30.06.12
Fund (%)	5.99	-	-	-	-

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 30.06.2016

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30 June 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

Dealing Fax 0845 280 0188

FURTHER INFORMATION

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MI Chelverton UK Equity Growth Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Clinigen Group	Healthcare	2.8
2. Tyman	Construction	2.1
3. Wireless Group	Consumer	2.0
4. Victrex	Industrials	2.0
5. IMImobile	Technology	1.9
6. Photo-Me International	Consumer	1.9
7. Revolution Bars Group	Consumer	1.8
8. Dairy Crest Group	Consumer	1.8
9. Liontrust Asset Management	Financials	1.8
10. XP Power	Insurance	1.7
11. Iomart Group	Technology	1.7
12. Atkins (WS)	Support Services	1.7
13. Spectris	Industrials	1.7
14. SQS Software Quality Systems	Technology	1.7
15. Polypipe Group	Construction	1.6
16. Watkin Jones	Construction	1.6
17. OMG	Technology	1.6
18. Rank Group	Consumer	1.6
19. Brooks MacDonald Group	Financials	1.6
20. Proactis	Consumer	1.6

Source: Chelverton Asset Management Limited

Sector Breakdown

	% of Portfolio
Technology	25.0
Consumer	13.6
Industrials	13.4
Construction	11.0
Healthcare	9.6
Financials	7.8
Media	6.4
Support Services	4.6
Property	1.5
Cash	7.2

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	21.5	20
£500m-£1bn	19.0	14
£250m-£500m	29.5	21
£100m-£250m	19.9	16
Below £100m	2.8	3
Cash & Income	7.2	N/A
Total	100.0	74

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.