

Monthly Fact Sheet 30 November 2016

Launch Date	20th October 2014
Fund Size	£40.4m

Share Price (as at 30.11.16)

Shares	Income	Accumulation
B Shares	148.03p	149.40p

Codes (B Shares)

	Income	Accumulation
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.

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

The Fund's performance relative to its IA UK All Companies benchmark bounced back strongly after an underwhelming October, despite not being exposed to any of the "in vogue" mega-cap sectors of Banks, Insurers and Miners by virtue of its Mid and Small cap investment strategy. Performance was driven by good trading updates from a number of holdings, namely Blue Prism, Polypipe, Quixant and Severfield, which all performed strongly. Other contributors were On The Beach, a recent addition to the Fund, which rallied strongly after a period of share price weakness; Proactis, on the back of an earnings enhancing acquisition, and finally Somero Enterprise, the US building equipment business, which rose strongly on the back of Trump's election victory and its implications for US construction spend. Conversely Craneware, the US hospital billings software business, sold off sharply as investors worried about Trump's impact on healthcare budgets. We believe that Craneware's business, which has high levels of revenue visibility over the next few years, should be relatively unaffected by the change in administration, so we used the share price weakness to take our holding from a relatively small to a more meaningful position in the Fund. DFS Furniture shares were also weak, after a share placing. During the month, we sold our holding in Ebiquity, after new management reviewed the amount of investment required to grow the business, implying lower margins than we'd previously anticipated and flat profits for the immediate future.

From a macro perspective Trump's election victory has been game changing with the emphasis switching from monetary to fiscal stimulus in investors' minds, implying a likely pick-up in inflation and interest rates. Consequently we're starting to see a shift in emphasis in equities from the bond proxies to the more cyclically geared sectors, which we would expect in time to filter down to UK Mid and Small caps. Our own Autumn Statement saw a shift in emphasis towards fiscal stimulus but proved less of a give-away than many commentators had expected. Notwithstanding this, the UK domestic economy has so far proved to be more resilient than many forecasters had feared with companies for the most part meeting earnings expectations, whilst erring on the side of caution with regard to the outlook as the BREXIT debate rumbles on interminably in the background. But with several significant elections in Europe in 2017, which in themselves could have wide-ranging political ramifications, it's quite possible that the UK will be seen as one of the more desirable markets to invest in.

Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	Since Launch
Fund (%)	12.88	1.80	3.86	9.82	15.24	49.40
Sector Rank	32/266	17/268	27/268	54/267	9/265	3/255
Quartile Ranking	1st	1st	1st	1st	1st	1st
IA UK All Companies (%)	6.53	-0.58	0.25	6.34	6.11	19.95

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 30.11.2016

Discrete Annual Performance

	30.11.15	30.11.14	30.11.13	30.11.12	30.11.11
Fund (%)	15.24	25.96	-	-	-

Source: Lipper, NAV to NAV, B Shares Acc, Total Return to 30.11.2016

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30 November 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

MI Chelverton UK Equity Growth Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Quixant	Technology	2.2
2. dotDigital	Technology	2.1
3. Brooks MacDonald	Financials	2.1
4. Tyman	Construction	2.0
5. IMImobile	Technology	2.0
6. Avon Rubber	Industrials	1.9
7. Proactis	Technology	1.9
8. Clinigen Group	Healthcare	1.9
9. Games Workshop Group	Consumer	1.8
10. Photo-Me International	Consumer	1.8
11. Atkins (WS)	Support Services	1.7
12. Liontrust Asset Management	Financials	1.7
13. Craneware	Technology	1.7
14. Bodycote	Industrials	1.7
15. Iomart	Technology	1.7
16. Hollywood Bowl	Consumer	1.7
17. Revolution Bars	Consumer	1.6
18. Volution Group	Construction	1.6
19. SQS Software Quality Systems	Technology	1.5
20. GB Group	Technology	1.5

Source: Chelverton Asset Management Limited

Sector Breakdown

	% of Portfolio
Technology	25.1
Consumer	14.3
Industrials	13.6
Healthcare	9.2
Construction	8.4
Financials	8.1
Support Services	7.6
Media	4.8
Property	1.1
Cash	7.8

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	9.8	8
£500m-£1bn	9.9	8
£250m-£500m	21.8	16
£100m-£250m	28.4	22
Below £100m	22.3	19
Cash & Income	7.8	N/A
Total	100.0	73

Source: Chelverton Asset Management Limited

FURTHER INFORMATION

Please contact Spring Capital Partners, in the first instance.

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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.