

Monthly Fact Sheet 31 January 2017

Launch Date	20th October 2014
Fund Size	£50.3m

Share Price (as at 31.01.17)

Shares	Income	Accumulation
B Shares	157.86p	161.34p

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 returned 2.32% in January compared with 0.50% for its IA UK All Companies benchmark. There were no particular sector trends evident within our performance, the stand-out market returns once again coming from the miners, where the Fund, given its UK Small and Mid Cap mandate, has no exposure. Top contributors to performance over the month were Games Workshop, Watkin Jones and Synthomer, which all responded to positive results and trading updates. On the negative side, Revolution Bars fell back, giving up some of its recent strong gains.

During the month we started holdings in Acal, a supplier of designed-in customised electronic products for a wide range of industrial customers across Europe, and Tungsten Corporation, a market leader in the provision of electronic invoicing services to an impressive list of major global businesses. Tungsten is well-financed, high gross margin and experiencing rapid top-line growth, as the world converts to online invoicing. At the same time its new management team are resolving legacy cost and product pricing issues within the business.

Aside from the strength in the miners we have seen continued outperformance from foreign earning industrials and underperformance of UK consumer cyclicals particularly general retailers, which are seen to be at risk from higher minimum wage costs and the requirement to pass on the higher costs of imported goods to the consumer facing a squeeze on their real incomes as inflation gathers pace. Interestingly though the UK economy continues to defy post BREXIT expectations with GDP forecasts being steadily upgraded, it's quite possible if UK growth maintains its momentum that we will start to see Sterling strengthen, alleviating the pressure on UK household budgets. Consequently, looking forwards, we are starting to gently adjust our weightings in industrials, which have been superb performers since BREXIT, but in our view are now looking quite expensive, and topping-up some of our very heavily sold down UK consumer holdings.

Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	Since Launch
Fund (%)	2.32	2.32	9.93	19.25	26.77	61.34
Sector Rank	15/261	15/261	6/260	4/260	19/258	1/248
Quartile Ranking	1st	1st	1st	1st	1st	1st
IA UK All Companies (%)	0.50	0.50	3.75	7.68	17.32	25.27

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 31.01.2017

Discrete Annual Performance

	31.01.16	31.01.15	31.01.14	31.01.13	31.01.12
	31.01.17	31.01.16	31.01.15	31.01.14	31.01.13
Fund (%)	26.77	20.25	-	-	-

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 31.01.2017

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ACD
Maitland Institutional Services Limited

Investment Advisor
Chelverton Asset Management Ltd

Administrator
Maitland Institutional Services Limited

Income Paid Annually

XD Dates 31 December

Valuation 12 Noon

Dealing Line 0345 305 4217

Dealing Fax 0845 280 0188

MI Chelverton UK Equity Growth Fund

Top 20 Holdings

Holding	Sector	% of Portfolio
1. Games Workshop Group	Consumer	2.0
2. Brooks MacDonald	Financials	2.0
3. IMImobile	Technology	2.0
4. Atkins (WS)	Support Services	1.9
5. Acal	Industrials	1.9
6. Quixant	Technology	1.9
7. Tarsus Group	Media	1.8
8. Liontrust Asset Management	Financials	1.8
9. Rank Group	Consumer	1.8
10. dotDigital	Technology	1.8
11. Tyman	Construction	1.7
12. Iomart	Technology	1.7
13. Avon Rubber	Industrials	1.7
14. Watkin Jones Group	Construction	1.7
15. SQS Software Quality Systems	Technology	1.7
16. Photo-Me International	Consumer	1.7
17. Park Group	Financials	1.6
18. Volution Group	Construction	1.6
19. Craneware	Technology	1.6
20. Greencore Group	Consumer	1.6

Source: Chelverton Asset Management Limited

Sector Breakdown

	% of Portfolio
Technology	21.5
Consumer	17.4
Industrials	14.1
Healthcare	8.6
Construction	8.3
Financials	8.2
Support Services	8.0
Media	5.9
Resources	0.9
Property	0.7
Cash	6.4

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	11.8	9
£500m-£1bn	11.8	9
£250m-£500m	27.2	19
£100m-£250m	25.5	21
Below £100m	17.3	18
Cash & Income	6.4	N/A
Total	100.0	76

Source: Chelverton Asset Management Limited

FURTHER INFORMATION

Please contact Spring Capital Partners, in the first instance.

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springcapital

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.