

Monthly Fact Sheet 31 October 2017

Launch Date	20th October 2014
Fund Size	£107.8m

Share Price (as at 31.10.17)

<i>Shares</i>	<i>Income</i>	<i>Accumulation</i>
B Shares	197.79p	202.14p

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.

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 enjoyed a satisfactory October, modestly outperforming its IA UK All Companies benchmark in a moderately rising market. Bottom-up corporate newsflow was generally supportive. Immupharma was our best performing stock, returning over 50%, as its critical Phase 3 Lupuzor trial continued to progress without incident. Dotdigital was very firm on the back of some excellent full year numbers, which showed accelerating sales growth through the second half, which has continued into its new financial year. XP Power and Games Workshop were the other notable contributors to performance, both on the back of strong trading updates with Games Workshop's earnings expectations being upgraded yet again. On the negative tack, Revolution Bars share price fell back sharply when Stonegate's bid for the company lapsed. We had already sold a meaningful part of our holding at a premium to the bid price as we were uncertain as to whether the bid would proceed. Dialight also fell back further having warned on profits as it continued to experience teething problems with its strategy of outsourcing its manufacturing to a low cost production area.

We added four new holdings to the Fund in October. We started a holding in Gama Aviation, a provider of management and maintenance services to private jet owners. We felt the low earnings multiple for this business looked particularly attractive, given the growth and long-term contractual nature of the business. We took a small position in a fund raising by eServGlobal, which owns a share of Homesend, a cross-border payments platform, which is being rolled out across the global banking network by MasterCard, as an alternative to the old unwieldy corresponding banks network. We invested in Next Fifteen, an acquisitive international PR and marketing communications business, focussed on the technology sector, which boasts of major disruptive technology brands like Amazon, Google and Facebook as its customers. On the sell side, we exited our small residual positions in Orchard Funding and Solid State.

Since the month end we have seen a rise in UK base rates, which though widely expected, has coincided with a more unsteady phase in the market, as geo-political issues and higher volume of BREXIT noise have increased uncertainty. At the same time, liquidity in our mid and small cap segment is being absorbed by a high level of IPOs and fund raisings. This is serving to provide us with some attractively priced investment opportunities, both across our existing portfolio and amongst other investable candidates, which have met our financial and qualitative requirements.

Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	Since Launch
Fund (%)	28.20	3.09	5.48	12.06	37.74	102.14
Sector Rank	7/256	47/258	23/258	7/258	2/253	1/240
Quartile Ranking	1st	1st	1st	1st	1st	1st
IA UK All Companies (%)	11.87	2.16	3.07	5.46	15.48	39.97

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 31.10.2017

Discrete Annual Performance

	31.10.16 31.10.17	31.10.15 31.10.16	31.10.14 31.10.15	31.10.13 31.10.14	31.10.12 31.10.13
Fund (%)	37.74	17.19	23.55	-	-

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 31.10.2017

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31 October 2017

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	2.1
2. Strix	Industrials	1.9
3. StatPro Group	Technology	1.9
4. Quixant	Technology	1.9
5. Spectris	Industrials	1.9
6. Wilmington	Media	1.8
7. Liontrust Asset Management	Financials	1.8
8. Avon Rubber	Industrials	1.8
9. Brooks MacDonald	Financials	1.7
10. Proactis Holdings	Technology	1.7
11. Euromoney Institutional Investor	Media	1.7
12. Amino Technologies	Technology	1.7
13. Eckoh	Technology	1.7
14. Acal	Industrials	1.6
15. XP Power	Industrials	1.6
16. Ashmore	Financials	1.6
17. Photo-Me International	Consumer	1.6
18. dotDigital	Technology	1.6
19. Tyman	Construction	1.5
20. Park Group	Financials	1.5

Source: Chelverton Asset Management Limited

Sector Breakdown

	% of Portfolio
Technology	24.6
Industrials	20.3
Consumer	15.1
Financials	9.2
Support Services	6.1
Media	5.9
Healthcare	5.2
Construction	4.6
Resources	0.8
Cash	8.2

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	15.2	13
£500m - £1bn	17.4	13
£250m - £500m	21.0	16
£100m - £250m	26.2	24
Below £100m	12.0	17
Cash and Income	8.2	N/A
Total	100.0	83

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 Chelverton@maitlandgroup.co.uk or call +44 (0) 1245 459 962.