

## Monthly Fact Sheet 31 December 2017

<b>Launch Date</b>	20th October 2014
<b>Fund Size</b>	£140.4m

### Share Price (as at 31.12.17)

<i>Shares</i>	<i>Income</i>	<i>Accumulation</i>
B Shares	205.73p	210.26p

### 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.



### Edward Booth

graduated from the London School of Economics with a degree in Economics with Economic History, and qualified as a Chartered Accountant at Deloitte, where he focused on

the Insurance sector. Prior to joining Chelverton, he worked as a Business Analyst for Barclays, focusing on a number of areas including Investment Bank Revenue and Group Capital performance.

# 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

Equity markets ended 2017 on a positive note as sentiment shifted to resource stocks favouring the large caps segment over mid and small caps where the Fund invests. Notwithstanding this the Fund marginally outperformed its IA UK All Companies benchmark in December. Not for the first time in 2017 the main contributor to the Fund's performance in the month was Games Workshop, which issued yet another positive trading update. Immupharma was the Fund's biggest percentage riser, as the Phase 3 trial for its lead Lupozor drug completed without any adverse event, with trial results due to be published in the first quarter of 2018. Our worst performer was Maintel, the business telecom service provider, which warned for the second time this year as a result of delayed contracts and issues at a recent acquisition. There were no material changes to the portfolio over the month, with dealing activity restricted to topping up a broad range of existing holdings.

Moving into 2018 the outlook for global growth looks reasonably robust, with a further boost coming from the recent US corporation tax reductions. Whilst UK domestic growth is forecast to be slow by international standards it's still expected to be "reasonable" by historic standards. Relatively full domestic employment, which has surprised many observers, has been a notable feature post BREXIT. Upward pressure on pay rates and the recent strengthening of Sterling means the low valuations on unloved domestic cyclicals are becoming increasingly compelling as spending power recovers and we have started to tentatively address our underweight exposure to this part of the market.

## Cumulative Performance

	YTD	1 m	3 m	6 m	1 yr	3 yrs	Since Launch
Fund (%)	33.35	3.01	7.23	14.43	33.35	101.24	110.26
Sector Rank	3/255	120/258	12/258	6/257	3/255	1/239	1/239
Quartile Ranking	1st	2nd	1st	1st	1st	1st	1st
IA UK All Companies (%)	13.83	2.78	3.94	6.14	13.83	32.38	42.43

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 31.12.2017

## Discrete Annual Performance

	31.12.16	31.12.15	31.12.14	31.12.13	31.12.12
	31.12.17	31.12.16	31.12.15	31.12.14	31.12.13
Fund (%)	33.35	19.14	26.67	-	-

Source: Lipper, NAV to NAV, B Shares Inc, Total Return to 31.12.2017

Monthly Fact Sheet  
**31 December 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. dotDigital	Technology	2.2
2. Games Workshop Group	Consumer	1.9
3. DiscoverIE Group	Industrials	1.9
4. Strix	Industrials	1.8
5. Synthomer	Industrials	1.7
6. Liontrust Asset Management	Financials	1.7
7. Avon Rubber	Industrials	1.7
8. IMImobile	Technology	1.7
9. Bodycote	Industrials	1.6
10. Polypipe Group	Construction	1.6
11. Brooks MacDonald	Financials	1.6
12. Ultra Electronics	Industrials	1.5
13. Dairy Crest Group	Consumer	1.5
14. Eco Animal Health Group	Healthcare	1.5
15. Proactis Holdings	Technology	1.5
16. Castleton Technology	Technology	1.4
17. Spectris	Industrials	1.4
18. Wilmington	Media	1.4
19. StatPro Group	Technology	1.4
20. Sthree	Support Services	1.4

Source: Chelverton Asset Management Limited

### Sector Breakdown

	% of Portfolio
Technology	23.7
Industrials	20.4
Consumer	15.0
Financials	9.4
Support Services	6.4
Construction	5.3
Healthcare	5.3
Media	5.2
Resources	0.9
Cash	8.4

### Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	14.6	12
£500m - £1bn	15.7	14
£250m - £500m	23.5	19
£100m - £250m	25.6	25
Below £100m	12.2	19
Cash and Income	8.4	N/A
<b>Total</b>	<b>100.0</b>	<b>89</b>

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