

# SVS Church House Balanced Equity Income Fund

The Authorised Fund Manager of the Fund is: Smith & Williamson Fund Administration Limited

## Monthly Commentary

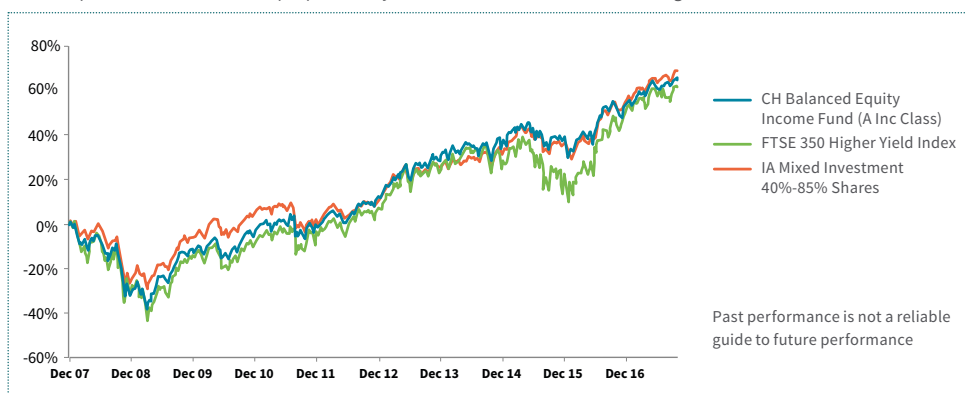
After the modest lurch in September, UK equities recovered their poise and returned FTSE to 7500, awaiting interest rate decisions and, largely, ignoring the messy political backdrop. Higher yield stocks followed a similar pattern, assisted by strength in the oil majors. Market volatility is still low, the same is certainly not true of individual stocks which are reacting dramatically to bad/good news, perhaps this will spread to the general market before long. US stocks cruised ahead to make further new highs, ostensibly encouraged by prospects for tax reform/reductions, but, more significantly, in the wake of some expectation-busting figures from the leading tech stocks. The NASDAQ led the market, as it has all year. Whether or not this White House team can actually deliver on their tax plans remains an open question

Ten-year bond yields were inclined a shade lower in the UK and Europe but a touch higher in America, awaiting the BoE decision here and the appointment of a new Federal Reserve Chairman in America respectively. Index-linked issues had a steadier month after the falls in September. The Bank of England has subsequently reversed the 'emergency' rate cut imposed after the Brexit vote last year, we are reluctant to refer to it as an increase, rates are too low and still at emergency levels.

The Fund was marked ex-dividend around 3.2p at the beginning of the month. Turnover was low though we reduced exposure to house-building after the strong year-to-date with a reduction in the Fund's holding in **Berkeley Group**.

## Performance (A Shares) v. UK Indices

This comparison is for illustrative purposes only and the fund is not benchmarked against these indices.



Source: FE Analytics. Total Return Bid-Bid line chart (from 01 December 2007 to 31 October 2017) from UK IA universe.

## Performance Summary (%)

|  | 3m   | 1 yr  | 3 yrs | 5 yrs |
|--|------|-------|-------|-------|
| SVS Church House Balanced Equity Income A Inc TR | 2.18 | 8.11  | 23.16 | 50.20 |
| Index : FTSE 350 Higher Yield TR                 | 2.72 | 10.15 | 24.92 | 54.00 |
| Sector : IA Mixed Investment 40% 85% Shares TR   | 2.39 | 9.84  | 29.59 | 54.55 |

Source: FE Analytics. Total Return Bid-Bid month end (31 October 2017) performance table from UK Investment Association universe.

## Calendar Year Total Returns (%)

|  | YTD  | 2016  | 2015 | 2014 | 2013  | 2012  |
|--|------|-------|------|------|-------|-------|
| SVS Church House Balanced Equity Income A Inc TR | 7.37 | 10.25 | 2.00 | 3.90 | 18.02 | 11.52 |

Source: FE Analytics. Total Return Bid-Bid discrete calendar performance table, of SVS Church House Balanced Equity Income Fund (A Inc) from UK Investment Association universe.

## Fund Managers



James Mahon



Carol Hooper

## Objective and Policy

The Balanced Equity Income Fund is principally invested in UK equities, but a proportion (typically around 15%) is invested in Index-Linked, other fixed interest securities and infrastructure investment companies. Equities listed overseas may be included to a limited extent. The objective of the Fund is to provide investors with medium to long-term capital and income growth at a level of volatility that is lower than the equity market generally.

## Key Information

**A Share Class** Min. investment £5,000  
Management fee 1.5%  
OCF 1.58%  
Inc shares SEDOL: 3133602  
Inc shares ISIN: GB0031336026  
Acc shares SEDOL: B11DQ39  
Acc shares ISIN: GB00B11DQ393

**B Share Class** For investment advisers and intermediaries only  
Management fee 0.875%  
OCF 0.96%  
Inc shares SEDOL: BBNRB8  
Inc shares ISIN: GB00BNBNRB88  
Acc shares SEDOL: BBNRC9  
Acc shares ISIN: GB00BNBNRC95

**Bid Price of Income Units** 189.2p XD (B)

**Trust Type** Authorised unit trust / UCITS

**Launch Date** February 2002

**Dividend Payment** May & Nov

**Yield** 3.33% (A Inc)

**Fund Value** £48.6m

All prices and data in the Fact Sheet are as at 31 October 2017.

All fund performance data is based on the A Inc shares and shown after the deduction of fees and charges. Yield data refers to the past 12 months and is based on a bid-basis.

Ongoing Charges Figure (OCF) based on accounts as at 30/09/2016.

## Top Ten Holdings (%)

30.4% of Portfolio

Total number of holdings: **68**

Portfolio Beta: **0.80**

|                               |      |                                     |      |
|-------------------------------|------|-------------------------------------|------|
| Royal Dutch Shell PLC - B SHS | 4.5% | AstraZeneca PLC                     | 2.9% |
| HSBC Holdings PLC             | 4.2% | BP PLC                              | 2.7% |
| GlaxoSmithkline PLC           | 3.5% | Diageo PLC                          | 2.5% |
| Relx NV                       | 3.0% | Smith & Nephew PLC                  | 2.2% |
| Unilever PLC                  | 2.9% | Royal Bank of Scotland FRM May 2020 | 2.1% |

## Disposition



|                      |       |
|----------------------|-------|
| Index-Linked / Other | 8.4%  |
| Infrastructure       | 4.3%  |
| Commercial Property  | 7.3%  |
| FTSE 100 (Int'l)*    | 38.9% |
| FTSE 100 (UK)        | 20.9% |
| FTSE 250             | 11.4% |
| Smaller Cos          | 6.2%  |
| Cash                 | 2.5%  |

Source: Church House

\*our definition: companies with more than 75% of sales overseas

## Sector Allocations



|                      |       |
|----------------------|-------|
| Oil Production       | 8.5%  |
| Mining               | 5.5%  |
| Industrials          | 10.4% |
| Staples              | 14.1% |
| Pharmaceuticals      | 11.5% |
| Discretionary        | 9.8%  |
| Utilities            | 6.1%  |
| Technology           | 5.2%  |
| Financials           | 17.3% |
| Property             | 8.6%  |
| Investment Companies | 2.9%  |

## LEARN MORE ABOUT THIS FUND

**CALL: 0207 534 9877 and speak to our Sales Support Team**

**EMAIL: [salesupport@church-house.co.uk](mailto:salesupport@church-house.co.uk)**

**CALL: 0207 534 9879 for our Sales Director, Sam Liddle**

**EMAIL: [s.liddle@church-house.co.uk](mailto:s.liddle@church-house.co.uk)**

### INVESTMENT RISK

Please note that the value of an investment in this fund and the income from it may go down as well as up and you may not get back your original investment. You should also be aware that past performance may not be a reliable guide to future performance.

### IMPORTANT INFORMATION

This is a financial promotion for Professional Clients and/or distributors only. This is not intended as investment advice. You should read the Prospectus and the Key Investor Information Document (KIID) for each fund in which you want to invest. The Prospectus and KIID can be found at [www.ch-investments.co.uk](http://www.ch-investments.co.uk). All information prepared within has been prepared by Church House Investments Limited, York House, Sherborne, DT9 4JW. Authorised and regulated by the Financial Conduct Authority. This document should not be published in hard copy, electronic form, via the web or in any other medium accessible to the public unless authorised by Church House Investments to do so. No warranty is given as to the accuracy or completeness of this information and no liability is accepted for errors or omissions in such information. This document may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such an offer or solicitation is unlawful or unauthorised. To help us continually improve our service, and in the interest of security, we may monitor and/or record your telephone calls with us.