

SVS Church House Balanced Equity Income Fund

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

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:
BNBNRB8
Inc shares ISIN:
GB00BNBNRB88
Acc shares SEDOL:
BNBNRC9
Acc shares ISIN:
GB00BNBNRC95

**Bid Price of
Income Units** 190.60p (B)

Trust Type Authorised unit trust / UCITS

Launch Date February 2002

Dividend Payment May & Nov

Yield 3.31% (A Inc)

Fund Value £48.0m

All prices and data in the Fact Sheet are as at 29 September 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.

Monthly Commentary

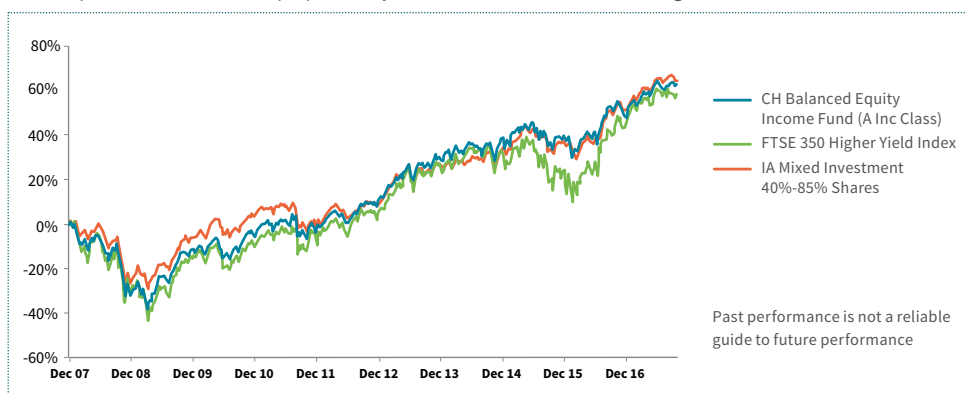
September was a headline-rich environment from referendums in Kurdistan and Catalonia, Hurricane Irma in the Gulf of Mexico to the ongoing rhetoric and sabre-rattling between President Trump and 'Little Rocket Man'. UK Equities were dull and drifting, not sure what to make of the renewed rally in GBP, while international markets were strong. Conventional gilts and index-linked issues fell sharply while sentiment in many infrastructure issues turned sour in the wake of John McDonnell's statements on PFI contracts at the Labour Party conference.

Bank of England Governor Carney appeared to capitulate and a reversal of the post-Brexit quarter-point cut in the base rate is now widely expected this year, snapping ten-year yields back to January levels. This move encouraged a bounce in GBP, which rose 4% vs USD and slightly more vs EUR. The move in rates was not confined to the UK, with the US ten-year rising to 2.3% (encouragingly, taking the thirty-year higher at the same time), while the ten-year Bund flirted with 0.5%. Oil prices continued their rally as the Turks and Kurds restrict supply.

The fund had an active month. We added to the existing positions in **Babcock International** and **Croda International**. We topped up our holding in **Craneware**, a Scottish company providing healthcare analysis to the US healthcare services sector, following a productive meeting with management. Also in the healthcare sector, we took part in the **BB Healthcare Trust** issue, giving the Fund some more exposure to global healthcare companies while providing a decent income yield. Finally, we added to **Close Brothers Group** following their interim results, which we believe leaves them well positioned despite uncertain markets.

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 29 September 2017) from UK IA universe.

Performance Summary (%)

	3m	1 yr	3 yrs	5 yrs
SVS Church House Balanced Equity Income A Inc TR	1.03	7.52	22.43	50.12
Index : FTSE 350 Higher Yield TR	1.31	10.40	22.43	52.66
Sector : IA Mixed Investment 40% 85% Shares TR	0.93	9.09	26.62	51.68

Source: FE Analytics. Total Return Bid-Bid month end (29 September 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	6.17	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.

Top Ten Holdings (%)

30.4% of Portfolio

Total number of holdings: **69**

Portfolio Beta: **0.81**

Royal Dutch Shell PLC - B SHS	4.3%	Relx NV	2.8%
HSBC Holdings PLC	4.2%	BP PLC	2.6%
GlaxoSmithkline PLC	3.9%	Diageo PLC	2.4%
Unilever PLC	2.9%	Imperial Brands PLC	2.2%
AstraZeneca PLC	2.8%	Berkeley Group Holdings	2.1%

Disposition



Index-Linked / Other	8.6%
Infrastructure	4.5%
Commercial Property	7.5%
FTSE 100 (Int'l)*	39.0%
FTSE 100 (UK)	21.7%
FTSE 250	11.6%
Smaller Cos	6.5%
Cash	0.8%

Source: Church House

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

Sector Allocations



Oil Production	8.0%
Mining	5.3%
Industrials	10.5%
Staples	14.6%
Pharmaceuticals	11.6%
Discretionary	9.4%
Utilities	6.3%
Technology	4.6%
Financials	18.2%
Property	8.7%
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

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

EMAIL: 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. 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.