

SVS Church House Esk Global Equity Fund

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

Fund Manager



James Mahon

Objective and Policy

This is an international equity fund with a medium to long-term capital growth objective; the income yield is low. The Fund invests principally in direct equity holdings but may also invest in international investment companies to gain further market access and diversification. Occasionally, fixed interest or convertible securities may be included.

Key Information

A Share Class Min. investment £50,000
Management fee 1.24%
OCF 1.32%
Inc shares SEDOL: 0506832
Inc shares ISIN: GB0005068324
Acc shares SEDOL: BNF4L3
Acc shares ISIN: GB00BNFX4L36

B Share Class For investment advisers and intermediaries only
Management fee 0.87%
OCF 0.95%
Inc shares SEDOL: BBNRG3
Inc shares ISIN: GB00BNBNRG34
Acc shares SEDOL: BBNRH4
Acc shares ISIN: GB00BNBNRH41

Bid Price of Income Units 271.0p (B)

Sector Global

Trust Type Authorised unit trust / UCITS

Launch Date November 1996

Dividend Payment May & Nov

Yield 0.64% (A Inc)

Fund Value £35.1m

All prices and data in the Fact Sheet are as at 29 December 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 30/09/2017.

Monthly Commentary

The Esk Global Equity Fund closed a good year on a positive note. International equity markets had a strong year, led by the American markets which, in turn, were led by technology, the NASDAQ recording an increase of 28% for the year. London was the laggard amongst the major markets as the UK leaders were held back by a ten per cent recovery in sterling v. the US dollar. What was notable during the course of the year was the lack of any correction despite numerous geo-political and other opportunities. Spikes in volatility were few and far between and this gauge hit new twenty-year lows.

The Fund aims to provide long-term capital growth from an international equity portfolio, principally for UK investors. Being priced in sterling, moves in foreign exchange rates have a marked effect on the Fund, we do not utilise any foreign exchange hedging. The Fund's portfolio is invested internationally but underlying currency exposure is greatest to the US dollar (around 50%) followed by the euro (c. 26%), Japanese yen, Swiss franc and the Nordic currencies. As noted, sterling has gained markedly v. the US dollar this year, it has also gained v. the yen and Swiss franc, it fell around 3.5% v. the euro and the Danish krone.

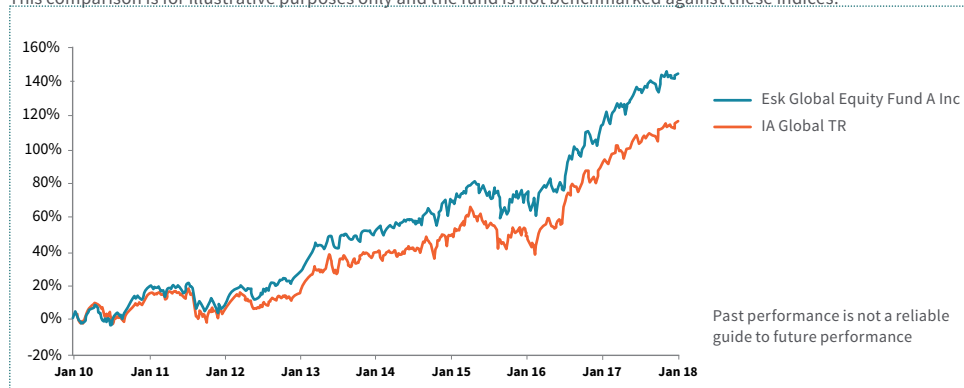
We like to maintain an internationally diversified portfolio of underlying investments, but not too diversified. Currently there are 56 holdings which is in our normal expected 50/60 range, much more than this and individual investments will be unable to have a noticeable impact on performance. The Fund's volatility was below that of the international indices that we follow (but do not aim to mirror) as it has been for a number of years.

Major sectors for the Fund's portfolio at present are the Banks & Other Financials at a shade under 20%, Technology at 17%, Pharmaceuticals & Health Care at 15% and Consumer Staples at 14%. Our preference is to establish positions in high quality companies and hold them for the long-term. But we do recognise the cyclical nature in some areas and so, while we expect turnover to be low, we do also look for trading opportunities.

December saw us adding to some existing positions: in the eurozone we added to **BASF, Anheuser-Busch Inbev, Grifols** and **Societe Generale**; in the US, we added to **Shire**; and, in the UK, we added to **Rio Tinto**. In the Nordic region, we added to our holding in **Danske Bank** and commenced establishing a new position in **Industrivarden** a Swedish investment company.

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 2009 to 29 December 2017) from UK IA universe.

Performance Summary (%)

	3m	1 yr	3yrs	5yrs
SVS Church House Esk Global Equity A Inc TR	3.70	13.92	44.47	92.07
Sector : IA Global TR	4.89	14.04	44.54	88.30

Source: FE Analytics. Total Return Bid-Bid month end (29 December 2017) performance table from UK Investment Association universe.

Calendar Year Total Returns (%)

	YTD	2016	2015	2014	2013	2012
SVS Church House Esk Global Equity A Inc TR	13.92	23.12	3.01	12.20	18.49	18.94

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

Top Ten Holdings (%)
23.1% of Portfolio

Total number of holdings: 56

Stryker Corp	2.6%	Rio Tinto PLC	2.2%
Microsoft Corp	2.6%	Alphabet Inc - CL A	2.2%
Apple Inc	2.3%	HSBC Holdings PLC	2.2%
L'Oreal	2.3%	Berkshire Hathaway Inc - CL B	2.1%
Heineken NV	2.3%	Unilever NV - CVA	2.1%

Disposition



London	9.9%
New York	38.9%
N. Europe*	25.7%
Nordic**	7.6%
Zurich	4.4%
Far East***	8.0%
Cash	5.6%

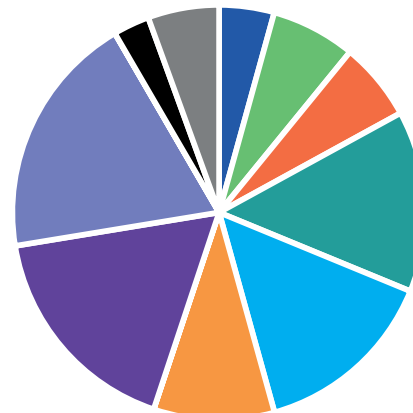
Source: Church House

* Amsterdam, Paris, Frankfurt

** Copenhagen, Stockholm, Oslo

*** Singapore, Tokyo

Sector Allocations



Oil Production	4.3%
Mining	6.6%
Industrials	6.1%
Consumer Staples	14.1%
Pharmaceuticals	14.5%
Discretionary	9.5%
Utilities	0.0%
Technology	17.3%
Financials	19.2%
Property	0.0%
Investment Companies	2.8%
Cash	5.6%

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.