

# SVS Church House UK Managed Growth Fund

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

## Fund Manager



**James Mahon**

## Objective and Policy

The Fund invests principally in a portfolio of UK equities, focussed on FTSE 350 companies. Recognising the international nature of many companies listed in London, the Fund also invests in companies listed overseas (typically this represents 25%/30% of the portfolio). The objective is medium to long-term capital growth; income yield will be relatively low.

## Monthly Commentary

The UK Managed Growth Fund closed the year on a positive note as markets recovered from a dull November. London was the laggard amongst the major markets over 2017; internationally, stocks were led by the American markets, which in turn, were led by technology, the NASDAQ recording an increase of 28% for the year. UK leading stocks were held back by a ten per cent recovery in sterling v. the US dollar, once again, Mid and Small-Cap stocks out-performed, as they have all year.

The Fund aims for long-term capital growth from a portfolio invested principally in UK equities with an emphasis on quality. The focus is on FTSE 350 companies, but also considers a number of opportunities in smaller companies. Recognising the international nature of many companies listed in London and the lack of diversity in some areas, the Fund also invests in companies listed overseas (typically this represents 25%/30% of the portfolio). Several major sectors are poorly represented in London, e.g. Pharmaceuticals & Healthcare, Technology and Consumer Staples, while London is over-represented in Oil & Gas and Mining. We do not wish to be squeezed into a 'UK' box. For example, there are two major Pharmaceutical companies listed in London, GlaxoSmithkline and AstraZeneca, if we are to consider these two why would we not consider Roche, Novartis, Novo Nordisk, Johnson & Johnson, Merck etc.?

At the year-end, a quarter of the portfolio was invested in companies listed overseas, while a shade under 10% was invested in smaller companies. A by-product of the international investments is greater exposure to foreign exchange movements, this year the effect has been negative for the Fund as sterling has rallied by 10% v. the US dollar, just as it has been for the major companies in the FTSE 100.

The Fund aims to be diversified but not excessively so, we normally expect to hold around fifty investments. We see little point in holdings representing less than one per cent so, at any one time, the handful that are, will be on the way in or out of the portfolio. We aim to invest for the long-term and will run with growing companies despite size, for example, our largest holdings at present is **Halma**, only recently promoted to FTSE 100, which we first acquired in January 2011. Similarly, the current top holdings include two companies listed on AIM: **Clinigen Group** and **Eco Animal Health**. At the year-end there were 47 holdings in the portfolio.

During December there were a number of relatively small transactions, all being additions to existing portfolio holdings. Two property companies, **Land Securities**, where we have been steadily increasing our holding and **Shaftesbury** which raised £265m in a placing to acquire more property in one of its Soho 'villages'. Our involvement with Shaftesbury started in 2006. We added to both **Meggitt** and **Rolls Royce**, which had had a poor quarter, along with most defence contractors, expecting better news from civilian aerospace to out-weigh problems on the defence side. We completed building-up a new holding in **Johnson Matthey**, the specialty chemicals and clean air emissions company, and, finally, added to positions in **Diageo** and **Lloyds Banking**.

## Key Information

<b>A Share Class</b>	Min. investment £5,000 Management fee 1.47% OCF 1.53% Inc shares SEDOL: 0919924 Inc shares ISIN: GB0009199240 Acc shares SEDOL: B11DPN2 Acc shares ISIN: GB00B11DPN28
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<b>B Share Class</b>	For investment advisers and intermediaries only Management fee 0.86% OCF 0.92% Inc shares SEDOL: BBNR85 Inc shares ISIN: GB00BNR855 Acc shares SEDOL: BBNR96 Acc shares ISIN: GB00BNR962
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**Bid price of Income Units** 174.6p (B)

**Sector** Flexible

**Trust Type** Authorised unit trust / UCITS

**Launch Date** July 2000

**Dividend Payments** May & Nov

**Yield** 0.96% (A Inc)

**Fund Value** £65.5m

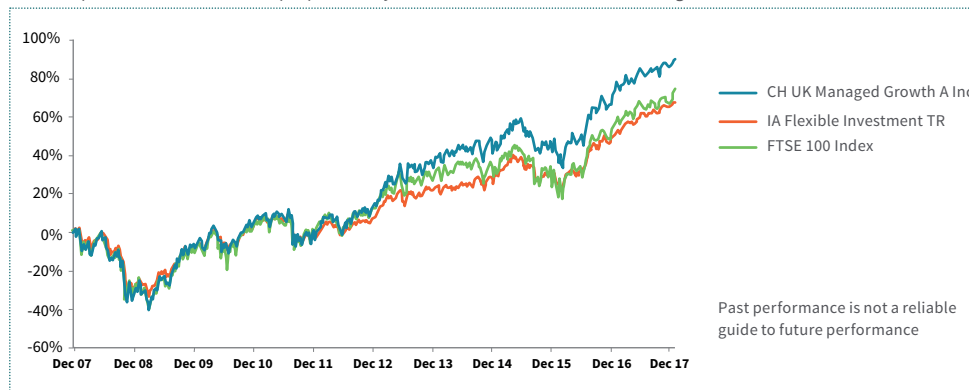
All prices and data in the Fact Sheet are as at 29 December 2017.

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 31/03/2017.

## 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 December 2017) from UK IA universe.

## Performance Summary (%)

	3m	1 yr	3yrs	5yrs
SVS Church House UK Managed Growth A Inc TR	3.58	9.09	30.49	67.37
Index : FTSE 100 TR	5.02	11.95	31.54	57.24
Sector : IA Flexible Investment TR	3.62	11.21	29.21	55.45

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 UK Managed Growth A Inc TR	9.09	17.63	1.69	5.21	21.92	13.47

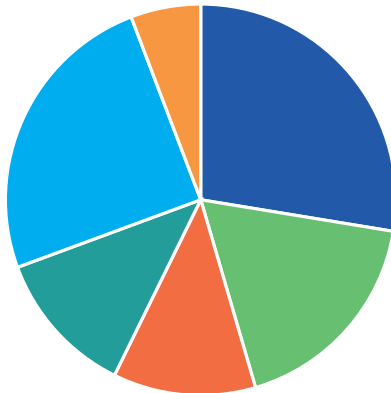
Source: FE Analytics. Total Return Bid-Bid discrete calendar performance table, of SVS Church House UK Managed Growth Fund (A Inc) from UK Investment Association universe.

**Top Ten Holdings (%)**  
27.79% of Portfolio

Total number of holdings: **47**  
Portfolio Beta: **0.9**

Halma PLC	3.3%	Rio Tinto PLC	2.8%
BP PLC	2.9%	BHP Billiton PLC	2.7%
HSBC Holdings PLC	2.9%	Unilever PLC	2.5%
Microsoft Corp	2.9%	Clinigen Group PLC	2.5%
Relx NV	2.9%	Diageo PLC	2.5%

### Disposition



FTSE 100 (Int'l)*	29.9%
FTSE 100 (UK)	16.9%
FTSE 250	13.5%
Smaller Cos	9.4%
Listed Overseas	24.3%
Cash	6.0%

Source: Church House

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

### Sector Allocations



Oil Production	7.9%
Mining	7.2%
Industrials	9.8%
Staples	11.8%
Pharmaceuticals	15.2%
Discretionary	7.9%
Utilities	0.0%
Technology	8.5%
Financials	18.2%
Property	4.3%
Investment Companies	3.3%
Cash	5.9%

## 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.