

SVS Church House UK Managed Growth Fund

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

Fund Manager



James Mahon



Rory Campbell-Lamerton

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.

Key Information

A Share Class Min. investment £5,000
Management fee 1.48%
OCF 1.53%
Inc shares SEDOL: 0919924
Inc shares ISIN: GB0009199240
Acc shares SEDOL: B11DPN2
Acc shares ISIN: GB00B11DPN28

B Share Class For investment advisers and intermediaries only
Management fee 0.86%
OCF 0.91%
Inc shares SEDOL: BNBNR85
Inc shares ISIN: GB00BNBNR855
Acc shares SEDOL: BNBNR96
Acc shares ISIN: GB00BNBNR962

Bid price of Income Units 172.5p (B) XD

Sector Flexible

Trust Type Authorised unit trust / UCITS

Launch Date July 2000

Dividend Payments May & Nov

Yield 1.0% (A Inc)

Fund Value £66.3m

All prices and data in the Fact Sheet are as at 31 October 2018.

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 31/03/2018.

Monthly Commentary

The UK Managed Growth Fund suffered with the equity markets in October, though its unit price was also XD at the beginning of the month, as a sharp sell-off in US stocks spread rapidly around world stock markets. American ten-year bond yields moved up again over the first week of the month, combining with the list of other worries dogging markets at the moment, which triggered a sell-off in equities. A late rally helped the monthly stats a bit: the S&P 500 fell 7%, after 10% a few days earlier, while the NASDAQ led the way, down 9% after 14%. The FANGs fell between 9% and 18% over the month. London stocks followed a similar pattern with a late rally leaving the market down 5.4% after 9% at the worst, while smaller companies (notably AIM stocks) suffered more, a trend that was visible in a number of markets.

In Shanghai, stocks closed the month around 27% down from January's level, putting their indices firmly into 'bear market' territory and, possibly, encouraging President Trump's view that China will negotiate in trade talks. Notable, though, has been the President's assertion that the sell-off in US stocks was the Fed's fault, the previous gains having been his.

It was notable that US yields remained higher for the month as a whole, against the usual pattern (that did emerge in the UK and Europe) of yields falling as money heads for the comfort of sovereign bonds. The rapid switch to pessimism also knocked the oil price off its perch, down 8.5% over the month, though the concessions to Iran over a number of their export markets also played a part here.

With liquidity in hand, we were active in a number of areas. Tesco was hit early in the month as their figures revealed problems in Thailand had hurt Asian profits, offsetting good growth in the UK; we felt that this was overdone and switched out of our holding in **WM Morrison** to a new position in **Tesco**. Mid-month we took the profit on our remaining position in **Whitbread** and commenced building a new position in **Carnival**, the cruise line operator, which we added to again later in the month. **Halma** has been a long-standing position in the Fund and an excellent investment. Now a FTSE 100 company, we are concerned that their rate of growth could slow, so we reduced the position in favour of a new holding in **Spirax-Sarco Engineering**, which is of similar high quality but has fallen around 15% from September peaks. In financials, we have built a new position in **Standard Chartered**, part-financed by a reduction in **HSBC**, and we also added to existing positions in **Phoenix Group** and **Schroders** as markets fell.

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 2018) from UK IA universe.

Performance Summary (%)

	3m	1 yr	3yrs	5yrs
SVS Church House UK Managed Growth A Inc TR	-4.78	0.37	29.93	39.52
Index : FTSE 100 TR	-6.89	-0.86	26.33	28.28
Sector : IA Flexible Investment TR	-5.27	-2.50	22.89	30.89

Source: FE Analytics. Total Return Bid-Bid month end (31 October 2018) performance table from UK Investment Association universe.

Calendar Year Total Returns (%)

	YTD	2017	2016	2015	2014	2013
SVS Church House UK Managed Growth A Inc TR	-0.15	9.09	17.63	1.69	5.21	21.92

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 (%)

28.5% of Portfolio

Total number of holdings: **49**

Portfolio Beta: **0.92**

Microsoft Corp	3.8%	BHP Billiton PLC	2.7%
Halma PLC	3.4%	Rio Tinto PLC	2.6%
Royal Dutch Shell PLC - B SHS	2.9%	Unilever PLC	2.5%
Diageo PLC	2.9%	Smith & Nephew PLC	2.5%
Roche Holding AG-GENUSSCHEIN	2.7%	Diploma PLC	2.5%

Disposition

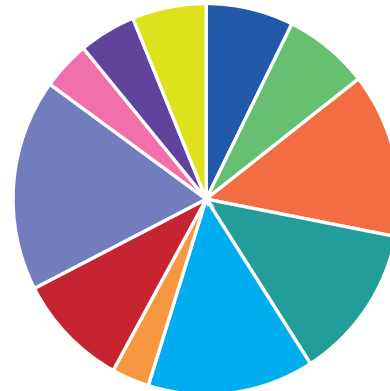


FTSE 100 (Int'l)*	32.9%
FTSE 100 (UK)	17.2%
FTSE 250	12.9%
Smaller Cos	14.9%
Listed Overseas	16.0%
Cash	6.2%

Source: Church House

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

Sector Allocations



Oil Production	7.3%
Mining	7.1%
Industrials	13.6%
Staples	12.9%
Pharmaceuticals	13.9%
Discretionary	3.1%
Utilities	0.0%
Technology	9.5%
Financials	17.5%
Property	4.0%
Investment Companies	4.8%
Cash	6.2%

LEARN MORE ABOUT THIS FUND

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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.