

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: BBNR85
Inc shares ISIN: GB00BNR855
Acc shares SEDOL: BBNR96
Acc shares ISIN: GB00BNR962

Bid price of Income Units 183.9p (B)

Sector Flexible

Trust Type Authorised unit trust / UCITS

Launch Date July 2000

Dividend Payments May & Nov

Yield 0.94% (A Inc)

Fund Value £69.4m

All prices and data in the Fact Sheet are as at 31 August 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

August was a month of non-stop political volatility that continued to undermine Far East and Emerging markets, along with the emerging market currencies, while the US dollar reigned supreme. Sterling had a roller-coaster of a month as Brexit rumour and counter-rumour came and went. European stocks were volatile and weaker overall while in America the S&P 500 cruised onwards. UK stocks attempted to follow Wall Street but succumbed towards the end of the month and definitely felt weaker.

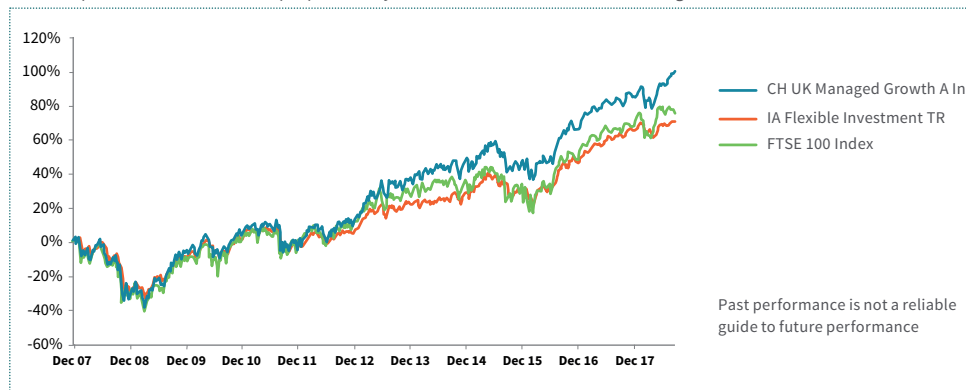
Following the Bank of England's move on Base rates at the beginning of the month, UK ten-year yields edged-up around 10bps. US ten-year rates were a touch lower despite a general expectation that the Federal Reserve will raise rates again shortly, the ten-year has subsequently moved back up to test 3% again so, for the moment, the yield curve remains positive. US and UK rates look set to increase further while Europe is so far behind in the slow lane that it is hard to discern any movement. All, of course, subject to the next round of protectionism, a policy that, if pursued a lot longer, is likely to prove to be disastrous for its instigator.

The UK Managed Growth Fund had a positive month against a falling market. The Fund benefitted from its under-weight in the oil and mining stocks which had a poor month though **Wood Group** was a stand-out performer, the healthcare holdings put in a good month as did our tech holdings, notably **Microsoft** and **Craneware**. **Whitbread** stood out following their agreement to sell **Costa Coffee** to **Coca-Cola** for an excellent price. Detracting from performance were the banks (again) and several of the consumer staples holdings, **Anheuser-Busch Inbev**, **Diageo** and **Imperial Brands**.

We were busy in the Fund during the month as we took the decision to reduce the overseas holdings and the US dollar exposure. The extra US dollar exposure has benefitted the Fund for a number of years but with sterling below 1.30 to the dollar we decided to bank some of this. Gone from the portfolio are **Monster Beverage** and **JPMorgan** along with the holding in **Shire**, where we did not wish to take US dollars and highly geared Takeda Pharma paper for our holding. New to the portfolio is a holding in **Sensyne Health**, which we acquired at IPO, and we reduced some of the other AIM-listed holdings, **Clinigen**, **Craneware** and **Strix** to fund this purchase. The Fund closed the month with higher-than-usual levels of cash (around 9%), as we look for opportunities in a weakening market.

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 August 2018) from UK IA universe.

Performance Summary (%)

	3m	1 yr	3yrs	5yrs
SVS Church House UK Managed Growth A Inc TR	4.37	8.37	39.93	53.48
Index : FTSE 100 TR	-2.05	4.13	34.06	40.24
Sector : IA Flexible Investment TR	1.55	4.62	32.94	45.03

Source: FE Analytics. Total Return Bid-Bid month end (31 August 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	5.62	9.09	17.63	1.69	5.21	21.92

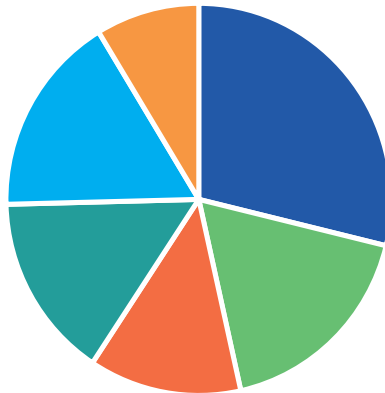
Source: FE Analytics. Total Return Bid-Bid discrete calendar performance table, of SVS Church House UK Managed Growth Fund (A Inc) from UK Investment Association universe.

Top Ten Holdings (%)
27.6% of Portfolio

Total number of holdings: **46**
Portfolio Beta: **0.86**

Microsoft Corp	3.7%	Smith & Nephew PLC	2.5%
Halma PLC	3.5%	Unilever	2.5%
BHP Billiton PLC	2.7%	Diageo PLC	2.5%
Diploma PLC	2.6%	Rio Tinto PLC	2.4%
HSBC Holdings PLC	2.6%	Berkshire Hathaway Inc-CL B	2.3%

Disposition



FTSE 100 (Int'l)*	28.8%
FTSE 100 (UK)	17.7%
FTSE 250	12.8%
Smaller Cos	15.3%
Listed Overseas	16.7%
Cash	8.7%

Source: Church House

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

Sector Allocations



Oil Production	6.2%
Mining	7.2%
Industrials	13.4%
Staples	10.3%
Pharmaceuticals	13.7%
Discretionary	5.5%
Utilities	0.0%
Technology	8.8%
Financials	17.6%
Property	3.9%
Investment Companies	4.8%
Cash	8.7%

LEARN MORE ABOUT THIS FUND

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