

TB EVENLODE INCOME



EVENLODE
INVESTMENTS FOR LIFE

MONTHLY FACTSHEET

all data as at 31 July 2019

MANAGER COMMENTARY

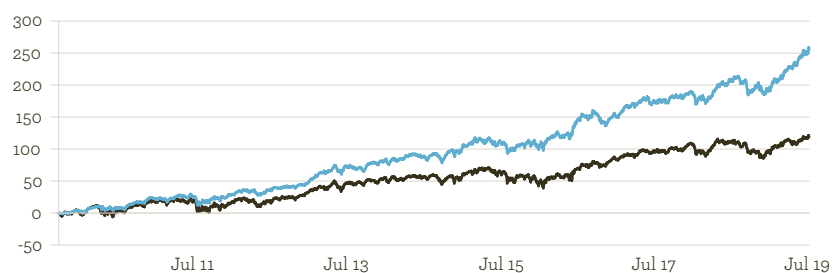
The market edged higher again, helped by lower interest rate expectations, a reasonable earnings season and (for the UK market specifically) a weaker pound due to on-going Brexit uncertainty.

More than 80% of holdings have released results since the start of July. The aggregate portfolio is making reassuring progress despite quite a challenging global backdrop. We are particularly impressed with companies that remain clearly focused on factors they can control (thinking and investing for the long-term, putting customers at the heart of plans etc.) despite economic and political uncertainty.

The fund rose +2.7% compared to a rise of +1.7% for the IA UK All Companies sector and +2.0% for the FTSE All-Share. The strongest contributors were Burberry, Compass Group and Procter & Gamble, all of which released results that were taken well by the market. The most negative contributors were Sage Group and Spectris who also both released results. There was some disappointment that Sage's margin progress is likely to be limited over the next year or two as management continues to invest in customer service and innovation. However, it was encouraging to see revenue growth of +5.3% over the last quarter driven by +11.4% growth in recurring revenues, which now represent 85% of total revenue. For Spectris, interim results were solid but management noted some weakness in industrial production end markets. We like Spectris long-term given its attractive position in test and measurement markets and a highly cash generative business model.

In the context of this year's strong stock market recovery, we are treading carefully and continue to work hard at striking a sensible balance between quality and valuation appeal in the portfolio. We continued to reduce several holdings for valuation reasons including Diageo, Compass, Smith & Nephew, Cisco and Microsoft. We also reduced Burberry following its significant rally this month. Positions we added to included Reckitt Benckiser, Hays, Victrex and WPP.

PERFORMANCE SINCE LAUNCH (%)



CUMULATIVE PERFORMANCE

	YTD	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	Launch ¹
■ Fund ²	23.5	8.0	19.8	15.8	44.2	91.2	255.4
■ Benchmark	15.2	2.6	10.6	1.3	27.0	38.9	115.9
IA Sector	15.9	1.8	10.0	-0.4	26.0	38.0	120.1
Rank in sector	5/261	1/262	3/261	3/259	11/246	5/232	6/204
Quartile	1	1	1	1	1	1	1

DISCRETE ANNUAL PERFORMANCE

12 Months to	31/07/19	31/07/18	31/07/17	31/07/16	31/07/15
■ Fund ²	15.8	12.7	10.5	18.2	12.2
■ Benchmark	1.3	9.2	14.9	3.8	5.4
IA Sector	-0.4	8.5	16.6	0.9	8.6

All performance data used on this factsheet is total return, bid-to-bid, net of UK dividend tax credit, and sourced from Financial Express. The fund's main unit was changed to B shares on 1 December 2012 to comply with RDR regulation.

1. From launch date: 19 October 2009

2. TB Evenlode Income B Inc Shares

3. Evenlode Income was merged through a scheme of arrangement into TB Evenlode Income on 1 September 2017. Performance and dividend history are unaffected.

4. The historic yield reflects distributions over the past 12 months as a percentage of the price of the B Inc share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

5. Active share is calculated against the fund's Comparator Benchmark, the FTSE All-Share Index.

Fund Attributes

- ✓ Emphasis on sustainable real dividend growth
- ✓ Focus on companies with high returns on capital and strong free cash-flow
- ✓ Low portfolio turnover, long-term holding periods
- ✓ Minimum of 80% in UK shares and up to 20% in overseas shares and/or cash
- ✓ Invests across the market-cap spectrum

What are the Risks?

As a focused equity portfolio of typically less than 40 investments, the fund can involve higher risk and higher volatility. The value of an investment and the income from it can fall as well as rise as a result of market and currency movement; you may not get back the amount originally invested. You should therefore regard your investment as medium-to-long term. Details on the risk factors are included in the fund's prospectus, available on our website.

Investor Profile

The Fund may appeal to investors who:

- ✓ Want a high level of income and the prospect of some capital growth
- ✓ Accept the risk associated with the volatile nature of equity investments
- ✓ Plan to hold their investment for the medium to long term

Fund Managers



CITYWIRE AA

HUGH YARROW Lead Portfolio Manager

Hugh launched TB Evenlode Income in October 2009. Previously he managed several equity income funds at Rathbone Unit Trust Management. Hugh holds a first-class degree from the University of Edinburgh in Philosophy and Mathematics.



CITYWIRE AA

BEN PETERS Co-manager

Ben became co-manager of TB Evenlode Income in December 2012. He is a member of the CFA Society of the UK and holds the Investment Management Certificate. He also holds a doctorate from the University of Oxford in the field of physics.

Citywire rating is source & copyright of Citywire. Hugh Yarrow and Ben Peters have been awarded a AA rating by Citywire for their 3 year risk-adjusted performance for the period 30/06/2016 - 30/06/2019.

Key Details

Comparator Benchmark	FTSE All-Share
Sector	IA UK All Companies
Launch date ³	19 October 2009
Fund value	£3,498.0 million
Holdings	38
Historic yield ⁴	2.9%
Active share ⁵	76.6%
Div ex dates	1 Mar, Jun, Sep, Dec
Div pay dates	end Apr, Jul, Oct, Jan

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PORTFOLIO ANALYSIS

TOP TWENTY HOLDINGS (%)

Unilever	8.6	Procter & Gamble	2.7
RELX Group	6.4	AstraZeneca	2.6
Reckitt Benckiser	5.1	Pepsico	2.6
Diageo	4.6	WPP	2.5
Sage Group	4.4	Bunzl	2.3
Smiths Group	4.0	Howdens Joinery	2.3
Informa	3.8	Spectris	2.2
GlaxoSmithKline	3.8	Euromoney Institutional Investor	2.2
Smith & Nephew	3.3	Ashmore Group	2.1
Compass Group	3.2	Hays	2.1
% of Portfolio in Top 20 Holdings	70.8		

SECTOR ALLOCATION (%)

Consumer Goods	29.2
Media	17.6
Support Services	11.9
Engineering	11.5
Healthcare	9.7
Technology	9.5
Financials	4.1
Real Estate	1.4
Retailers	0.6
Cash	4.5

SIZE ALLOCATION (%)

Large Cap	74.2
Mid Cap	18.7
Small Cap	2.6
Cash	4.5

GEOGRAPHICAL ALLOCATION (%)

United Kingdom	83.6
United States	9.5
Europe	2.4
Cash	4.5

DIVIDENDS

ANNUAL DIVIDEND PAYMENTS

Year	Pence/share	Year-on-year change	UK CPI (Inflation)
2010	3.97	n/a	+4.3%
2012	4.34	+9.3%	+3.7%
2012	4.66	+7.6%	+2.8%
2013	5.02	+7.6%	+1.7%
2014	5.57	+11.0%	+0.0%
2015	6.27	+12.4%	+0.3%
2016	6.42	+2.4%	+2.3%
2017	6.65	+3.6%	+2.7%
2018	6.93	+4.2%	+2.7%
2019	7.23	+4.3%	+1.9%

B Inc Shares, calculated to end of February 2019.

INCOME GENERATED FROM £100 INVESTMENT OVER 5 YEARS

B Inc Shares	£26.42
FTSE All-share	£22.40

Source: FT & Financial Express, date of investment 28/02/2014.

Contact Us

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Authorised Corporate Director & Administrator:
T. Bailey Fund Services Ltd
(www.tbaileys.co.uk/funds/tb-evenlode-investment-funds)

SHARE CLASS DETAILS

A SHARES (LEGACY)

B SHARES (CLEAN)

C SHARES (INSTITUTIONAL)

	A ACC	A INC	B ACC	B INC	C ACC	C INC
SEDOL Codes	BDoB791	BDoB7B3	BDoB7C4	BDoB7D5	BDoB7F7	BDoB7G8
Share Price (pence)	338.00	237.35	354.64	249.16	356.14	250.21
Minimum Lump Sum	£1,000		£1,000		£10 million	
Initial Charge ¹	5% ¹		5% ¹		5% ¹	
IFA Legacy Trail Commission	0.5% p.a.		N/A		N/A	
Periodic Charge - Equivalent to OCF ²	1.40% taken from capital		0.90% taken from capital		0.80% taken from capital	
Regular Savings Option Available?	Yes - minimum £50 per month		Yes - minimum £50 per month		No	

- The fund remains available to existing investors with 0% initial charge
- For full information on the periodic charge please refer to section 7.2 of the full Prospectus

IMPORTANT INFORMATION

This Factsheet has been produced by Evenlode Investment Management Limited. TB Evenlode Income is a sub-fund of the TB Evenlode Investment Funds ICVC. Full details of the TB Evenlode Investment Funds, including risk warnings, are published in the TB Evenlode Investment Funds Prospectus, the TB Evenlode Investment Funds Supplementary Information Document (SID) and the TB Evenlode Investment Funds Key Investor Information Documents (KIIDs) which are available on request and at www.evenlodeinvestment.com. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. Evenlode Investment Management Limited is authorised and regulated by the Financial Conduct Authority, No. 767844. T. Bailey Fund Services Limited is authorised and regulated by the Financial Conduct Authority, No. 190293.

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