

# EVENLODE INCOME

## MONTHLY FACTSHEET

all data as at 31 August 2014



**EVENLODE**  
INVESTMENTS FOR LIFE

## MANAGER COMMENTARY

During August the UK stock market managed to shrug off an uncertain geopolitical backdrop and recover much of the ground lost in June and July. Evenlode rose +2.5% over the month compared to a rise of +1.9% for the IMA UK Equity Income Sector and +2.2% for the FTSE Allshare.

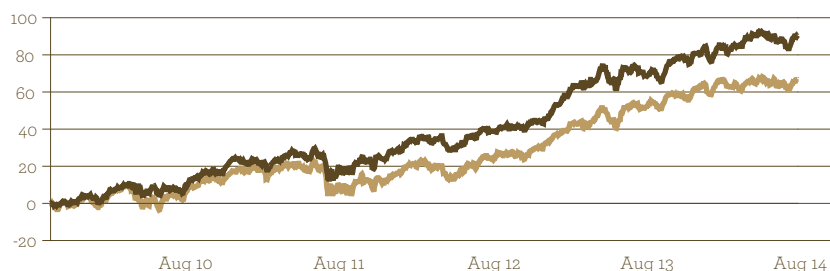
It was a quiet month for company newsflow. The most positive contributors to the fund were Sage, Glaxosmithkline and Unilever, all of which performed better after a poor July. Glaxo was helped by some better news on its pipeline. More generally, a weaker month for the pound improved sentiment towards UK listed companies with global operations. The only significant negative performer was Domino Printing, which fell -6% on no specific news.

We continue to steadily evolve the portfolio in order to retain an attractive combination of quality, value and dividend yield. We have reduced our positions in Smith & Nephew and SABMiller, both of which have performed well this year on takeover rumours. We have also begun to reduce Reckitt Benckiser and (since the month end) Microsoft - again, on valuation considerations. On the buy side, we have added to several existing holdings where we see better value and attractive dividends (such as Diageo, Imperial, Pearson, Jardine Lloyd Thomson, Domino Printing and BAT). We have also built up small positions in Informa and Spectris over the last few weeks - both are asset-light businesses that, on our estimates, trade on compelling forward cash returns.

Evenlode went 'ex' a 13p\* second quarter dividend on 1st September. This distribution is in-line with the first quarter dividend and represents an increase of +13% year-on-year. Underlying dividend growth remains healthy. The dividend account has also been helped this year by Compass's special dividend in July.

\*B Inc Estimate

## PERFORMANCE SINCE LAUNCH (%)



## CUMULATIVE PERFORMANCE

	YTD	3 Months	6 Months	1 Year	3 Years	Launch <sup>2</sup>
■ Fund <sup>1</sup>	5.1	-1.1	3.2	12.6	62.9	90.5
■ Sector	3.0	-0.2	0.2	10.4	52.1	66.9
Rank In Sector	11/88	69/88	6/88	21/88	11/82	5/76
Quartile	1	4	1	1	1	1

## DISCRETE ANNUAL PERFORMANCE

	30.08.13 29.08.14	31.08.12 30.08.13	31.08.11 31.08.12	31.08.10 31.08.11	31.08.09 31.08.10
Fund <sup>1</sup>	12.6	22.1	18.5	9.1	n/a
Sector	10.4	21.6	13.3	7.1	n/a

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. Evenlode Income B Inc

2. From launch date: 19 October 2009

Past performance is not a reliable indicator of future performance.

## 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
- ✓ Invest across the market-cap spectrum

## FUND MANAGERS



### Hugh Yarrow - Lead Portfolio Manager

Hugh launched Evenlode Income in October 2009. From 2002 to 2009 Hugh managed several equity income funds at Rathbone Unit Trust Management, having graduated from the University of Edinburgh with a first-class degree in philosophy and mathematics. He is a fellow of the Chartered Institute for Securities and Investment and holds the Investment Management Certificate.



### Ben Peters - Co-manager

Ben has been the investment analyst for Evenlode Income since the fund's launch. He became co-manager in December 2012. Ben 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 and a first-class degree from University College London, both in the field of physics.

## KEY DETAILS

IMA sector	UK Equity Income
Launch date	19 Oct 2009
Fund value	£196 million
Holdings	29
Historic yield <sup>3</sup>	3.59%
Div ex dates	1 Mar, Jun, Sep, Dec
Div pay dates	end Apr, Jul, Oct, Jan

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

## SHARE PRICES (pence)

Share Class	SEDOL	Price
B Inc	B40Y5R1	159.44
B Acc	B40SMR2	190.08
A Inc	B42KJH5	155.98
A Acc	B42KPP5	185.61

## FURTHER INFORMATION

**springcapital**

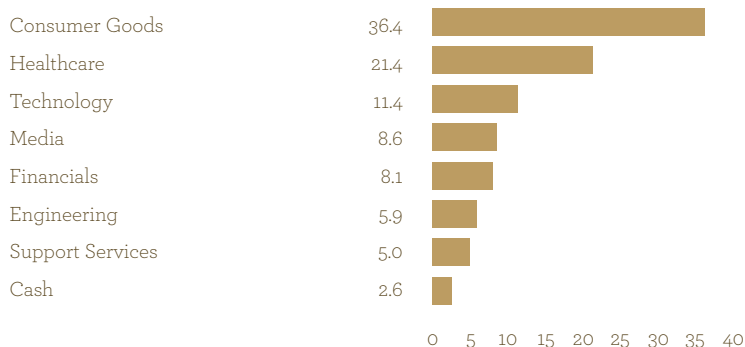
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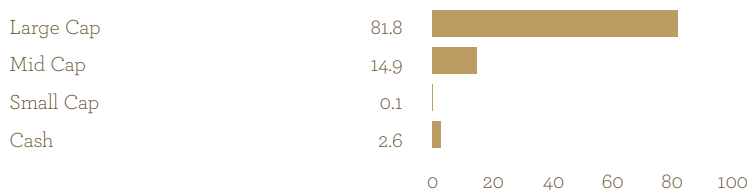


## PORTFOLIO ANALYSIS

### SECTOR ALLOCATION (%)



### SIZE ALLOCATION (%)



### DIVIDEND PAYMENTS (rates paid per share in pence for B Income units)

Year (to end of February)	Annual Dividend	Year-on-Year Change
2011	4.33	n/a
2012	4.67	+8.0%
2013	5.01	+7.3%
2014	5.57	+10.9%

### B SHARES (clean class)

SEDOL Codes	Acc: B40SMR2	Inc: B40Y5R1
Minimum Lump Sum	£1,000	
Initial Charge	0%	
Investment Management Fee	0.75% taken from capital	
Ongoing Charges Figure <sup>1,2</sup>	1.14% taken from capital	
Regular Savings Option Available?	Yes - minimum £50 per month	

### A SHARES (legacy class)

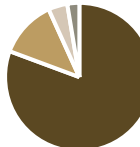
SEDOL Codes	Acc: B42KPP5	Inc: B42KJH5
Minimum Lump Sum	£1,000	
Initial Charge	0%	
Investment Management Fee	0.75% taken from capital	
IFA Legacy Trail Commission	0.5% p.a.	
Ongoing Charges Figure <sup>1,3</sup>	1.64% taken from capital	
Regular Savings Option Available?	Yes - minimum £50 per month	

### TOP TEN HOLDINGS (%)

Unilever	8.4
Glaxosmithkline	7.4
Diageo	6.1
Reckitt Benckiser	5.9
Sage	5.7
Imperial Tobacco	5.1
Reed Elsevier	4.5
Procter & Gamble	4.3
Astrazeneca	4.2
Pearson	4.1
<b>Total</b>	<b>55.7</b>

### GEOGRAPHICAL ALLOCATION (%)

United Kingdom	80.2
United States	12.5
Europe	4.1
Cash	2.6



## HOW TO INVEST

Evenlode Income is available as an OEIC and is also suitable to include in stocks and shares ISAs and SIPPs. You can buy shares in the fund by visiting [www.tbailey.co.uk/wise](http://www.tbailey.co.uk/wise); by telephoning the TB Wise Investor Dealing Line on 0115 988 8258 (open business days between 9am and 5pm); or through various third parties including Cofunds, Transact, Ascetric, Hargreaves Lansdown, Axa Winterthur, Axa Elevate and Standard Life.

## CONTACT US

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0845 803 3433

[www.evenlodeinvestment.com](http://www.evenlodeinvestment.com)

Authorised Corporate Director & Administrator:  
T. Bailey Fund Managers Ltd (see [www.tbailey.co.uk/wise](http://www.tbailey.co.uk/wise))

- 1 The Ongoing Charges Figure is based on the expenses incurred by the fund for the 12 months ended 28th February 2013. The figure may vary year to year.
- 2 Includes Investment Management Fee.
- 3 Includes IFA legacy trail commission and Investment Management Fee.
- 4 Please note that estimated and forecast dividend payments are indicative only and are not guaranteed.

## IMPORTANT INFORMATION

Evenlode Income is a sub-fund of the TB Wise OEIC. Full details of the TB Wise Funds, including risk warnings, are published in the TB Wise Funds Prospectus, the TB Wise Supplementary Information Document (SID) and the TB Wise Key Investor Information Documents (KIIDs) which are available on request and at [www.wiseinvestment.co.uk](http://www.wiseinvestment.co.uk). The TB Wise Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested. Capital appreciation in the early years will be adversely affected by the impact of initial charges and you should therefore regard your investment as medium-to-long term. As a concentrated portfolio of 20 to 30 investments Evenlode Income carries more risk than a fund spread over a large number of stocks. The fund has the ability to invest in derivatives for the purposes of EPM, which may restrict gains in a rising market. Investments in overseas equities may be affected by changes in exchange rates, which could cause the value of your investment to increase or diminish. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. Wise Investments Limited is authorised and regulated by the Financial Conduct Authority, No. 230553. T. Bailey Fund Managers Limited is authorised and regulated by the Financial Conduct Authority, No. 190293.

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