

# EVENLODE INCOME



**EVENLODE**  
INVESTMENTS FOR LIFE

## MONTHLY FACTSHEET

all data as at 31 July 2016

### MANAGER COMMENTARY

The UK stock market rallied strongly in July, with Evenlode rising +7.4% compared to a return of +6.4% for the IA UK All Companies sector. The pound's depreciation has helped the market, given its positive impact on UK-listed multinationals. Leading economic indicators, particularly in the US, have also improved somewhat. In terms of UK focused stocks, performance has been mixed and dependent on recent trading updates. Some businesses have reported limited impact from Brexit so far, others are beginning to feel the effects.

Evenlode's strongest contributors to performance during the month were Astrazeneca, Microsoft and Fidessa, all of which released reassuring updates. The only negative contributor of note was Pearson. Though the company reiterated full year guidance, its interim results disappointed the market.

We added Pagegroup to the fund at the beginning of the month, after its shares fell sharply due to Brexit-related uncertainties. Page is a market-leading global recruitment company with good long-term potential thanks to structural growth in the outsourced recruitment market. We like Page's commitment to organic growth, its healthy cash generation and very strong balance sheet. We initiated the position on a dividend yield of more than 4%. Elsewhere we have trimmed back the fund's holding in Unilever on valuation grounds and added to several smaller companies that were hit hard in the first week or two following Brexit (Fidessa, Spectris, Jardine Lloyd Thomson, WS Atkins, Paypoint, Aveva, Halfords, DMGT etc.).

July was a busy month for company news flow, and the vast majority of Evenlode holdings have released results or trading updates in the last two weeks. We continue to be encouraged by the aggregate cash generation and dividend growth that the fund's underlying companies are producing, despite a very mixed economic backdrop.

### PERFORMANCE SINCE LAUNCH (%)



### CUMULATIVE PERFORMANCE

	YTD	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	Launch <sup>1</sup>
■ Fund <sup>2</sup>	15.9	12.2	18.1	18.2	43.4	97.0	146.6
■ Sector	3.2	4.3	8.9	0.9	16.8	47.0	74.7
Rank in sector	2/266	3/267	6/266	1/263	5/252	10/240	11/226
Quartile	1	1	1	1	1	1	1

### DISCRETE ANNUAL PERFORMANCE

	31/07/15	31/07/14	31/07/13	31/07/12	31/07/11
	31/07/16	31/07/15	31/07/14	31/07/13	31/07/12
■ Fund <sup>2</sup>	18.2	12.2	8.1	24.7	10.2
■ Sector	0.9	8.6	6.7	27.3	-1.1

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. Evenlode Income B Inc Shares



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### 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

### 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.

CITYWIRE / AAA



#### 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.

CITYWIRE / AAA



#### CHRIS ELLIOTT Investment Analyst

Chris studied Maths and Economics at Cambridge University and then spent 5 years as a senior software engineer at Oxford University Press, before joining Evenlode Income in March 2015. Chris is a member of the CFA Society of the UK and has successfully passed the examinations for all three levels of the Chartered Financial Analyst qualification.

### Key Details

IA Sector	UK All Companies
Launch date	19 October 2009
Fund value	£934.0 million
Holdings	40
Historic yield <sup>3</sup>	3.40%
Active share	76.15%
Div ex dates	1 Mar, Jun, Sep, Dec
Div pay dates	end Apr, Jul, Oct, Jan

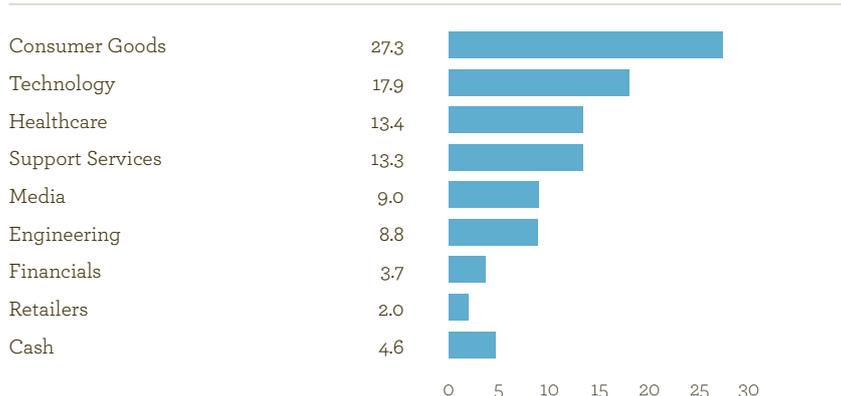
3. The historic yield reflects distributions over the past 12 months as a percentage of the price of the B share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

Citywire rating is source & copyright of Citywire. Hugh Yarrow and Ben Peters have been awarded a AAA rating by Citywire for their 3 year risk-adjusted performance for the period 31/07/2013 - 31/07/2016.

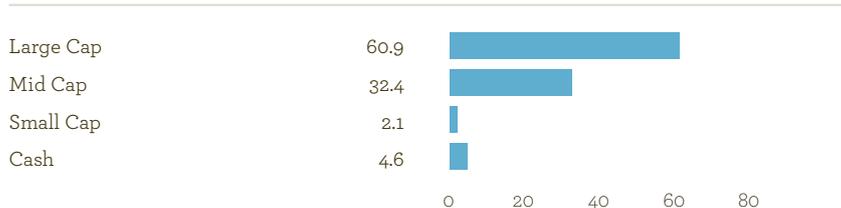
## PORTFOLIO ANALYSIS



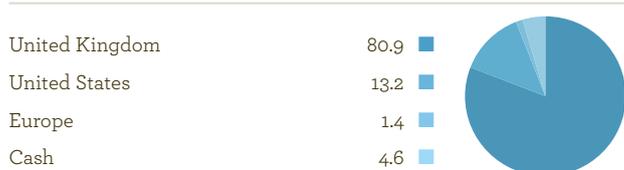
### SECTOR ALLOCATION (%)



### SIZE ALLOCATION (%)



### GEOGRAPHICAL ALLOCATION (%)



## DIVIDENDS

### ANNUAL DIVIDEND PAYMENTS (B INC SHARES)

Year (to end of February)	2012	2013	2014	2015	2016
Annual Dividend (pence per share)	4.66	5.02	5.57	6.27	6.42
Year-on-Year Change	+7.6%	+7.6%	+11.0%	+12.4%	+2.4%

### INCOME GENERATED FROM £100 INITIAL INVESTMENT OVER 5 YEARS (B INC SHARES)

Evenlode Income	£23.75
UK Market	£19.14

Source: FT & Financial Express, date of investment 01/02/2011.

### SHARE CLASS DETAILS

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	B42KPP5	B42KJH5	B40SMR2	B40Y5R1	BWTN5R5	BWT6GM6
Share Price (pence)	238.01	184.83	245.99	191.16	246.29	191.40
Minimum Lump Sum	£1000		£1000		£10 million	
Initial Charge	0%		0%		0%	
IFA Legacy Trail Commission	0.5% p.a.		N/A		N/A	
Periodic Charge - Equivalent to OCF <sup>1</sup>	1.45% taken from capital		0.95% taken from capital		0.85% taken from capital	
Regular Savings Option Available?	Yes - minimum £50 per month		Yes - minimum £50 per month		No	

1. For full information on the periodic charge please refer to section 7.2 of the full Prospectus

## 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.evenlodeinvestment.com](http://www.evenlodeinvestment.com). 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, you should therefore regard your investment as medium-to-long term. As a concentrated portfolio of typically less than 40 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 Services Limited is authorised and regulated by the Financial Conduct Authority, No. 190293. Evenlode is a trading brand of Wise Investments Limited.

### TOP TWENTY HOLDINGS (%)

Diageo	6.8
Unilever	6.0
Sage Group	4.7
AstraZeneca	4.6
GlaxoSmithKline	4.6
Johnson & Johnson	4.2
Microsoft	4.2
Procter & Gamble	3.5
Smith Group	3.1
Compass Group	3.0
Imperial Brands	2.8
Burberry Group	2.5
IG Group	2.4
Spectris	2.4
Paypoint	2.4
Informa	2.4
Aveva Group	2.3
Jardine Lloyd Thompson	2.3
Daily Mail & General Trust	2.3
Fidessa Group	2.2
<b>Total</b>	<b>68.7</b>

### 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.tbaileysfs.co.uk/funds/tb-wise-investment-funds](http://www.tbaileysfs.co.uk/funds/tb-wise-investment-funds); 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, Ascentric, Hargreaves Lansdown, Axa Winterthur, Axa Elevate and Standard Life.

### Contact Us

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