

# TB EVENLODE INCOME



**EVENLODE**  
INVESTMENTS FOR LIFE

## MONTHLY FACTSHEET

all data as at 31 August 2017

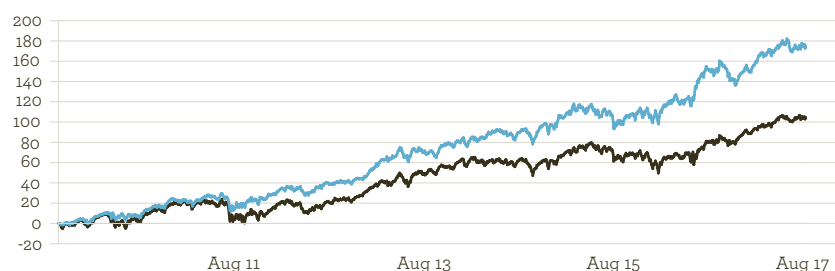
### MANAGER COMMENTARY

The UK market continued to tick higher in August, as newswires were filled with company results, Brexit negotiations and rising North Korean tensions. Evenlode rose +0.9% compared to a rise of +0.5% for the IA UK All Companies Sector and +1.4% for the UK market. The fund's strongest contributors were Smith & Nephew, Microsoft, Unilever and Diageo, all of which benefited from recent positive results. In terms of negative contributors, shares in Fidessa and WPP weakened after releasing interim results. For WPP, we acknowledge current industry headwinds, but think longer-term potential is positive thanks to a strong competitive position and a business model increasingly oriented to digital services and data analytics. WPP's dividend yield of nearly 5% is growing and well supported by free cash flow. We viewed Fidessa's recent results as reassuring, and the company remains committed to consistent, meaningful investment in organic growth. Elsewhere, the fund has benefited (since the month end) from Aveva's agreement to combine its business with Schneider Software – a deal that looks attractive for shareholders and has a clear strategic and commercial logic.

In a tough economic and geopolitical environment, we are reassured by the progress Evenlode companies are making, and in particular the free cash flow that the aggregate portfolio continues to generate, which helps support the dividend flow. The fund went 'ex' a second quarter dividend of 1.54p\* on 1st September, in-line with the first quarter and +6.2% year-on-year. Over the medium term, I continue to view moderate real dividend growth as a realistic aspiration for the asset-light businesses on which Evenlode is focused.

\*B Income shares, estimated.

### PERFORMANCE SINCE LAUNCH (%)



### CUMULATIVE PERFORMANCE

	YTD	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	Launch <sup>1</sup>
■ Fund <sup>2</sup>	10.4	-1.5	5.0	10.1	44.3	98.3	174.9
■ Sector	9.1	-0.7	6.0	13.8	25.7	70.4	104.7
Rank in sector	71/264	191/266	141/266	207/260	14/246	44/234	19/214
Quartile	2	3	3	4	1	1	1

### DISCRETE ANNUAL PERFORMANCE

	31/08/17	31/08/16	31/08/15	31/08/14	31/08/13	31/08/12
■ Fund <sup>2</sup>	10.1	25.6	4.4	12.6	22.1	
■ Sector	13.8	8.9	1.5	9.7	23.6	

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

### 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 TB 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 TB 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 Investment Management 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 <sup>3</sup>	19 October 2009
Fund value	£1,484.0 million
Holdings	37
Historic yield <sup>4</sup>	3.30%
Active share	80.24%
Div ex dates	1 Mar, Jun, Sep, Dec
Div pay dates	end Apr, Jul, Oct, Jan

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 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 31/08/2014 - 31/08/2017.



Please contact Spring Capital Partners, in the first instance.

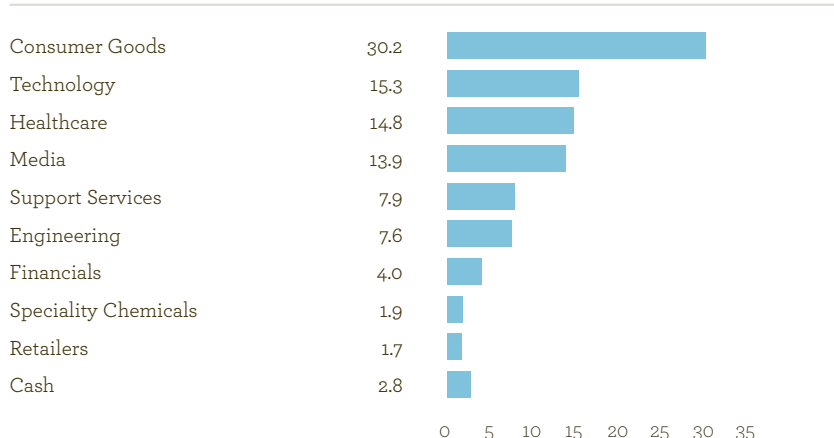
**springcapital**

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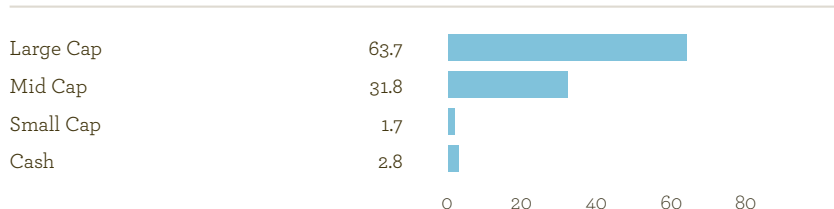
## PORTFOLIO ANALYSIS



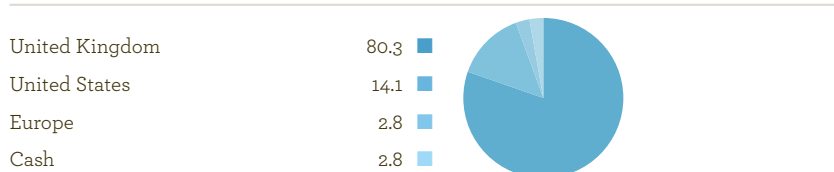
### SECTOR ALLOCATION (%)



### SIZE ALLOCATION (%)



### GEOGRAPHICAL ALLOCATION (%)



## DIVIDENDS

### ANNUAL DIVIDEND PAYMENTS (B INC SHARES)

Year (to end of February)	2013	2014	2015	2016	2017
Annual Dividend (pence per share)	5.02	5.57	6.27	6.42	6.65
Year-on-Year Change	+7.6%	+11.0%	+12.4%	+2.4%	+3.6%

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

TB Evenlode Income	£25.30
UK Market	£20.42

Source: FT & Financial Express, date of investment 28/02/2012.

### TOP TWENTY HOLDINGS (%)

Unilever	8.4
Diageo	8.3
Sage Group	4.8
Microsoft	4.3
Compass Group	4.0
GlaxoSmithKline	3.8
Johnson & Johnson	3.5
Smiths Group	3.4
Informa	3.3
Procter & Gamble	3.0
AstraZeneca	3.0
Smith & Nephew	2.7
Burberry Group	2.5
PageGroup	2.3
Pepsico	2.3
Jardine Lloyd Thompson	2.2
Spectris	2.2
Fidessa Group	2.2
UBM	2.1
PZ Cussons	2.1
<b>Total</b>	<b>70.4</b>

### How to Invest

TB 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.tbaileys.co.uk/funds/tb-evenlode-investment-funds](http://www.tbaileys.co.uk/funds/tb-evenlode-investment-funds); by telephoning the TB Evenlode Investor Dealing Line on 0115 988 8287 (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

The Long Barn, Chalford Park Barns, Oxford Road, Chipping Norton, Oxon OX7 5QR

01608 695 200 [www.evenlodeinvestment.com](http://www.evenlodeinvestment.com)

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

## 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	BDoB791	BDoB7B3	BDoB7C4	BDoB7D5	BDoB7F7	BDoB7G8
Share Price (pence)	263.91	198.08	274.27	205.94	274.89	206.42
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

TB Evenlode Income is a sub-fund of the TB Evenlode Investment Funds OEIC. Full details of TB Evenlode Income, 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 Income Key Investor Information Documents (KIIDs) which are available on request and at [www.evenlodeinvestment.com](http://www.evenlodeinvestment.com). TB Evenlode Income is 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, TB Evenlode Income carries more risk than a fund spread over a large number of stocks. 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. 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