

# TB EVENLODE INCOME



**EVENLODE**  
INVESTMENTS FOR LIFE

## MONTHLY FACTSHEET

all data as at 30 September 2020

### MANAGER COMMENTARY

The UK stock market drifted back in September, with the economic backdrop painting a complex and mixed picture. Coronavirus cases have risen again, particularly in Europe, with further lockdown measures being reintroduced in several geographies, including the UK. Meanwhile, the US election approaches, Brexit talks rumble on, global monetary and fiscal stimulus remains extremely accommodative and coronavirus vaccine programmes continue to progress. The Evenlode Income fund rose +0.1% during the month compared to a fall of -1.8% for the IA UK All Companies sector and -1.7% for the FTSE All-Share.

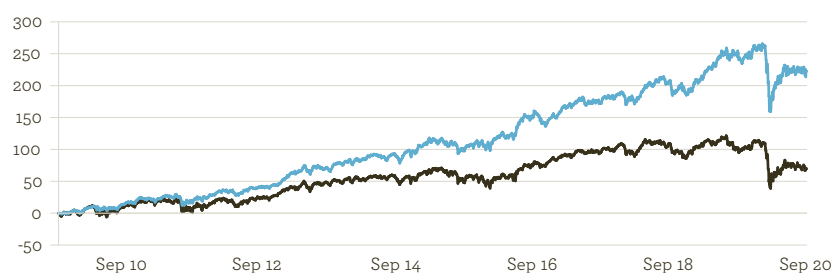
The most positive contributors to performance were Unilever, Diageo and Intertek. Unilever announced shareholder approval for its plan to unify its legal structure under a single parent company based in London. Diageo announced better-than-expected trading over recent weeks, helped by the gradual re-opening of bars and restaurants around the world, and a particularly strong performance from its US business. Intertek shares rose on no specific news.

The most negative contributors to return were Ashmore, Moneysupermarket and Schroders. Ashmore announced final results: its balance sheet remains very strong and the dividend was increased, but market conditions led to a -9% decline in assets under management. For Moneysupermarket, new rules on how insurers price their policies are being introduced, which may have some effect on the level of customer switching in this area. Schroders shares fell on no specific news.

There were no major changes to the portfolio but we continued to add to several holdings that we think provide an attractive combination of resilience, cash generation and valuation appeal. Holdings added to included Relx, Diageo, Intel, Ashmore, Spectris, Cisco, Glaxosmithkline and Smiths Group. We also trimmed positions in Kone and Astrazeneca for valuation reasons.

Though the short-term outlook remains uncertain, we are reassured by the adaptability, healthy cash generation and long-term growth potential of the high quality companies that make up the Evenlode Income portfolio.

### PERFORMANCE SINCE LAUNCH (%)



### CUMULATIVE PERFORMANCE

	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	10 Yrs	Launch <sup>1</sup>
<b>Fund<sup>2</sup></b>	-0.5	11.4	-8.3	17.6	61.6	183.9	222.9
<b>Benchmark</b>	-2.9	7.0	-16.6	-9.3	18.6	63.9	78.8
IA Sector	-1.0	13.1	-12.8	-7.9	16.9	72.4	89.2
Rank in sector	98/249	128/249	65/246	17/238	10/223	11/194	9/190
Quartile	2	3	2	1	1	1	1

### CALENDAR YEAR PERFORMANCE

	2020 YTD	2019	2018	2017	2016	2015
<b>Fund<sup>2</sup></b>	-9.7	24.3	0.4	15.2	17.1	8.4
<b>Benchmark</b>	-19.9	19.2	-9.5	13.1	16.8	1.0
IA Sector	-18.5	22.2	-11.2	14.0	10.8	4.9

#### Past performance is not a reliable indicator of future results.

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.

- From launch date: 19 October 2009
- TB Evenlode Income B Inc Shares
- Evenlode Income was merged through a scheme of arrangement into TB Evenlode Income on 1 September 2017. Performance and dividend history are unaffected.
- 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.
- Active share is calculated against the fund's Comparator Benchmark, the FTSE All-Share Index.

Please contact Spring Capital Partners, in the first instance.

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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
- ✓ Aims to provide income and capital growth over rolling periods of 5 years
- ✓ 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 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 at least 5 years

### Fund Managers



#### HUGH YARROW Fund 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.



#### BEN PETERS Fund 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 AAA rating by Citywire for their 3 year risk-adjusted performance for the period 31/08/2017 - 31/08/2020.

### Key Details

Comparator Benchmark	FTSE All-Share
Sector	IA UK All Companies
Launch date <sup>3</sup>	19 October 2009
Fund value	£3,688 million
Holdings	39
Historic yield <sup>4</sup>	3.1%
Active share <sup>5</sup>	77.3%
Div ex dates	1 Mar, Jun, Sep, Dec
Div pay dates	end Apr, Jul, Oct, Jan





## PORTFOLIO ANALYSIS

### TOP TWENTY HOLDINGS (%)

Unilever	9.7	AstraZeneca	2.6
RELX Group	7.0	Intertek Group	2.5
Reckitt Benckiser	7.0	Cisco Systems	2.4
Sage Group	6.0	Schroders	2.4
Diageo	5.7	Spectris	2.3
GlaxoSmithKline	4.9	Intel	2.2
Bunzl	4.2	Howdens Joinery	2.1
Smiths Group	3.2	IBM	1.9
Procter & Gamble	2.9	Microsoft	1.9
Pepsico	2.7	Ashmore Group	1.8

**% of Portfolio in Top 20 Holdings** **75.4**

### SECTOR ALLOCATION (%)

Consumer Goods	33.7
Technology	15.2
Media	13.7
Support Services	12.0
Engineering	10.6
Healthcare	8.9
Finance	4.2
Real Estate	1.1
Cash	0.6

### SIZE ALLOCATION (%)

Large Cap	80.6
Mid Cap	16.6
Small Cap	2.2
Cash	0.6

### GEOGRAPHICAL ALLOCATION (%)

United Kingdom	81.5
United States	13.9
Europe	3.9
Cash	0.6

## DIVIDENDS

### ANNUAL DIVIDEND PAYMENTS

Year	Pence/share	Year-on-year change	UK CPI (Inflation)
2010	1.22	n/a	+3.0%
2011	4.33	n/a*	+4.4%
2012	4.67	+7.9%	+3.4%
2013	5.02	+7.5%	+2.8%
2014	5.57	+11.0%	+1.7%
2015	6.27	+12.6%	+0.0%
2016	6.42	+2.4%	+0.3%
2017	6.65	+3.6%	+2.3%
2018	6.93	+4.2%	+2.7%
2019	7.23	+4.3%	+1.9%
2020	7.45	+3.0%	+1.7%

B Inc Shares. Pence/share figures relate to the fund's financial year ended February of the relevant year.

\*Period ended 28 February 2011 was the first full 12-month period.

### INCOME GENERATED FROM £100 INVESTMENT OVER 5 YEARS

B Inc Shares	£20.81
FTSE All-Share	£19.48

Source: Financial Express, date of investment 30/09/2015. FTSE All-Share figures calculated from representative tracker fund.

### Contact Evenlode

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## SHARE CLASS DETAILS

### B SHARES (CLEAN)

### C SHARES (INSTITUTIONAL)

	B ACC	B INC	C ACC	C INC
SEDOL Codes	BDoB7C4	BDoB7D5	BDoB7F7	BDoB7G8
Share Price (pence)	322.09	218.18	323.82	219.35
Minimum Lump Sum	£1,000		£10 million	
Initial Charge <sup>1</sup>	5% <sup>1</sup>		5% <sup>1</sup>	
IFA Legacy Trail Commission	N/A		N/A	
Periodic Charge - Equivalent to OCF <sup>2</sup>	0.87%		0.77%	
Regular Savings Option Available?	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 7.1 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](http://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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