

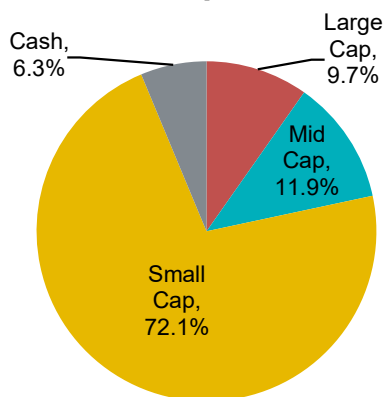
## Commentary

A catalyst is great, but when a stock gets cheap enough we can live without one. We recently looked at how the chemicals business, Synthomer, had jumped 80% on little news (now +110%). This month it was the turn of the specialist media company, Future plc (FUTR), which we discussed in December ('the shares could double and still be cheap versus comparable businesses'). FUTR's 1H numbers showed operational performance was in-line with broker expectations, while strong cashflow allowed management to top-up the share buy-back programme. In response, the shares returned 60% in the month. Meanwhile, the power supply manufacturer, XP Power, which we added to the portfolio in March, rose 38% this month, on news that management had rejected a series of takeover bids. Despite some strong moves UK Valueland, our 'To Do' list - which includes the reviled, the beaten-up and the left-for-dead - is abundant.

## Top Ten Holdings

1	Future	6.3%
2	Enquest	6.3%
3	Marston's	6.0%
4	Costain Group	5.8%
5	TT Electronics	5.3%
6	Somero Enterprises	4.9%
7	Eurocell	4.6%
8	Int'l Personal Finance	4.2%
9	WPP	4.2%
10	Synthomer	4.1%
TOTAL		51.8%

## Portfolio by Size



Small Cap below £500m,  
Mid Cap from £500m to £3,000m,  
Large Cap above £3,000m

## Portfolio Characteristics

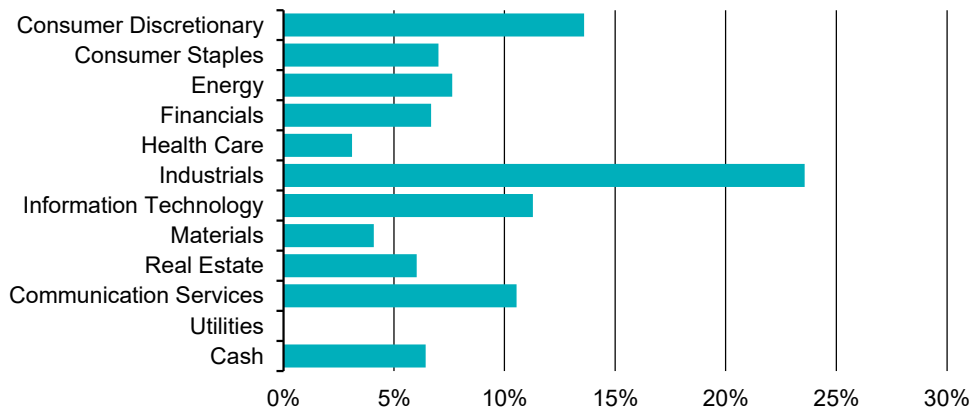
Holdings (ex cash) that:	
Trade at < TBV <sup>†</sup>	28.4%
Trade at < 10x P / E <sup>††</sup>	80.6%
Trade at > 10% FCFE yield <sup>†</sup>	50.4%
Have balance sheet net cash <sup>†^</sup>	27.2%

## Key Facts

Structure	UK NURS OEIC
AUM	£18.1m
Class A / B price	156.9p / 156.4p
Manager holding	8.7%
Holdings	26
Launch date	3 October 2016
Share type	Net accumulation
Class A OCF / Performance fee*	0.45% / 20% versus benchmark** + HWM
Class B OCF / Performance fee*	0.90% / nil

<sup>†</sup> Last reported / <sup>††</sup> Consensus forecast  
<sup>^</sup> Excluding IFRS16  
\* Refer to prospectus for full details  
\*\* MSCI UK IMI Net Dividends Reinvested

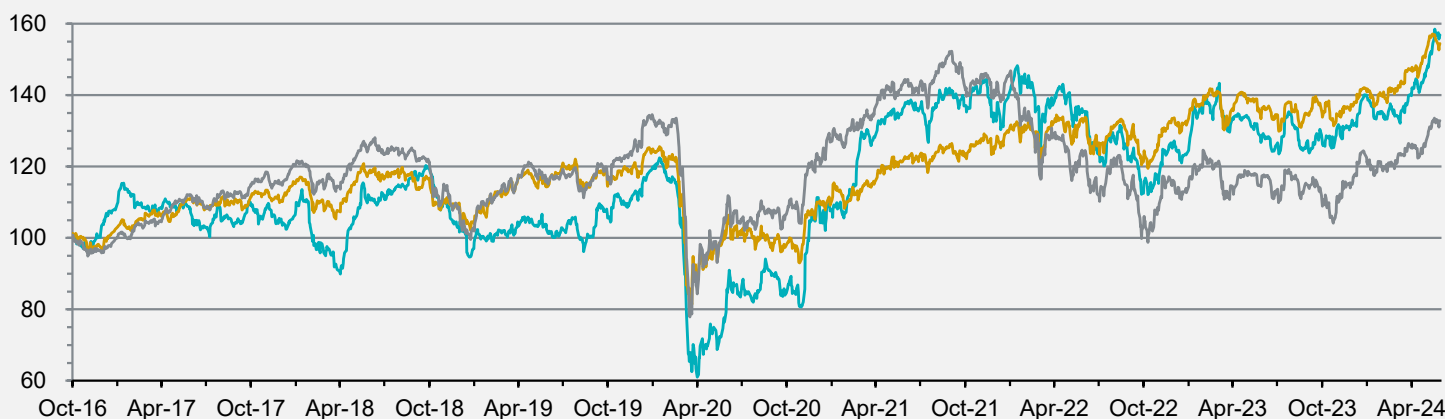
## Portfolio by Sector



## Performance

3 October 2016 – 31 May 2024

	1 m	6 m	1 y	3 y	5 y	Inception
Class A GBP Net Accumulation	7.5%	19.5%	23.8%	15.3%	53.2%	56.9%
MSCI UK IMI Net TR - rebased	2.4%	13.6%	15.8%	27.2%	35.2%	54.5%
MSCI UK Smallcap Net TR - rebased	5.7%	16.5%	16.1%	-7.1%	14.5%	32.8%



Past performance is not indicative of future results

## Investment Objective

The investment objective of the Fund is to generate capital growth over the long term by typically investing at least 70% in a concentrated portfolio of UK listed equities. The Fund follows a value philosophy, looking for situations in which investors have overreacted to events and valuations no longer reflect company fundamentals. The best opportunities often are found after a period of disappointment has created emotional reasons not to invest. Every investment requires a clear catalyst, which impacts on earnings, or the multiple the market applies to those earnings.

## Platforms

AJ Bell	Fidelity Adviser Solutions
Alliance Trust Savings	Fusion
Allfunds	Hargreaves Lansdown
Ascentric	Novia Global
Aviva	Quilter
Charles Stanley Direct	Raymond James
Cofunds	Transact
Embark	Valu-Trac Administration Services

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## Fund Manager



### Adam Rackley, CFA

After working as an analyst at the Alliance Trust, Adam joined Montanaro Asset Management, where he managed a smallcap income fund. Leaving the City in 2010, he taught the CFA qualification at BPP, and later managed equity research teams for CRISIL in Mumbai. In 2015 Adam returned to London and set-up Cape Wrath Capital. He has degrees in Philosophy, Politics & Economics, and Finance & Financial Law. Adam has served as a platoon commander with the 1st Battalion Black Watch and is the Principal at Curzon Financial Training. In his free time, Adam enjoys making marmalade and spending time outdoors with his children. He once took six months off to write a book ('Salt, Sweat, Tears'), and has swum the Channel, rowed the Atlantic, cycled Lands End to John o' Groats and run across England, Scotland and Wales.

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Class B GBP ISIN: GB00BYQLQV79

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