

# LINDSELL TRAIN

## UK Equity Fund

ALL DATA AS OF 30 APRIL 2024

MONTHLY REPORT | FACTSHEET

### Fund Objective & Policy

To deliver capital and income growth and provide a total return in excess of that of the FTSE All-Share TR Index by investing at least 70% of its assets in the shares of companies incorporated or domiciled in the UK. Up to 10% of assets may be invested in worldwide companies which are listed on an exchange in the UK.

The FTSE All-Share TR Index has been selected as it represents broad exposure to companies listed on the London Stock Exchange. The fund is not constrained by the target benchmark and will take positions in individual stocks that differ significantly from the Index with the aim of achieving a return in excess of the benchmark.

There is no guarantee that a positive return will be delivered.

### Calendar Year Total Return Performance (%) £

|                            | 2019        | 2020        | 2021        | 2022        | 2023        |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| WS LT UK Equity Fund (Acc) | +22.8       | -2.5        | +12.7       | -6.1        | +4.6        |
| FTSE-All Share TR Index    | +19.2       | -9.8        | +18.3       | +0.3        | +7.9        |
| <b>Relative Return</b>     | <b>+3.6</b> | <b>+7.3</b> | <b>-5.6</b> | <b>-6.4</b> | <b>-3.3</b> |

### Total Return Performance to 30th April 2024 (%) £

|                            | Annualised  |             |             |              |             |             |             | Since Launch |
|----------------------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|--------------|
|                            | 1m          | 3m          | YTD         | 1yr          | 3yr         | 5yr         | 10 yr       |              |
| WS LT UK Equity Fund (Acc) | -2.7        | -1.1        | -1.5        | -5.4         | +1.1        | +2.2        | +7.8        | +9.6         |
| FTSE-All Share TR Index    | +2.5        | +7.5        | +6.1        | +7.5         | +7.4        | +5.4        | +5.8        | +6.0         |
| <b>Relative Return</b>     | <b>-5.2</b> | <b>-8.6</b> | <b>-7.6</b> | <b>-12.9</b> | <b>-6.3</b> | <b>-3.2</b> | <b>+2.0</b> | <b>+3.6</b>  |

Source: Morningstar Direct & FTSE Russell (FTSE) © 2024. "FTSE Russell" and "FTSE" are trademarks of the London Stock Exchange Group companies and are used by FTSE Russell under licence. Fund performance is based on Acc shares. Total return is provided net of fees. For periods greater than one, returns are shown annualised.

Past performance is not a guide to future performance.

### Fund Information

|                     |   |
|---------------------|---|
| Type of Scheme      | Non UCITS Retail                                  |
| Launch Date         | 10 July 2006                                      |
| Classes             | Accumulation / Income / D Accumulation / D Income |
| Base Currency       | GBP (£)   |
| Benchmark           | FTSE All-Share TR Index                           |
| Dealing & Valuation | 10am each UK Business Day                         |
| Year End            | 31 May  |
| Dividend XD Dates   | 30 November, 31 May                               |
| Pay Dates           | 31 January, 30 September                          |

### Fund Assets

£3,559m

### Share Price

|       |         |
|-------|---------|
| Acc   | 509.56p |
| Inc   | 336.57p |
| D Acc | 209.74p |
| D Inc | 170.80p |

Source: Lindsell Train Limited and Link Fund Administrators Limited.

### Fund Profile

The portfolio is concentrated, with the number of stocks unlikely to exceed 35.

### Portfolio Manager

Nick Train

### Historic Gross Yield (Income Class)

Gross Yield 2.2%

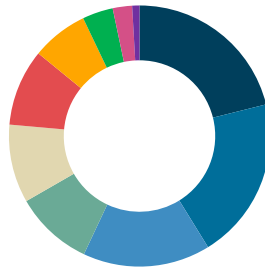
Source: Morningstar Direct.

The Historic Yield reflects distributions declared over the past twelve months as a percentage of the unit price, as at the date of this report. Investors may be subject to tax on their distributions, which will reduce the yield. 50% of the Fund's expenses are charged to capital, which has the effect of increasing the distributions but constraining the Fund's capital performance to an equivalent extent. The yield is not guaranteed or representative of future yields.

**Top 10 Holdings (% NAV)**

|                             |      |
|-----------------------------|------|
| Unilever                    | 9.95 |
| RELX                        | 9.74 |
| Experian                    | 9.73 |
| Diageo                      | 9.62 |
| Sage                        | 9.50 |
| London Stock Exchange Group | 9.44 |
| Mondelez                    | 6.98 |
| Burberry                    | 5.81 |
| Heineken                    | 5.03 |
| Schroders                   | 4.93 |

**Sector Allocation (% NAV)**



Allocation and holdings subject to change.

|                      |              |
|----------------------|--------------|
| Beverages            | 21.1         |
| Financial Services   | 20.1         |
| Personal Goods       | 15.8         |
| Media                | 9.7          |
| Support Services     | 9.7          |
| Software             | 9.5          |
| Food Producers       | 7.0          |
| Real Estate Services | 3.8          |
| Travel & Leisure     | 2.4          |
| Cash                 | 0.9          |
| <b>Total</b>         | <b>100.0</b> |

**Share Class Information**

|       | Minimum Investment | Management Fees | Ongoing Charges Figure (OCF)* | ISIN         | Sedol   |
|-------|--------------------|-----------------|-------------------------------|--------------|---------|
| Acc   | £500,000           | 0.60% p.a.      | 0.65% p.a.                    | GB00B18B9X76 | B18B9X7 |
| Inc   | £500,000           | 0.60% p.a.      | 0.65% p.a.                    | GB00B18B9V52 | B18B9V5 |
| D Acc | £200m              | 0.45% p.a.      | 0.50% p.a.                    | GB00BJFLM156 | BJFLM15 |
| D Inc | £200m              | 0.45% p.a.      | 0.50% p.a.                    | GB00BJFLM263 | BJFLM26 |

\*The OCF is a measure of the Fund’s total operating expenses over 12 months, including management fee, as a percentage of the Fund’s net assets averaged over the same period. The OCF is based on expenses and average assets for the 12 months to 31<sup>st</sup> May 2023. It is calculated by the Fund Administrator and published in the KIID, dated 7<sup>th</sup> February 2024. It is an indication of the likely level of costs and will fluctuate as the Fund’s expenses and average net assets change. The OCF excludes any portfolio transaction costs.

**Contacts**

**Investment Manager & Distributor**

Lindsell Train Ltd,  
66 Buckingham Gate,  
London,  
SW1E 6AU

Tel: +44 (0) 20 7808 1210  
info@lindselltrain.com

**Authorised Corporate Director (ACD)/**

**Authorised Fund Manager:**  
Waystone Management (UK) Limited

**Depository & Custodian**

The Bank of New York  
Mellon (International) Limited

**Fund Administrator,  
Dealing & Registration**

Link Fund Administrators  
Limited

Tel: 0345 922 0044  
Email: investorservices@linkgroup.com

Please refer to Lindsell Train's Glossary of Investment terms [here](#).

## Investment Team Commentary

---

Sometimes a portfolio just “clicks” and gains are effortless. At other times it seems that all the breaks are running against you. Sadly, the latter is the case with your Fund currently. Putting it simplistically: we do not own Oil and Mining shares and they have been going up. We own meaningful positions in premium and luxury consumer brand owners (Burberry and Diageo) and they have been going down. And the Data and Software companies that make up the biggest proportion of the portfolio and have performed strongly of late gave back some of their gains in April, falling in lock-step with US technology growth shares which were also weak.

Here I detail our (modest) portfolio activity over the month, in response to the opportunities presented by these unhelpful conditions. It is relatively rare that we can add to the “Magnificent 5” biggest holdings in the portfolio, because our positions in them are always close to the maximum permitted by your Fund's constitution. To remind you; the Magnificent 5 are Diageo, Experian, London Stock Exchange Group (LSEG), RELX and Sage – all UK-listed global growth stocks, with substantive global growth opportunities and all, in our opinion, attractively valued compared to those growth opportunities and global peers. However, in April, because of share price weakness, we have been able to add to both Diageo and LSEG.

Diageo being out of favour is well-established and it is possible the next set of results will disappoint already low expectations. Nonetheless, Diageo's shares have now fallen over 30% from their peak in 2021 and we are sure it is right to be looking ahead to better trading for the company. In our view, Diageo shares will likely recover before those better conditions are confirmed.

LSEG sold off with the NASDAQ, confirming its warranted correlation with other global Data and Technology platform businesses. That correlation is a very attractive characteristic longer-term, we think. In addition, LSEG's Q1 update perhaps mildly disappointed some investors. To us, though, the key aspect of the numbers was the corroboration they provided of one of the central pillars of the LSEG investment case. To that point, within the update the CEO remarked that “the breadth of our product offering and our diversification really allows us to serve our customers in a very different way from our competitors.” The company was able to point to the winning of a significant new deal with a major global bank as evidence of the emerging strategic benefits of its merger with Refinitiv.

Share price weakness in Rightmove has allowed us to build our holding on attractive terms, we believe. We see the potential for Rightmove to be a much bigger business over coming years, as it embeds itself ever more deeply into the UK's property transaction ecosystem. With Rightmove now a c.4% holding in the Fund, that upside will make a material difference if and when it eventuates. In addition, we have added, but more modestly, to the existing holdings in Hargreaves Lansdown and Unilever. Recent results from both businesses were better than investors feared and we think both are still valued as if they will never grow again, which seems excessively pessimistic.

There are no portfolio holdings that we are negative on, but, at the margin, when we take advantage of weak share prices of our most favoured holdings, we fund them by reductions of the non-UK positions in the Fund. We continue to believe the long period of underperformance from the UK stock market has thrown up opportunities that we are keen to capture. In late April the two multi-billion pound bids – one for a UK listed mining company, Anglo American and the other for one of the UK's rare technology companies, Darktrace – reinforce our sense that the UK market is pregnant with value and opportunity. We do not own Anglo or Darktrace and we don't want any of our companies to be bid for at current valuations, but we hope and expect your portfolio will participate in any improved confidence about London-listed equities.

### **Nick Train, 9<sup>th</sup> May 2024**

The top three absolute contributors to the Fund's performance in April were Hargreaves Lansdown, Unilever and Mondelez, and the top three absolute detractors were Sage, Experian and LSEG.

**Source: Lindsell Train, Morningstar & Bloomberg. All data as of 30th April 2024.**

**Note: All stock returns are total returns in local currency unless otherwise specified.**

## Important Information

---

This document is for information only and is not to be construed as a solicitation, recommendation or an offer to buy or sell any security, fund or financial instrument. This document is a marketing communication and has no regard for the specific investment objectives, financial situation or needs of any specific investor. This is not a contractually binding document. If in doubt, investors should seek advice from a financial advisor prior to investing. Any decision to invest should be based on information contained within the prospectus of the Fund, the Key Investor Information Documents (KIIDs) and the latest report and accounts. No investment decision should be based on this communication alone. Any references to specific securities are for the purposes of illustration only. Fund performance data is calculated net of fees with income reinvested unless stated otherwise. All performance and income data is in relation to the stated share class, performance of other share classes may differ. The dividend yield is not guaranteed and will fluctuate. There is no guarantee that the fund will achieve its objectives. Any change in the tax status of a Fund or in tax legislation could affect the value of the investments held by the Fund or its ability to provide returns to its investors. The tax treatment of an investment, and any dividends received, will depend on the individual circumstances of the investor and may be subject to change in the future.

Past performance is not a guide or guarantee to future performance. Investments carry a degree of risk and the value of investments and any income from them may go down as well as up and you may not get back the amount you originally invested. Investments may be affected by market or currency fluctuations. All references to benchmarks are for information purposes only. To the extent that the portfolio invests a relatively high percentage of its assets in securities of a limited number of companies, and also invests in securities with a particular industry, sector or geographical focus, the portfolio may be more susceptible than a more diversified portfolio to large swings (both up and down) in its value. Furthermore, the concentrated nature of the portfolio can also lead to relatively significant holdings in individual securities which in turn can have an adverse effect on the ability to sell these securities when the Investment Manager deems it appropriate and on the price of these securities achieved by the Investment Manager at the time of sale.

The WS Lindsell Train UK Equity Fund (the "Fund") is an open-ended investment company (OEIC) authorised and regulated in the UK by the Financial Conduct Authority (FCA) under Regulation 14 of the OEIC Regulations 2001.

The Fund is registered for distribution in the UK but not in any other jurisdiction.

Opinions expressed whether specifically, or in general, or both on the performance of individual securities and in a wider economic context represent the view of Lindsell Train Limited at the time of preparation. They are subject to change and should not be interpreted as investment advice. Although Lindsell Train Limited considers the information included in this document to be reliable, no warranty is given to its accuracy or completeness. The information provided in this document was captured on the date indicated and therefore is not current. Current prices and the latest copy of the Prospectus can be obtained from Lindsell Train Limited or the Fund Administrator. No part of this document may be copied, reproduced or distributed to any other person without prior express written consent from Lindsell Train Limited.

© 2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

"FTSE ®" is a trademark jointly owned by the London Stock Exchange Plc and The Financial Times Limited and is used by FTSE under licence. "All Share" is a trademark of FTSE. FTSE does not sponsor, endorse or promote the content of this communication.

Issued and approved by Lindsell Train Limited 66 Buckingham Gate, London, SW1E 6AU (registered office in England & Wales No.03941727). Authorised and regulated by the Financial Conduct Authority (FRN:194229).

Copyright Lindsell Train Limited 2024.

9 May 2024 LTL 000-289-8