SVM World Equity Fund

The objective of the Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI ACWI IMI. The Fund will identify investment opportunities in companies globally whose future growth is not reflected in current market expectations. The Fund may invest in other permitted securities.

January 2021 | Share Class B

Factsheet as at 31 December 2020

INDEPENDENT THINKING

Monthly Fund Commentary

Equities made further gains during December. Investors were caught in the crosscurrents of the discovery of a new, more transmissible, Covid-19 variant and the announcement of a Brexit trade deal. For the month the fund returned 4.9% versus the MSCI ACWI IMI index that returned 2.5%.

Stocks enjoyed a positive start to December as investors anticipated the introduction of mass vaccinations. However, the discovery of a number of new Covid variants and the likelihood of further lockdowns led to a pullback. Markets regained their poise as the UK and the EU finally agreed a trade deal. GBP and stocks exposed to the domestic economy rallied as the tail-risk of a no-deal Brexit was removed. The agreement is centred on traded goods and excludes the UK's service sector. The performance of UK banks and life assurers was more muted as concerns grew over the future access of the UK's hugely important financial services sector to European markets.

The conclusion of the Brexit deal highlights the significant constraints policymakers operate under. Despite bellicose rhetoric, politicians have a strong tendency to follow the path of least resistance. This is not to say that significant policy errors cannot occur, but that they happen less frequently than many a shrill commentary suggests.

In response to increasing case numbers many countries tightened Covid restrictions further. We continue to believe that markets will largely look through their short-term economic impact and focus on the potential for a significant recovery in the second half of the year. One of the biggest uncertainties as vaccines become available, and life begins to return to normal, will be the attitude of consumers and businesses towards savings and investment.

The household savings rate has risen substantially during the pandemic and while this will come down the quantum and timing is unclear. Perhaps we are merely projecting our own biases, but we feel it is unlikely that households will dramatically increase their level of precautionary savings in a post-pandemic world. The recent significant rise in M&A activity certainly suggests corporates see little need to save for a rainy day.

There were many large positive contributors to performance over the month. DRAM manufacturers, Micron and SK Hynix, gained as the outlook for memory pricing continues to improve. Both companies have steadily increased their financial resilience over recent years and are well placed to enjoy a re-rating when the DRAM cycle finally turns. Denka benefitted from improved sentiment towards cyclical stocks. Prudential Plc rose as investors looked for reflation plays. The 'Pru' has been a notable underperformer relative to its nearest peer, AIA, over the last twelve months and with Brexit out of the way we think there is scope for this to reverse. Entain (formerly GVC) gained as the company continued to highlight the progress it was making in the US market. After something of a slow start, recent data suggests that the company is taking greater share in those states that have recently opened up. Creo Medical climbed as the company announced that one of its products had successfully been used to ablate a pancreatic tumour with no procedural complications. The device has the same dimensions as a routine biopsy needle and can be used in other highly perfused organs such as the liver, kidneys and lungs.

There were no significant disappointments.

Fund and index performance source: Lipper

Past Performance is not a guide to future performance. All financial instruments involve a degree of risk. The value of your investments and any income from them can go down as well as up and you may not get back the amount originally invested.

Fund Facts

Launch Date: 1 December 2010

Benchmark Index:
MSCI ACWI IMI Index

IA Sector: Global

Type of Shares: Accumulation
XD Date: 31 December
Pay Date: 30 April

Fund Size: £14.9m

Fund Manager:

Neil Veitch (Fund Manager)
Appointed: 01/12/2010
Years at SVM: 14 Industry Experience: 24

Fund Charges (OCF*):
Share Class A 1.97%
Share Class B 1.22%

*Ongoing Charges Figure includes Annual Management Charge and additional expenses.

Minimum Investment:

	Initial	Subsequent
Share Class A	£1,000	£200
Share Class B	£250,000**	£200

**Discounted to £1,000 for Professional Advisers

Risk and Reward Profile:

Lower risk — Higher risk

Typically lower rewards — Typically higher rewards

1	2	3	4	5	**6**	7

This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

This Fund has been classed as 6 because its volatility has been measured as high.

The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.

The risk category shown is not guaranteed and may change over time.

The lowest risk number does not mean risk free.

As at 10/07/2020

INDEPENDENT THINKING

Portfolio Analysis

Risk Baskets

To help understand the overall balance of the portfolio, stocks are allocated to one of eight risk groups: defensive, cyclical, stable financial, unstable financial, consumer cyclical, oil & gas, mining and finally technology. Most of these groups are self explanatory but financials deserve some clarity. All financials are inherently unstable but in the main, Lloyd's underwriters and General Insurers take less balance sheet risk, so are relatively more stable than Banks or Life Assurers.

Seeing the portfolio broken down into these categories allows an understanding of how aggressive or defensive the overall portfolio is, and where risk is being taken.

Technology	31.5
Cyclical	22.8
Consumer Cyclical	19.4
Oil & Gas	9.0
Defensive	7.3
Unstable Financial	3.8
Stable Financial	0.0
Mining	0.0
Cash	6.2

Technology	31.5%
Microsoft	8.4
Alphabet	7.5
SK Hynix	5.6

Cyclical	22.8%
Synthomer	4.7
Hitachi	3.9
Denka	3.9

Consumer Cyclical	19.4%
Visa	7.3
Entain	5.3
Ryanair	4.4

Oil & Gas	9.0%
Jadestone Energy	2.9
Energean	2.2
Lundin Energy	2.0

Defensive	7.3%
Uniphar	3.9
Roche Holdings	3.4

Unstable Financial	3.8%
Prudential	3.8

Stable Financial 0.0%

Mining 0.0%

This Month's Featured Stock

Entain

Entain plc (formerly GVC) is one of the world's leading sports betting and gaming companies. The group's brands include Ladbrokes and Coral in the UK. Entain also has a 50% stake in BetMGM in the US.

Over the past decade, Entain has grown from a small business operating mainly in unregulated markets to a global leader with 99% of revenues from regulated markets (this will be 100% by 2023). It has taken an industry lead on sustainability, recently making a commitment to invest £100m in a foundation designed to focus on responsible gambling, men's mental health and grass-root sports. It has strengthened its corporate governance with the appointment of a new Chairman, CEO and independent non-executive directors. In short, the company has addressed all the (often unjustified) accusations thrown at it by the media and should be viewed as increasingly 'investable'.

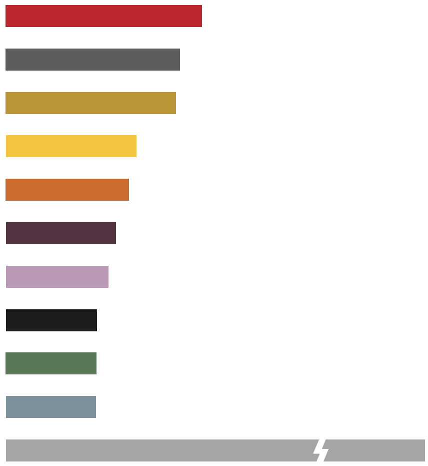
The timing couldn't be better. Entain's position in the newly regulating US market is highly exciting. Alongside MGM International, Entain have invested heavily in the BetMGM joint venture. The combination of MGM's sizable customer base and land-based casinos with Entain's online and technical expertise is a formidable one. BetMGM is targeting a 15-20% share of what will be a $20bn+ market.

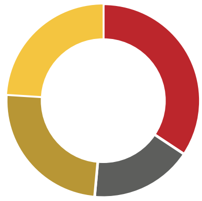
Post-month end, Entain was subject of a takeover bid from MGM International. We believe the huge potential of the US market, plus opportunities in other areas such as Latin America, make companies with proven online success and fully-integrated technical 'stacks' very attractive. Entain is currently trading on a 2021 EV/EBITDA of c.12x, a level which still undervalues its growth potential.

Portfolio Structure

As an unconstrained fund we invest in our highest conviction ideas irrespective of market capitalisation, country or sector. As a consequence The SVM World Equity Fund portfolio will vary considerably from the benchmark index and from other funds that are in the same IA sector.

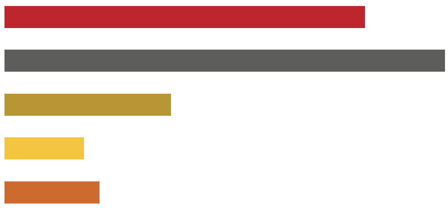
Top 10 Holdings	(%)
Microsoft	8.4
Alphabet	7.5
Visa	7.3
SK Hynix	5.6
Entain	5.3
Synthomer	4.7
Ryanair	4.4
Hitachi	3.9
Denka	3.9
Uniphar	3.9
Rest of Porfolio	**45.2**

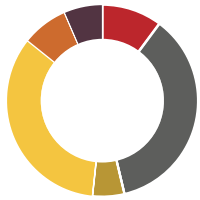




Size Analysis	(%)
Mega Cap (>£50bn)	32.2
Large Cap (<£50bn)	16.0
Mid Cap (<£10bn)	23.1
Small Cap (<£1bn)	22.5

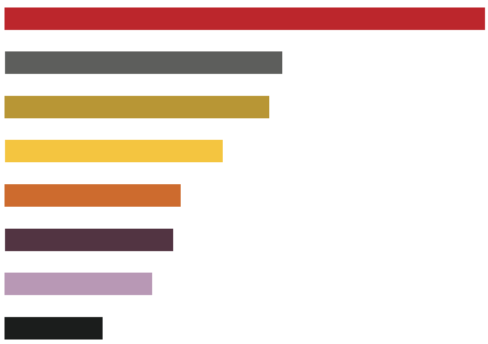
Geographic Stock Analysis (%)	
North America	29.6
United Kingdom	36.2
Europe (excluding UK)	13.7
Asia Pacific (excluding Japan)	6.5
Japan	7.8
Latin America	0.0
Other	0.0





Net Currency Exposure	(%)
Euro	10.2
Sterling	36.2
Europe non-Euro	5.4
US Dollar	34.1
Japanese Yen	7.8
Others	6.5

Sector Breakdown	(%)
Technology	24.8
Industrials	14.2
Consumer Services	13.5
Financials	11.1
Oil & Gas	9.0
Basic Materials	8.6
Health Care	7.5
Consumer Goods	5.0
Telecommunications	0.0
Utilities	0.0



Please note that figures may not add up to 100% due to Cash holding.

Fund Performance

to 31/12/2020

Cumulative Performance, % change

	One month	2020 yr to date	One year	Three years	Five years	Since launch*
SVM World Equity Fund B	4.9	14.2	14.2	29.9	78.9	191.8
MSCI ACWI IMI Index	2.5	12.7	12.7	30.7	91.3	186.8

Source: Lipper, as at 31/12/2020, B Share Class, GBP, UK net tax with net income reinvested and no initial charges.

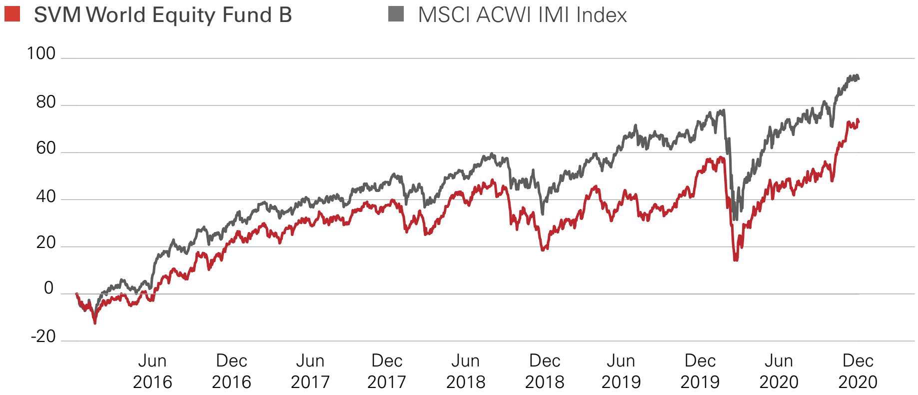
*The Fund was launched on 01 December 2010

Percentage growth year on year to 31 December

	2020	2019	2018	2017	2016
SVM World Equity Fund B	14.2	30.6	-12.9	12.9	22.0
MSCI ACWI IMI Index	12.7	21.5	-4.5	13.2	29.3
Performance Difference	+1.5	+9.1	-8.4	-0.3	-7.3

Source: Lipper, as at 31/12/2020, B Share Class, GBP, UK net tax with net income reinvested and no initial charges.

Five Year Performance (%)



Source: Lipper, as at 31/12/2020, B Share Class, GBP, UK net tax with net income reinvested and no initial charges.

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This material should not be considered as advice or an investment recommendation. Investors should seek advice from an authorised financial adviser prior to making investment decisions.

The Fund is to be considered a medium to long term investment option.

The Fund incurs the following key risks:

In the event a preliminary charge is levied and an Investor then redeems the investment shortly after investing, they may not get back the original amount due to the initial charges; regardless of any market movements. Tax treatment can change at any time without notice and is beyond control of the Fund. Expenses incurred by the Fund that are chargeable can reduce income and restrain the capital growth of the Fund. Currency movements may cause the value of your investment to fall as well as rise. Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio. There can be no guarantee that the investment objective of a Fund will be achieved or provide the returns sought by the Fund. The Fund may enter into derivative contracts for efficient portfolio management (EPM) purposes. Full details on EPM can be found in Appendix A of the Prospectus. The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur losses. The Fund is exposed to currency risk. The Fund may use currency management techniques, including hedging and entering into derivatives contracts, for efficient portfolio management (EPM) purposes. Full details on EPM can be found in Appendix A of the Prospectus. Further information about the risk factors relevant to the Fund can be found in the Prospectus and the Key Investor Information Document.

Unless otherwise stated all data is sourced to SVM.

Source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This report is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

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ISIN:

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Share Class B	GB00B0KXSK43

MEX:

Share Class A	SXUAT
Share Class B	SXUAB

SEDOL:

Sedol GBP	B0KXRB8
Sedol GBP	B0KXSK4

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