



## 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	31.0	
Cyclical	25.1	
Consumer Cyclical	13.6	
Oil & Gas	11.1	
Defensive	6.6	
Unstable Financial	6.5	
Stable Financial	0.0	
Mining	0.0	
Cash	6.2	

#### Technology

31.0%

Alphabet	7.6
MagnaChip Semiconductor	5.2
Micron Technology	4.7

#### Cyclical

25.1%

Alpha FMC	4.6
Hitachi	4.0
Synthomer	3.7

#### Consumer Cyclical

13.6%

Entain	5.5
Ryanair	2.7
Norcros	2.4

#### Oil & Gas

11.1%

Jadestone Energy	3.9
Energean	2.7
Savannah Energy	2.3

#### Defensive

6.6%

Uniphar	4.6
Smith & Nephew	2.0

#### Unstable Financial

6.5%

U.S. Bancorp	3.7
Prudential	2.8

#### Stable Financial

0.0%

#### Mining

0.0%

## This Month's Featured Stock

### IMI

IMI specialises in the engineering and manufacturing of fluid control components. The group produces a wide range of valves, actuators, and controls for a diverse set of industries including healthcare, transportation, and industrial automation.

IMI's recently released full-year results for 2021 were testament to the improvements made to the business in recent years. Organic revenue growth of 7% was particularly impressive given that the prior year had benefited significantly from an exceptional surge in demand for ventilator components. Operating profit margins increased to 18% as the group benefited from operating leverage and tight cost controls.

Management reiterated their ambitions for the business to achieve longer-term growth of 5% pa with operating margins in the 18%-20% range.

Despite these strong results, however, IMI continues to be valued at a significant discount to those companies often considered 'higher quality' industrials. This is a legacy of IMI's historic reputation as a business more exposed to cyclical pressures with a reputation for underinvestment in new product growth. We believe that these concerns are largely being addressed. Management have used IMI's strong balance sheet to make acquisitions in attractive sectors with the purchase of Adaptas, a life-science instrumentation manufacturer,

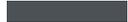
being the latest. A 'Growth Hub' has also been implemented across each division to help drive new product development, which is already augmenting organic growth.

Currently trading on an estimated 2022 PE of c.13x, IMI appears markedly undervalued. We believe the group is well-positioned over upcoming years to deliver organic growth ahead of consensus expectations and return margins to previous peak levels and potentially beyond. If public markets fail to appreciate the improvements made at IMI, we would expect private buyers to be interested in either parts of the group or the entire company.

## 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

	(%)	
Alphabet	7.6	
Entain	5.5	
MagnaChip Semiconductor	5.2	
Micron Technology	4.7	
Alpha FMC	4.6	
Uniphar	4.6	
SK Hynix	4.2	
Hitachi	4.0	
Jadestone Energy	3.9	
U.S. Bancorp	3.7	
<b>Rest of Portfolio</b>	<b>52.2</b>	

### Geographic Stock Analysis (%)

United Kingdom	46.3	
North America	27.1	
Europe (excluding UK)	10.0	
Japan	5.5	
Asia Pacific (excluding Japan)	4.9	
Latin America	0.0	
Other	0.0	

### Sector Breakdown

	(%)	
Industrials	20.9	
Information Technology	20.9	
Energy	11.1	
Health Care	9.1	
Consumer Discretionary	8.4	
Materials	8.0	
Communication Services	7.6	
Financials	6.5	
Consumer Staples	1.3	
Utilities	0.0	
Real Estate	0.0	



### Size Analysis

	(%)
Mega Cap (>£50bn)	22.6
Large Cap (<£50bn)	15.0
Mid Cap (<£10bn)	28.8
Small Cap (<£1bn)	27.5



### Net Currency Exposure

	(%)
Euro	10.0
Sterling	48.5
US Dollar	31.2
Japanese Yen	5.5
Others	4.9

## Enquiries

[www.svmonline.co.uk](http://www.svmonline.co.uk)  
Calls may be recorded

### Investor Services and Dealing:

Dealing, account enquiries and valuations  
Phone: 0345 066 1110  
Fax: 0330 123 3755  
International phone: +44 (0)1268 447 417  
International fax: +44 (0)1268 457 731

### General Enquiries

Head office and fund enquiries  
Phone: +44 (0)131 226 6699  
Email: [info@svmonline.co.uk](mailto:info@svmonline.co.uk)  
Helpline: 0800 0199 110  
Literature Request: 0800 0199 440

### ISIN:

Share Class A GB00B0KXRB86  
Share Class B GB00B0KXSK43

### MEX:

Share Class A SXUAT  
Share Class B SXUAB

### SEDOL:

Sedol GBP B0KXRB8  
Sedol GBP B0KXSK4

### Registered Office:

SVM Asset Management Limited  
7 Castle Street  
Edinburgh  
EH2 3AH  
Registered No. 125817

Issued by SVM Asset Management Limited who is authorised and regulated by the Financial Conduct Authority:  
12 Endeavour Square  
London E20 1JN

© SVM Asset Management Limited.

## Fund Performance

to 30/04/2022

### Cumulative Performance, % change

	One month	2022 yr to date	One year	Three years	Five years	Since launch*
SVM World Equity Fund B	-1.0	-9.5	-2.3	43.5	63.0	234.9
MSCI ACWI IMI Index	-3.5	-6.1	3.4	35.3	60.0	221.2

Source: FE fundinfo, as at 30/04/2022, 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 March

	2022	2021	2020	2019	2018
SVM World Equity Fund B	4.4	54.0	-4.3	7.0	0.2
MSCI ACWI IMI Index	11.4	41.6	-8.3	9.7	2.5
Performance Difference	-7.0	+12.4	+4.0	-2.7	-2.3

Source: FE fundinfo, as at 31/03/2022, B Share Class, GBP, UK net tax with net income reinvested and no initial charges.

### Five Year Performance (%)

■ SVM World Equity Fund B ■ MSCI ACWI IMI Index



Source: FE fundinfo, as at 30/04/2022, B Share Class, GBP, UK net tax with net income reinvested and no initial charges.

Data provided by FE fundinfo. Care has been taken to ensure that the information is correct but it neither warrants, represents nor guarantees the contents of the information, nor does it accept any responsibility for errors, inaccuracies, omissions or any inconsistencies herein.

### Past performance is not a guide to future performance.

**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.**

**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 long term (5 years or more) 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.