

SVM

All Europe SRI Fund

The Fund aims to achieve medium to long-term capital growth and to outperform the FTSE World Europe Index. It adopts a positive engagement approach toward investment and enters into meaningful dialogue with companies regarding social and environmental issues. Investments are made in European stocks and other permitted securities.

May 2020 | Share Class B

Figures as at 30 April 2020



Fund Managers



Neil Veitch
Co Fund Manager

Industry Experience: 24

Years at SVM: 14

Appointed: 31/10/2006



Hugh Cuthbert
Co Fund Manager

Industry Experience: 25

Years at SVM: 14

Appointed: 31/10/2006

Monthly Fund Commentary

Equities continued their recovery from their mid-March lows. A combination of unprecedented policy responses and a flattening of the disease curve across geographies led to increased optimism and a reduction in risk aversion. This has occurred despite predictably appalling economic data and the associated negative revisions to earnings forecasts. For many companies, investors have written off the current year and are focused on the shape of the earnings recovery one or two years out. The fund returned 11.4% versus the FTSE Europe that rose 4.5%.

There are still many things we don't understand about Covid-19 but the incremental news flow, both therapeutic and epidemiological, has been positive. Notably, those countries where lockdown has been tentatively relaxed have yet to see a spike in infections. 'Tail' risks remain but look to have been reduced. It is important to recognise, however, how much we still don't know, not only in terms of the disease but also about how economies will respond. This makes accurate forecasting exceedingly difficult, if not impossible. It has long been our contention that pattern recognition is a significant part of investment success. In this instance we are 'flying blind'. There are no historical precedents. Understandably, therefore, investors have gravitated to those stocks that offer the greatest operational and financial certainty.

Prudence is warranted but an appropriate balance between opportunity and wealth preservation must be maintained. The fund's cash position remains high but we are actively looking to reduce it when the right opportunities arise. At the outset of the crisis we had planned for capital raisings to consume a material portion of our available capital, but despite closely examining many opportunities we have participated in very

few. Largely this has been due to considerable uncertainty over the outlook for many of these businesses. In most instances we felt that at the proposed issue price of the new shares the risk/reward trade-off was unattractive. This is in sharp contrast to our experience in the immediate aftermath of the financial crisis where we felt there was both greater clarity and more distress in share prices. Nonetheless, we continue to actively research situations where we feel new capital may be required. Additional opportunities may arise from the purchase of more cyclical businesses as the outlook becomes clearer.

A number of the fund's holdings rebounded strongly over the month. Positions in Forterra, Norcross and Alpha Financial Management were all material positive contributors to performance. Many of these had simply been oversold and responded positively to signs that the lockdown was tentatively being lifted. AstraZeneca delivered quarterly results that were ahead of expectations and announced further regulatory approvals. The group offers the highest earnings growth of any of the major pharma companies as well as an exceptionally strong product portfolio. Technology holdings, Lime Technologies, Crayon and SDL all rose as investors looked for potential beneficiaries of the crisis.

Trading was limited. The holding in DSM was exited as it reached what we perceive to be fair value. A new holding was taken in va-Q-teq, a German small cap. The company generates almost 70% of its sales from the provision of temperature-controlled logistics solutions to pharmaceutical companies. These ensure the reliable transportation of essential drugs and may benefit from increased demand due to the pandemic.

Fund and index performance source: Lipper

Fund Facts

Launch Date: 31 October 2006

Benchmark Index:
FTSE World Europe Index

IA Sector: Europe inc UK

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

Fund Size: £19.0m

Fund Charges:

OCF*
Share Class A 1.98%
Share Class B 1.23%

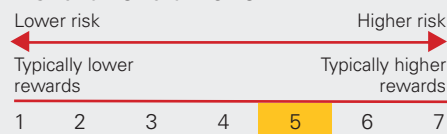
*Ongoing Charges Figure includes Annual Management Charge and additional expenses.

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:



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 5 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 03/01/2020

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.

ACTIVE STOCKPICKERS

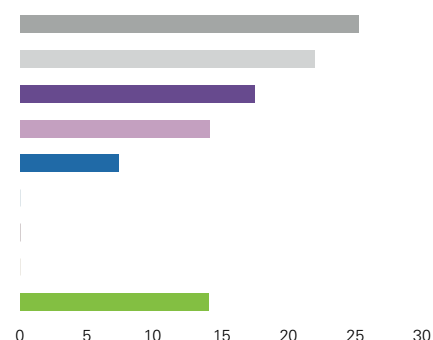
Portfolio Analysis

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.

	(Net %)
Cyclical	25.2
Consumer Cyclical	21.9
Defensive	17.4
Unstable Financial	14.1
Technology	7.4
Stable Financial	0.0
Mining	0.0
Oil & Gas	0.0
Cash	14.0



Cyclical: 25.2%

(%)

Synthomer	4.2
Smurfit Kappa Group	3.9
Forterra	3.7
Capgemini	3.3
Alpha FMC	3.0

Consumer Cyclical: 21.9%

(%)

Nestlé	5.3
Unilever	4.6
Tesco	4.4
Norcros	3.9
Allgeier	2.0

Defensive: 17.4%

(%)

Roche Holdings	5.1
DCC	4.8
AstraZeneca	4.0
Uniphar	3.6

Unstable Financial: 14.1%

(%)

Prudential	5.4
AXA	3.7
Onesavings Bank	2.3
Lloyds Banking Group	2.0
M&G	0.7

Technology: 7.4%

(%)

SDL	2.5
Creo Medical Group	1.8
Lime Technologies	1.7
Crayon	1.1
Simec Atlantis Energy	0.3

Stable Financial: 0.0%

(%)

Mining: 0.0%

(%)

Oil & Gas: 0.0%

(%)

This Month's Featured Stock

Lime Technologies

The Nordic markets are emerging as one of the leading areas for innovation at the small and medium end of the European corporate landscape, especially in healthcare and technology. The successful growth, and in some cases sales, of several larger entities in areas such as gaming, payments and communications, seems to have resulted in the recycling of talent and capital into new ideas.

Lime Technologies, a relatively new fund holding based in Sweden, came about after closely watching this part of the market. The

company was listed in 2017, but has a history dating back to 1990 when it was a start-up founded by a few entrepreneurs. Lime is a good case study of a successful niche strategy, having created a geographical and industry specialised customer relationship management (CRM) system for mainly small and medium sized customers. Taking advantage of a middle ground between low-priced but basic and more well-known but expensive competing products, Lime has generated high teens growth since its founding, along with healthy profitability.

The company retains significant potential to further expand in its existing footprint where penetration rates remain low, as well as in other suitable European markets, such as the Netherlands where it has just announced market entry. In addition, it has outlined initiatives to focus on four UN global sustainability goals where it feels it can make the most impact. These are gender equality, responsible consumption, good health and quality education. We support these and are engaging with the company to help provide feedback.

Stock Analysis

Top 10 Holdings	(%)
Prudential	5.4
Nestlé	5.3
Roche Holdings	5.1
DCC	4.8
Unilever	4.6
Tesco	4.4
Synthomer	4.2
AstraZeneca	4.0
Smurfit Kappa Group	3.9
Norcros	3.9
Total	45.6

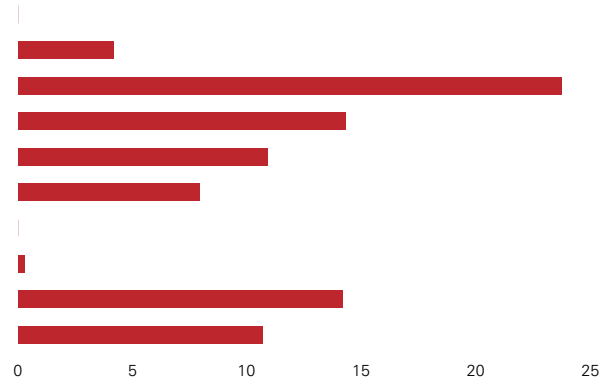
Size Analysis	(%)
Mega Cap (>€50bn)	19.0
Large Cap (<€50bn)	18.8
Mid Cap (<€10bn)	20.0
Small Cap (<€1bn)	28.2

Currency Exposure	(%)
Euro	26.8
Sterling	42.1
Norwegian Krone	1.1
Swiss Franc	10.4
Danish Krone	0.0
Swedish Krona	5.7
Other	0.0

Sector Analysis

Sector Breakdown (%)

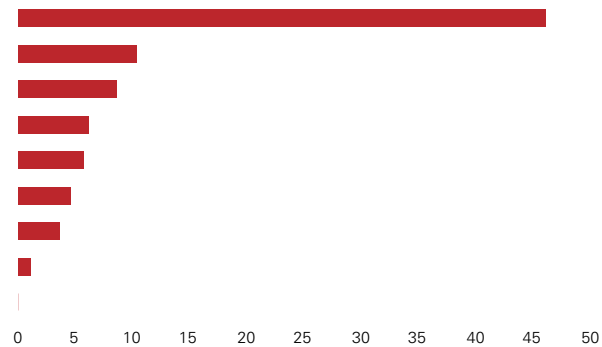
Oil & Gas	0.0
Basic Materials	4.2
Industrials	23.7
Consumer Goods	14.3
Health Care	10.9
Consumer Services	7.9
Telecommunications	0.0
Utilities	0.3
Financials	14.1
Technology	10.6



Geographic Analysis

Country Breakdown

	No. of Stocks	(%)
UK	16	46.0
Switzerland	2	10.4
France	3	8.6
Germany	4	6.1
Sweden	2	5.7
Netherlands	1	4.6
Ireland	1	3.6
Norway	1	1.1
Other		0.0



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

Fund Performance to 30/04/2020

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12 Endeavour Square
London E20 1JN

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Cumulative Performance, % change

	One month	2020 yr to date	One year	Three years	Five years	Since launch*
SVM All Europe SRI Fund B	11.4	-20.9	-15.2	-8.9	14.2	171.0
FTSE World Europe Index	4.5	-15.7	-10.1	-0.7	19.4	92.5
IA Europe inc UK Sector	6.5	-13.1	-7.4	0.0	22.4	91.5

Source: Lipper, as at 30/04/2020, B Share Class, GBP, UK net tax with net income reinvested and no initial charges.

*The Fund was launched on 31 October 2006

Percentage growth year on year to 31 March

	2020	2019	2018	2017	2016
SVM All Europe SRI Fund B	-17.8	-4.7	9.6	17.6	1.3
FTSE World Europe Index	-10.8	3.9	3.0	26.5	-4.4
Performance Difference	-7.0	-8.6	+6.6	-8.9	+5.7

Source: Lipper, as at 31/03/2020, B Share Class, GBP, UK net tax with net income reinvested and no initial charges.

Five Year Performance (%)



Source: Lipper, as at 30/04/2020, B Share Class, GBP, UK net tax with net income reinvested and no initial charges.

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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 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. 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.

Enquiries

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ISIN:

Share Class A GB00B1FL7S17
Share Class B GB00B1FL7V46

MEX:

Share Class A SXSRIA
Share Class B SXSRI B

SEDOL:

Share Class A B1FL7S1
Share Class B B1FL7V4

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