QuotedData

Monthly roundup | Investment companies

October 2017

Winners and losers in September

Best performing funds in price terms in September

	(%)
Alternative Liquidity Fund	+21.2
Syncona	+15.3
Livermore Investments	+13.0
Pantheon International Redeemable	+9.7
Dunedin Enterprise	+9.2
River & Mercantile UK Micro Cap	+8.6
Phoenix Spree Deutschland	+8.1
Miton Global Opportunities	+6.6
Bluefield Solar Income	+6.1
Baker Steel Resources	+6.1

Source: Morningstar, Marten & Co

Worst performing funds in price terms in September

	(%)
Qannas Investments	-32.8
British & American	-22.2
CatCo Reinsurance Opportunities	-15.6
Blue Capital Alternative Income	-12.9
Globalworth Real Estate	-11.4
Reconstruction Capital II	-11.2
Duke Royalty	-10.4
Empiric Student Property	-10.0
VietNam Holding	-7.0
Polar Capital Global Healthcare	-6.8

Source: Morningstar, Marten & Co

Best performing funds in NAV terms in September

	(%)
Crystal Amber	+5.2
Keystone	+3.3
Chelverton Small Companies Dividend	+3.1
JPMorgan US Smaller Companies	+2.7
Alpha Real Trust	+2.6
Jupiter US Smaller Companies	+2.5
Invesco Perpetual Select UK Equity	+2.5
Schroder UK Mid Cap	+2.3
Dunedin Smaller Companies	+2.3
JPMorgan Global Convertibles Income	+2.2

Source: Morningstar, Marten & Co

Worst performing funds in NAV in September

	(%)
Golden Prospect Precious Metals	-9.6
Aberdeen New India	-7.8
BlackRock World Mining	-7.7
Infrastructure India	-7.6
Qatar Investment Fund	-6.8
UIL	-6.7
Kubera Cross-Border	-6.3
JPMorgan Indian	-5.9
Premier Energy & Water	-5.8
City Natural Resources	-5.8

Source: Morningstar, Marten & Co

Alternative Liquidity Fund sold its stake in an Indonesian resort. **Syncona** investment, NightstarX, listed on NASDAQ. **Livermore**'s discount narrowed as it released its interim results. **Pantheon** said it would combine its ordinary and redeemable share classes. This was good news for **Miton Global Opportunities** which has a holding in the redeemable shares. **Dunedin Enterprise** said that its investment, Alpha FMC Topco, would float on AIM. UK mid and small cap stocks had a good month. **River & Mercantile UK Micro Cap** figured highly in share price terms but Keystone was the best performer in NAV terms. **Phoenix Spree Deutschland** announced a significant (22%) uplift to its NAV in September, backdated to 30 June.

Qannas' shares had a fairly extreme reaction to a small fall in its NAV. **British & American**'s premium moderated a little. **CatCo Reinsurance Opportunities** and **Blue Capital Alternative Income** have been making statements in relation to potential losses from the three recent major hurricanes. Debt restructuring costs hit **Globalworth Real Estate**. **Empiric Student Property**'s share price fell after Numis highlighted its uncovered dividend and high expense ratio. **VietNam Holding**'s share price fell. It had a major shake-up in its board during the month. The Indian market succumbed to profit taking. **Infrastructure India**'s auditors refused to give an opinion on its accounts.

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Significant moves in discounts and premiums

More expensive relative to NAV (notable changes)

	% discount (-ve) or premium (+ve)	
	(%)	(%)
Syncona	+17.3	+36.0
Phoenix Spree Deutschland	-1.2	+11.9
Livermore Investments	-38.3	-27.3
Pantheon International Redeemable	-27.0	-16.9
River & Mercantile UK Micro Cap	-4.1	+4.3

Source: Morningstar, Marten & Co

Syncona's shareholders are hoping for substantial uplifts in its NAV akin to that achieved on its NightstarX investment. **Phoenix Spree Deutschland** reported a big jump in its NAV. **Livermore** announced interim results that incorporated the uplift from its recent property disposal. **Pantheon International** is combining its ordinary and redeemable share classes. **River & Mercantile UK Micro Cap** continues to perform well but has said that it will not issue additional shares.

Cheaper relative to NAV (notable changes)

	% discount (-ve) or premium (+ve)	
	(%)	(%)
British & American	+117.4	+76.7
Qannas Investments	+10.5	-21.1
Duke Royalty	+30.3	+17.0
CatCo Reinsurance Opportunities	+1.1	-11.1
Empiric Student Property	+7.5	-3.3

Source: Morningstar, Marten & Co

British & American's premium remains high even after October's sharp fall in its share price. **Qannas**' shares reacted badly to a small fall in its NAV. **Duke Royalty**'s premium decreased despite a rejig of its broking arrangements and board, and a buy note from another broker. **CatCo Reinsurance Opportunities**' shares fell after it made statements on the potential impact of recent hurricanes on its NAV. **Empiric Student Property**'s shares were hit by a negative research note from Numis.

Baillie Gifford has been managing investments since 1909. Our success has been built on finding good investment opportunities for clients through extensive independent research. Our fundamental analysis and judgement over the years have helped us to become one of the UK's largest independent investment management groups with over £166.6 billion of funds under management and advice as at 30 June 2017*.

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Baillie Gifford is one of the largest investment trust managers in the UK with a range of seven trusts. We also have an extensive range of OEIC sub-funds and manage investments globally for pension funds, institutions and charities.
*Source Baillie Gifford & Co As with all stock market investments, your capital is at risk

ADVERTISMENT

Money raised and returned in September

Money raised in September

	(£m)
Warehouse REIT	150.0
BB Healthcare	64.1
Finsbury Growth & Income	11.9*
Worldwide Healthcare	11.3*
Personal Assets	9.3*

Source: Morningstar, Marten & Co, *approximate value of shares at 30/09/17

Warehouse REIT was the only new issue in September. It raised £150m to invest in a portfolio of urban warehouses. **BB Healthcare** raised another £64m and plans to expand further in the future. **Utilico Emerging Markets** expanded as holders of 4m subscription shares exercised them. A number of other funds continued to expand through regular share issuance. In addition to **Finsbury Growth & Income**, **Worldwide Healthcare** and **Personal Assets**, we saw at least £5m raised by **Custodian REIT**, **City of London, Scottish Mortgage** and **European Assets**.

Money returned in September

	(£m)
NB Global Floating Rate	10.4*
Scottish Investment Trust	8.8*
NB Distressed Debt Extended Life	6.6*
British Empire	5.8*
JPMorgan American	4.7*

Source: Morningstar, Marten & Co, * approximate value of shares at 30/09/17

There were no particularly significant returns of capital during September. **VinaLand** is in the process of returning $60m to its shareholders via a tender offer but the results of that will be announced in October. Only four funds bought back more than £5m worth of stock and these funds feature regularly in these tables.

September's major news stories – from our website

Portfolio developments

- **Amedeo Air Four Plus** bought a new plane for Thai Airways
- **Syncona** said NightstarX had IPO'd and backed a fundraise for Autolus
- **VinaLand** sold its Vina Square project
- **Adamas Finance Asia** is selling Global Pharm
- **Global Fixed Income Realisation** sold its Indonesian asset
- **CatCo Reinsurance Opportunities** made a statement on Hurricane Harvey
- **SQN Asset Finance Income** announced that Suniva had won its trade case
- **Global Resources** wrote up the value of its Bougainville investment
- **Blue Capital Alternative Income** made a statement on the recent hurricanes
- **Foresight Solar** bought a solar farm in Australia

Corporate news

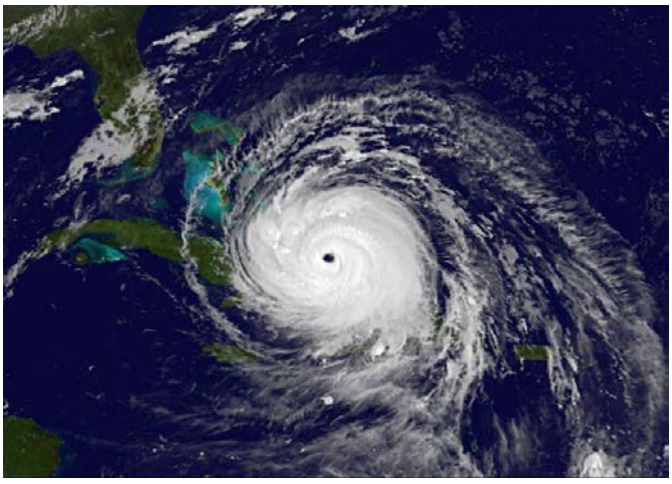
- **Blue Capital Alternative Income** said it was looking at ways of addressing its discount
- **Jupiter Dividend & Growth** shareholders have the option of a rollover into Jupiter UK Growth
- **Atlantis Japan Growth** will scrap its subscription rights
- **Pantheon** said it would combine its share classes
- **Infrastructure India**'s auditor refused to give an opinion on its accounts

Property news

- **Supermarket Income** bought a Sainsbury's superstore
- **Ground Rents Income** said it would offer alternatives to doubling rents
- **Triple Point Social Housing** made more investments
- **Civitas Social Housing** made a number of investments and said it would raise more money
- **AEW UK Long Lease** bought a Travelodge and a waterpark
- **Custodian REIT** bought a warehouse in Plymouth and sold three properties
- **Tritax Big Box REIT** bought a Royal Mail distribution facility
- **LXi REIT** continued to expand its portfolio
- **MedicX**'s plan to transition to a REIT was approved by shareholders
- **Standard Life Property Income** sold Elstree Tower
- **Warehouse REIT** bought four industrial estates from Hansteen
- **Safestore** bought Stork self storage
- **Pacific Industrial** bought nine logistics assets

Managers and fees

- **Murray Income** cut its fees
- **Strategic Equity Capital**'s board said it was looking at fee levels
- **UK Mortgages** cut its management fee



Hurricanes Harvey, Irma and Maria have been impacting CatCo Reinsurance Opportunities and Blue Capital Alternative Income

Visit www.quoteddata.com for more on these and other stories plus in-depth research on some funds, the chance to compare similar funds and basic information, key documents and regulatory news announcements on every investment company quoted in London

SCOTTISH MORTGAGE INVESTMENT TRUST

PICKING STOCKS WITH PRECISION.

Scottish Mortgage Investment Trust plays a 'long game' with a focused list of around 80 stocks. Our aim is to meticulously seek out truly innovative organisations (the obvious and the unexpected) and stick with them over the long-term. We believe this strategy gives us a strong competitive advantage in identifying companies with real potential for significant sales growth – often as a result of their intelligent deployment of transformational technology.

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Standardised past performance to 31 December each year*:

	2012	2013	2014	2015	2016
Scottish Mortgage	30.1%	39.8%	21.4%	13.3%	16.5%
FTSE All-World Index	12.0%	21.0%	11.3%	4.0%	29.6%

Past performance is not a guide to future returns.

Please remember that changing stock market conditions and currency exchange rates will affect the value of your investment in the fund and any income from it. You may not get back the amount invested.

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BAILLIE GIFFORD

Long-term investment partners

*Source: Morningstar, share price, total return as at 31.12.16. †Ongoing charges as at 31.03.16. Your call may be recorded for training or monitoring purposes. Scottish Mortgage Investment Trust PLC is available through the Baillie Gifford Investment Trust Share Plan and the Investment Trust ISA, which are managed by Baillie Gifford Savings Management Limited (BGSM). BGSM is an affiliate of Baillie Gifford & Co Limited, which is the manager and secretary of Scottish Mortgage Investment Trust PLC.

Income

Investment Companies announcing their full year dividends in September

Fund	Year ended	Dividend (pence)*	Change over year (%)	Revenue / earnings (pence)*	Cover
Standard Life UK Smaller Companies	30/06/17	6.7	+1.5	6.42	0.96x
Mucklow (A&J)	30/06/17	22.12	+3.0	25.05	1.13x
Qatar Investment Fund	30/06/17	3 cents	-25.0	-3.6 cents[a]	n/a
Mid Wynd	30/06/17	5.0	+11.1	5.41	1.08x
Murray Income	30/06/17	32.75	+1.6	34.9	1.06x
Crystal Amber	30/06/17	5.0	unchanged	-1.42	n/a
GCP Student Living	30/06/17	5.75	+1.6	4.69	0.82x
Ruffer	30/06/17	2.6	-23.5	2.23	0.86x
New Star Investment Trust	30/06/17	0.8	+167	1.14	1.42x
Green REIT	30/06/17	5 cents	+8.7	4.8 cents	0.96x
Bluefield Solar Income	30/06/17	7.25	unchanged	7.32	1.01x
Hadrian's Wall Secured Investments	30/06/17	2.7	initial	0.89	0.33x
Aberdeen Frontier Markets	30/06/17	2 cents	+66.7[b]	0.14 cents	0.07x
JPMorgan Global Growth & Income	30/06/17	9.8[c]	+206[b]	3.74	0.38x
UIL	30/06/17	7.5	unchanged	6.38	0.85x
Sanditon	30/06/17	0.9	-18.2	0.99	1.10x

Fund	Year ended	Dividend (pence)*	Change over year (%)	Revenue / earnings (pence)*	Cover
Jupiter UK Growth	30/06/17	7.0[d]	unchanged	7.69	1.10x
F&C UK Real Estate	30/06/17	5.0	unchanged	4.72	0.94x
City of London	30/06/17	16.7	+5.0[e]	17.8	1.07x
JPMorgan Mid Cap	30/06/17	23.0+3.0[f]	+9.5[f]	30.88	1.34x[f]
City Natural Resources	30/06/17	5.6	unchanged	5.08	0.91x
Jupiter European Opportunities	31/05/17	6.5	+18.2	7.86	1.21x
Genesis Emerging Markets	30/06/17	14 cents	initial	5.5 cents	0.39x

Source: Marten & Co, * unless otherwise stated

a) The fund does not distinguish between capital and revenue items, the figure includes capital losses
b) The fund has recently introduced a policy of paying an enhanced dividend, partly from capital
c) For the year commencing 1 July 2017, the dividend will be 12.16p, paid in quarterly instalments of 3.04p
d) The board's ambition is to at least maintain the dividend at this level and look to grow it over time
e) 51st consecutive year of dividend increases
f) 23p basic dividend plus a 3p special dividend. Last year the special dividend was 4.5p. Cover and increase figures relate to the basic dividend only.

Research

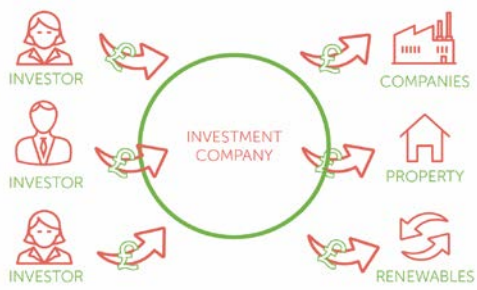
On 6 September, we published an initiation note on John Laing Environmental Assets Group, ***Diverse renewables exposure***, which explains the workings of the renewables infrastructure market in some detail and describes how the fund's portfolio is much more diversified than any of its peers.

On 13 September we published an update note on Seneca Global Income & Growth, ***Steady reduction in equity exposure***, which noted the shift in the fund's asset allocation as the manager prepares for an anticipated setback for equity markets in 2019.

On 27 September we published an update note on JPMorgan Russian Securities, ***Low valuations and rising yields***, which looked at the value available in the Russian equity market.

On 28 September we published an initiation note on Aberdeen Emerging Markets, ***Access to a wealth of talent***, that described the fund's approach to outperforming emerging market indices over the long-term.

If you are new to investing in investment companies or want to brush up on your knowledge, our Guide to Quoted Investment Companies is available on our website or by clicking the link. ➡



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QuotedData

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