



First quarter of 2021

Quarterly roundup | Investment companies | April 2021

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£2.9bn of net new capital raised

It felt as though the rotation from 'growth' to 'value' that began last November picked up momentum towards the end of the first quarter. UK equity and property assets had a strong start to the year. Some of last year's winning sectors, like technology, China equity funds, Japan equity funds, and healthcare, largely took a backseat.

New research

Over the quarter, we published notes on [Aberdeen New Dawn](#), [Vietnam Holding](#), [Jupiter US Smaller Companies](#), [North American Income Trust](#), [Weiss Korea Opportunity Fund](#), [Aberdeen Emerging Markets](#), [Polar Capital Global Financials Trust](#), [JLEN Environmental Assets](#), [BB Biotech](#), [Grit Real Estate Income Group](#), [Shires Income](#), [Strategic Equity Capital](#), and [Pacific Horizon](#).

In this issue

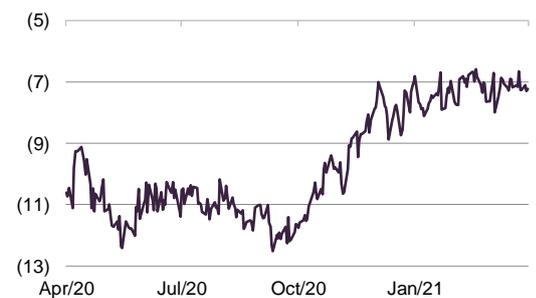
Performance data – UK assets (including the pound) benefitted from the fast-paced vaccine rollout and a final decision on Brexit. Elsewhere, a weaker dollar and resurgent Chinese demand for raw materials pushed up commodity prices. Technology gave back some of its gains while Chinese stocks also slipped as the government dialled back stimulus.

Major news stories – [Cordiant Digital Infrastructure](#) and [Digital 9 Infrastructure](#)'s IPOs raised a combined £670m. It was announced that [Scottish Mortgage](#)'s manager James Anderson was retiring. [JLEN Environmental](#) expanded its remit. [Strategic Equity Capital](#) scored a comfortable win in its continuation vote. [HgCapital Trust](#) had a bumper year. [BlackRock World Mining](#) had a great 2020.

Money in and out – The 325 investment companies raised £2.9bn of net new capital over the first quarter, with the IPOs of [Cordiant Digital Infrastructure](#), [Digital 9 Infrastructure](#), and [VH Global Sustainable Energy Opportunities](#) bringing in a combined £917m.

All investment companies median discount

Time period 01/04/2020 to 31/03/2021

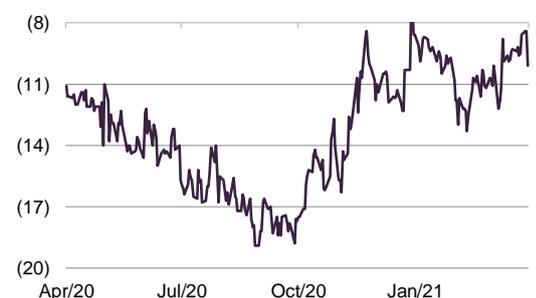


Source: Morningstar, Marten & Co

Discounts widened slightly over the first quarter, though a median level of 7.2% at 31 March was significantly narrower than the 12.5% discount level last September. Several UK-focused sectors narrowed, as did private equity.

UK smaller companies are having a great run

Time period 01/04/2020 to 31/03/2021



Source: Morningstar, Marten & Co

Discounts have narrowed considerably across the UK smaller companies sector in the wake of the UK's strong vaccine rollout and the Brexit deal.



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Winners and losers

Out of a total of 325 investment companies (we excluded funds with market caps below £15m), the median total NAV return over the first quarter of 2021 was 2.1% (the median total share price return was 3.0%). We note that the Association of Investment Companies (AIC) made some changes to its sector classifications during the quarter, headlined by the introduction of China/Greater China, India and Property – UK Logistics as separate sectors

By sector

Best performing sectors over Q1 2021 by total price return

| | Median share price TR | Median NAV TR | Median discount 31/03/21 | Median sector market cap 31/03/21 (£m) | Number of companies in the sector |
|----------------------------------|-----------------------|---------------|--------------------------|--|-----------------------------------|
| | (%) | (%) | (%) | | |
| Commodities & Natural Resources | 10.2 | 6.4 | (5.0) | 263 | 6 |
| North American Smaller Companies | 8.8 | 3.4 | (3.3) | 217 | 2 |
| Debt - Structured Finance | 8.4 | 3.8 | (8.5) | 131 | 24 |
| Property - UK Logistics | 8.1 | 2.9 | (11.3) | 335 | 3 |
| UK Smaller Companies | 6.7 | 2.4 | (13.6) | 281 | 5 |

Source: Morningstar, Marten & Co. Note: inclusive of sectors with at least two companies. Note: many alternative asset sector funds release NAV performance on a quarterly basis

UK assets (including the pound) benefitted from the fast-paced vaccine rollout and a final decision on Brexit. Elsewhere, a weaker dollar and resurgent Chinese demand for raw materials pushed up commodity prices. The North American smaller companies sector fared well too, with cyclical sectors such as financials coming back strongly as attention turned to the looming recovery.

Coming off a stellar 2020, technology gave back some of its gains while Chinese stocks also slipped as the government dialled back stimulus. Japanese Smaller Companies, which was second only to technology last year, led declines. Overall, it was a quarter where cyclical sectors perceived to be undervalued performed best.

Worst performing sectors over Q1 2021 by total price return

| | Median share price TR | Median NAV TR | Median discount 31/03/21 | Median sector market cap 31/03/21 (£m) | Number of companies in the sector |
|----------------------------|-----------------------|---------------|--------------------------|--|-----------------------------------|
| | (%) | (%) | (%) | | |
| Japanese Smaller Companies | (10.9) | (4.7) | (4.8) | 148 | 5 |
| Latin America | (10.2) | (7.0) | (10.1) | 88 | 2 |
| China / Greater China | (9.6) | (0.6) | (1.1) | 504 | 3 |
| Technology & Media | (4.8) | (0.6) | (4.6) | 1,162 | 3 |
| Infrastructure | (3.7) | 0.0 | 2.1 | 1,146 | 9 |

Source: Morningstar, Marten & Co. Note: inclusive of sectors with at least two companies. *many alternative asset sector funds release NAV performance on a quarterly basis

Top 10 performers by fund

Best performing funds in total NAV (LHS) and price (RHS) terms over Q1 2021

| Fund | Sector | (%) | Fund | Sector | (%) |
|-----------------------------------|---------------------------|------|--|--------------------------|------|
| Geiger Counter | Commodities | 36.6 | Drum Income Plus REIT | Property - UK Commercial | 69.4 |
| Chelverton UK Dividend | UK Equity Income | 23.8 | KKV Secured Loan | Leasing | 43.9 |
| Aberforth Split Level Income | UK Smaller Companies | 23.0 | Geiger Counter | Commodities | 38.3 |
| Aberforth Smaller Companies | UK Smaller Companies | 21.3 | Miton UK Microcap | UK Smaller Companies | 37.1 |
| Miton UK Microcap | UK Smaller Companies | 20.6 | Livermore Investments | Flexible Investment | 35.1 |
| Marble Point Loan Financing | Debt - Structured Finance | 17.8 | Electra Private Equity | Private Equity | 33.5 |
| River and Mercantile UK Micro Cap | UK Smaller Companies | 17.4 | Chelverton UK Dividend | UK Equity Income | 31.7 |
| Oryx International Growth | UK Smaller Companies | 16.3 | Riverstone Credit Opportunities Income | Debt - Direct Lending | 30.1 |
| Secured Income Fund | Debt - Direct Lending | 15.9 | Schiehallion | Growth Capital | 26.9 |
| Temple Bar | UK Equity Income | 15.3 | LMS Capital | Private Equity | 26.0 |

Source: Morningstar, Marten & Co. Note: excludes trusts with market caps below £15m at 31/03/21

Following on from a strong 2020, **Geiger Counter**'s performance reflected the trends in uranium pricing. Shares in uranium miners increased considerably, with key catalysts including supply constraints and greater demand from China especially, as it looks to nuclear to play an important role in its clean energy policy. The gearing built into the split capital structures operated by **Aberforth Split Level Income** and **Chelverton UK Dividend** allowed them to particularly benefit from the ongoing rally in UK equities. **Miton UK Microcap**, **Oryx International Growth**, **Temple Bar**, and **Aberforth Smaller Companies** all came back strongly as the UK smaller companies and UK equity income sectors, both of which were particularly hard hit over 2020, rallied. **Drum Income Plus REIT**'s shares were up sharply following its announcement of a strategic review that could lead to it selling all its assets and returning the proceeds to shareholders. It has been unable to shake off a persistent discount since launching in 2015. The move in **KKV Secured Loan**'s shares following a major repayment by one of its creditors of a loan that the fund had written off, clearing a path for a capital return to its shareholders.

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Bottom 10 performers by fund

Worst performing funds in total NAV (LHS) and price (RHS) terms over Q1 2021

| Fund | Sector | (%) | Fund | Sector | (%) |
|--------------------------------|---------------------------------|--------|--------------------------------|------------------------------------|--------|
| Golden Prospect Precious Metal | Commodities & Natural Resources | (20.1) | Amedeo Air Four Plus | Leasing | (25.6) |
| Keystone Positive Change | Global | (12.7) | Globalworth Real Estate | Property - Europe | (18.1) |
| Atlantis Japan Growth | Japanese Smaller Companies | (10.3) | Atlantis Japan Growth | Japanese Smaller Companies | (16.1) |
| JPMorgan Japanese | Japan | (9.6) | Golden Prospect Precious Metal | Commodities | (16.0) |
| Aberdeen Latin American Income | Latin America | (7.8) | JPMorgan Japan Small Cap G&I | Japanese Smaller Companies | (15.5) |
| UIL | Flexible Investment | (6.7) | Keystone Positive Change | Global | (15.1) |
| International Biotechnology | Biotechnology & Healthcare | (6.4) | Riverstone Energy | Commodities & Natural Resources | (13.1) |
| Biotech Growth | Biotechnology & Healthcare | (5.9) | Life Settlement Assets A | Insurance & Reinsurance Strategies | (12.7) |
| BlackRock Latin American | Latin America | (5.5) | Baillie Gifford China Growth | China / Greater China | (12.5) |
| Aberdeen Japan | Japan | (5.1) | Aberdeen Latin American Income | Latin America | (12.3) |

Source: Morningstar, Marten & Co. Note: excludes trusts with market caps below £15m at 31/03/21

It was generally a period of pause for funds within the newly separated China/Greater China sector classification. [Baillie Gifford China Growth](#) led share price declines, though [Fidelity China Special Situations](#) bucked the trend. As shown in the [Appendix](#) section, in share price terms, China/Greater China has been the third-worst performing sector this year. [Golden Prospect](#), one of the best performers last year, was hit by the fall in the gold price. The presence of [Aberdeen Latin American Income](#) and [BlackRock Latin American](#) largely reflects the region's (especially Brazil's) ongoing struggle with COVID-19. It remains a challenging backdrop for aircraft leasing companies like [Amedeo Air Four Plus](#). Owning a fleet of widebody aircraft, in particular, has been especially challenging through the pandemic. The fund severed ties with its manager over the quarter, over fee disagreements. Shares in [Biotech Growth](#) and [International Biotechnology](#) were down, following a strong 2020 for healthcare-focused assets.

Significant rating changes by fund

Across all of the 322 investment companies with market caps greater than £15m at the end of 2020, the median level of discount increased by (0.8%) to (6.9%). This is still significantly narrower than the double-digit median discounts before the vaccine developments last November.

More expensive (LHS) and cheaper (RHS) relative to NAV

| Fund | Sector | 31 Mar 21 (%) | 31 Dec 20 (%) | Fund | Sector | 31 Mar 21 (%) | 31 Dec 20 (%) |
|--|--------------------------|---------------|---------------|------------------------------|------------------------------------|---------------|---------------|
| Drum Income Plus REIT | Property - UK Commercial | (28.7) | (57.9) | Life Settlement Assets A | Insurance & Reinsurance Strategies | (21.2) | (4.5) |
| Electra Private Equity | Private Equity | 6.1 | (20.5) | Baillie Gifford China Growth | China / Greater China | 3.3 | 17.2 |
| Augmentum Fintech | Technology & Media | 33.3 | 13.0 | Caledonia | Flexible Investment | (32.9) | (19.4) |
| Riverstone Credit Opportunities Income | Debt - Direct Lending | (14.2) | (34.4) | Herald | Global Smaller Companies | (13.6) | (1.8) |
| Livermore | Flexible Investment | (24.4) | (43.1) | Globalworth Real Estates | Property - Europe | (29.7) | (17.9) |
| Schroder UK Public Private | Growth Capital | 5.7 | (11.5) | JPMorgan Japan Small Cap G&I | Japanese Smaller Companies | (8.7) | 1.9 |
| UIL | Flexible Investment | (30.8) | (45.7) | Aberforth Split Level Income | UK Smaller Companies | (14.7) | (4.6) |
| BMO Real Estate | Property - UK Commercial | (23.3) | (37.8) | Manchester & London | Global | (9.0) | 0.7 |
| BMO Private Equity | Private Equity | (22.9) | (36.8) | Pacific Horizon | Asia Pacific | 4.0 | 13.7 |
| RIT Capital Partners | Flexible Investment | 3.6 | (9.9) | Secured Income Fund | Debt - Direct Lending | (24.5) | (15.0) |

Source: Morningstar, Marten & Co.

Getting more expensive

The first quarter saw discounts narrow across much of the private equity sector. The pandemic's impact on distributions by the underlying funds has been much less severe than initially feared. **BMO Private Equity** and **Electra Private Equity** led the narrowing in discounts. **Augmentum Fintech**'s collection of 'disruptive technologies' remained popular, with the adoption of many of these speeding up as a result of the pandemic. The fund bucked the trend of tech-focused strategies taking a backseat. An increase in **BMO Real Estate**'s NAV calmed investors. **Riverstone Credit Opportunities Income**, which makes loans to the energy sector, also benefited from much-improved sentiment within energy markets.

Getting cheaper

Premiums in **Baillie Gifford China Growth** and **Pacific Horizon** (it has significant exposure to China) narrowed as China dialled down its stimulus, as discussed earlier. **Globalworth Real Estate** is a major office-space investor in Poland and Romania, where commercial office letting remains strained. **Herald** and **Manchester & London** are major investors in technology. **Aberforth Split Level Income**'s price action did not keep up with the increase in the NAV, leading to a widening in its discount over the quarter.



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Standardised past performance to 31 December**:

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|---------------------------|-------|-------|-------|-------|-------|
| Scottish Mortgage | 21.4% | 13.3% | 16.5% | 41.1% | 4.6% |
| AIC Global Sector Average | 8.8% | 10.9% | 22.6% | 24.1% | -4.9% |

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 the investment in the fund and any income from it. Investors may not get back the amount invested. The Trust's risk could be increased by its investment in unlisted investments. These assets may be more difficult to buy or sell, so changes in their prices may be greater.

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Long-term investment partners

*Ongoing charges as at 31.03.18. **Source: Morningstar, share price, total return as at 31.12.18. Your call may be recorded for training or monitoring purposes. Issued and approved by Baillie Gifford & Co Limited, whose registered address is at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom. Baillie Gifford & Co Limited is the authorised Alternative Investment Fund Manager and Company Secretary of the Company. Baillie Gifford & Co Limited is authorised and regulated by the Financial Conduct Authority (FCA). The investment trusts managed by Baillie Gifford & Co Limited are listed UK companies and are not authorised and regulated by the Financial Conduct Authority.

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Money raised and returned

The 325 investment companies raised £2.9bn of net new capital over the first quarter, with the IPOs of [Cordiant Digital Infrastructure](#), [Digital 9 Infrastructure](#), and [VH Global Sustainable Energy Opportunities](#) bringing in a combined £917m.

Money raised (LHS) and returned (RHS) in £m over Q1 2021

| Fund | Sector | £m raised | Fund | Sector | £m returned |
|--|---------------------------------|-----------|---|---------------------------|-------------|
| Cordiant Digital Infrastructure | Infrastructure | 370.0 | Scottish Mortgage* | Global | (308.1) |
| Digital 9 Infrastructure | Infrastructure | 300.0 | Alliance Trust* | Global | (44.7) |
| Chrysalis Investments | Growth Capital | 300.0 | Gulf Investment Fund* | Global Emerging Markets | (42.7) |
| VH Global Sustainable Energy Opportunities | Renewables | 246.6 | Witan* | Global | (41.6) |
| Greencoat UK Wind | Renewable Energy Infrastructure | 198.0 | Scottish Investment Trust* | Global | (36.2) |
| Tritax EuroBox | Property - Europe | €230.0 | TwentyFour Select Monthly Income* | Debt - Loans & Bonds | (34.0) |
| Smithson* | Global Smaller Companies | 186.1 | CVC Credit Partners Euro Opps. GBP* | Debt - Loans & Bonds | (27.3) |
| SDCL Energy Efficiency Income | Renewable Energy Infrastructure | 160.0 | F&C* | Global | (21.1) |
| Supermarket Income REIT | Property - UK Commercial | 153.0 | UK Mortgages* | Debt - Structured Finance | (19.6) |
| LXI REIT* | Property - UK Commercial | 126.5 | Polar Capital Technology* | Technology & Media | (16.0) |

Source: Morningstar, Marten & Co. Note: excludes trusts with market caps below £15m at 31/03/21. *based on the approximate value of shares at 31/03/21

Money coming in

There were three major IPOs over the first quarter. [Cordiant Digital Infrastructure](#) and [VH Global Sustainable Energy Opportunities](#) launched in February. [Cordiant Digital Infrastructure](#) will make investments in digital infrastructure assets, with a focus on data centres, mobile telecommunications/broadcast towers and fibre-optic network assets. [VH Global Sustainable Energy Opportunities](#)'s will focus on energy infrastructure assets, mainly in countries that are members of the EU and part of the OECD. Triple Point's [Digital 9 Infrastructure](#) launched with a £300m over March, which although below its £400m target, was still a very good result. It will pursue opportunities in digital infrastructure assets, which deliver a reliable internet including (but not limited to) subsea fibre, data centres, terrestrial fibre, tower infrastructure and small cell networks (including 5G). The growth capital fund, [Chrysalis Investments](#), brought in £300m in an upscaled placing. The fund has some momentum behind it after some good realisations over 2020, notably in TransferWise. [Tritax EuroBox](#) brought in €230m, as the logistics sector has taken off since the pandemic with online retailing growing exponentially. [Greencoat UK Wind](#) had spent almost £100m on investments in two wind farms within days of its raise. Elsewhere, [SDCL Energy Efficiency Income](#), [Smithson](#), [Supermarket Income REIT](#), and [LXI REIT](#), raised over £100m.

Money going out

Returns of capital were led by [Scottish Mortgage](#), [Alliance Trust](#), and [Gulf Investment](#). [Scottish Mortgage](#) has been actively buying back shares. [Gulf Investments](#) shrank as 44% of shareholders opted for the exit in a tender held in December.

Major news stories over Q1 2021

Portfolio developments

- **SDCL Energy Efficiency Income** sealed a deal with the UK's largest operator of public electric vehicle charging points
- **HgCapital Trust** had a bumper year
- **RTW Venture** participated in financing rounds held by Ventyx Biosciences and Visus Therapeutics
- **BlackRock World Mining** had a great 2020
- **India Capital Growth** began to reap the rewards of an improved process
- **Polar Capital Global Financials** matched its benchmark in a transformational year
- **JLEN Environmental** expanded its remit
- **Round Hill Music** proceeded with its pipeline purchase
- We had inaugural results from **Octopus Renewables Infrastructure**
- It was a tough year for **BlackRock Latin American**
- **Apax Global Alpha** had a great year
- **TRIG's** diversity in technology and geography was a source of strength over 2020
- **BlackRock Throgmorton** had an excellent year
- **Ruffer** discussed its decision to invest in bitcoin
- **Standard Life Private Equity** delivered impressive results

Property news

- **Civitas Social Housing** achieved an investment-grade credit rating
- We also had a response from **Civitas** and **Triple Point Social Housing** to a regulator update
- **Tritax EuroBox** was assigned investment grade credit rating by Fitch. It also raised €230m in oversubscribed placing
- **RDI REIT** was the subject of a £467.9m takeover approach
- **Residential Secure Income** lived up to name with 99% rent collection
- **Tritax Big Box** collected 99% of its rent in 2020

Corporate news

- **Cordiant Digital's** IPO raised £370m
- **Digital 9 Infrastructure's** IPO raised £300m
- **NextEnergy Renewables** published its prospectus
- **Strategic Equity Capital** scored a comfortable win in its continuation vote
- **Drum Income Plus REIT** is to undertake a strategic review
- **Fundsmith Emerging Equities** proposed an amendment to its investment objective and policy
- **Fair Oaks Income** published a prospectus on its reorganisation and placing programme proposals
- There was a shakeup at **JPMorgan Multi Asset**. It is changing its name to JPMorgan Multi-Asset Growth & Income
- **Chrysalis Investments** is looking to grow to fund its active pipeline of around £1bn
- **KKV Secured Loan** secured an exit and an NAV uplift
- **Jupiter UK Growth** published its reconstruction and wind up proposals
- **ICG Longbow's** wind-down was approved

Managers and fees

- **Scottish Mortgage's** manager James Anderson is to retire
- **Troy's** Francis Brooke secured a promotion
- Shareholders voted on **BH Global's** fees
- **Martin Currie Global Portfolio** cut its fee
- Charlie Thomas, manager of **Jupiter Green**, is leaving Jupiter

QuotedData views

- There's more to emerging markets than China – 26 March
- Will Rishi's call for return to office impact sector? – 26 March
- Retiring gracefully – 19 March
- Property one year on from lockdown – 19 March
- Keeping the dividends flowing – 12 March
- Too late to save property's problem child? – 12 March
- Inflation fears making waves – 5 March
- From infectious enthusiasm to IPO fever? – 12 February
- Cheers to the property dividend hikes – 12 February
- Property tinkermen worth their weight in gold – 5 February
- Something new to get your digits on – 5 February
- The next big thing – 29 January
- Timing just right for Big Box – 29 January
- Reasons to be cheerful – 22 January

- Student digs top of the class for COVID rebound? – 5 March
- More REIT M&A to come? – 26 February
- The rewards of truly patient capital – 26 February
- EuroBox raise hits the sweet spot – 19 February
- Resurgent emergence – 19 February
- Can Upton regenerate U and I Group's future? – 22 January
- Don't discount the property generalists – 15 January
- The dangers of political risk – 15 January
- Watch property go in 2021 – 8 January
- Nothin' but blue skies from now on... – 8 January

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

Upcoming events

Here is a selection of what is coming up. Please refer to the Events section of our website for updates between now and when they are scheduled:

- Herald AGM 2021, [20 April](#)
- CVC Credit Partners European Opportunities AGM 2021, [22 April](#)
- The London Investor Show, [23 April](#)
- JPMorgan US Smaller AGM 2021, [26 April](#)
- Fidelity Japan presentation 2021, [26 April](#)
- Aberdeen Asian Income manager presentation 2021, [27 April](#)
- JPMorgan American manager presentation 2021, [28 April](#)
- Aberdeen Smaller Companies Income AGM 2021, [28 April](#)
- Pershing Square AGM 2021, [28 April](#)
- Greencoat UK Wind AGM 2021, [28 April](#)
- Witan AGM 2021, [28 April](#)
- BBGI Global Infrastructure AGM 2021, [30 April](#)
- Apax Global Alpha AGM 2021, [4 May](#)
- The Renewables Infrastructure Group AGM 2021, [5 May](#)
- Schroder Asian Total Return AGM 2021, [7 May](#)
- Aberdeen Asian Income AGM 2021, [12 May](#)
- Nippon Active Value Fund AGM 2021, [12 May](#)
- Temple Bar AGM 2021, [13 May](#)
- JPMorgan American AGM 2021, [14 May](#)
- Baillie Gifford Shin Nippon AGM 2021, [14 May](#)
- Fidelity Japan AGM 2021, [18 May](#)
- Riverstone Credit Opportunities Income AGM 2021, [19 May](#)
- Henderson High Income AGM 2021, [24 May](#)
- Sustainable & Social Investing Conference, [21 May](#)
- Axiom European Financial Debt AGM 2021, [19 July](#)

Interviews

Have you been listening to our weekly news round-up shows? Every Friday at 11 am, we run through the more interesting bits of the week's news and we usually have a special guest or two answering questions about a particular investment company.

| Friday | The news show | Special Guest | Topic |
|-------------|----------------------|---------------------------------|-----------------------------|
| 6 November | RSE, LBOW, SONG, VIN | Michael Bonte-Friedheim | NextEnergy Solar |
| 13 November | RHM, VGEO, SHED, RDI | Roger Clarke | IPSEX Group |
| 20 November | THRG, MTE, UKML | Fran Radano | North American Income Trust |
| 27 November | SBO, NAVF, CCJI | Nicholas Weindling | JPMorgan Japanese |
| 4 December | PCFT, IVI, GPM | Denis Jackson & James Henderson | Law Debenture |

| | | | |
|-------------|--|-----------------|--------------------------------------|
| 11 December | KIT, JUS, RTW | Steve Cook | Sequoia Economic Infrastructure |
| 8 January | Review of 2020 | Andrew McHattie | Review of 2020 |
| 15 January | GVP, SUPP, SBO | James Robson | RM Secured Lending |
| 22 January | SONG, JGC, RMMC | Adam Khanbhai | Strategic Equity Capital |
| 29 January | SLPE, FSFL, RSE | Philip Kent | GCP Infrastructure |
| 5 February | RHM, IPOs | Dean Orrico | Middlefield Canadian Income |
| 12 February | RTW, UKW, SEC, GVP | Alan Gauld | Standard Life Private Equity Trust |
| 19 February | JLEN, KKV, BH Global, EBOX/BOXE | Matthew Tillett | The Brunner Investment Trust |
| 26 February | LWDB, TIGT, BRFI, RDI | Nalaka De Silva | Aberdeen Diversified Inc. & Growth |
| 5 March | Review of February, CMHY, SEC, GSF, APAX | Nick Brind | Polar Capital Global Financials |
| 12 March | HOME, LXI, BBOX | Stuart Young | Phoenix Spree Deutschland |
| 19 March | CSH, APX, SUPR | Richard Moffitt | Urban Logistics REIT |
| 26 March | MATE, CHRY, DGI9, SYNC | Ross Teverson | Jupiter Emerging and Frontier Income |
| 9 April | Review of March, CBA, SEC, SEIT, SUPP | Neil Hermon | Henderson Smaller Companies |

Research notes published over Q1 2021



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Aberdeen New Dawn
Investment companies | Annual overview | 18 March 2021

An ESG Leader in Asian equities

Despite the difficulties of COVID-19, Aberdeen New Dawn (ABD) has provided very strong absolute and relative returns during the last 12 months. These are markedly ahead of its benchmark, the wider Asia ex Japan region and global equity markets more generally. Asia is emerging from the pandemic in a position of relative strength and ABD's manager thinks valuations are at attractive levels relative to global equities.

Until recently, ABD had also benefited from a narrowing of its discount. However, this has reversed and ABD's shares now trade on the widest discount in its sector. We think that this widening (into double digits) does not appear to be consistent with either ABD's absolute or relative performance. It may therefore present an opportunity for investors as markets settle as economic growth patterns pave this year.

Environmental, Social, and Corporate Governance (ESG) considerations play an increasingly important role in the manager's stock selection process. ABD's portfolio now meets a AA score from MSCI's ESG rating system, classifying it as a 'leader' on ESG issues.

| Sector | Asia Pacific |
|-------------------|--------------|
| Ticker | ABD LN |
| Base currency | GBP |
| Price | 308.5p |
| NAV | 340.5p |
| Premium(discount) | (11.3%) |
| Yield | 1.3% |

ABD's portfolio now has an 'AA' score from MSCI's ESG rating system, which classifies it as a leader on ESG issues.

James Thom says that he is really positive on the outlook for Asian markets.

The conversations that the ASI team are having with companies are increasingly positive, even in harsher markets such as India.

Capital growth from Asia Pacific ex Japan

ABD aims to provide shareholders with a high level of capital growth through equity investment in the Asia Pacific countries, excluding Japan. The trust holds a diversified portfolio of securities in quoted companies across a range of industries and economies. ABD is benchmarked against the MSCI All Countries Asia Pacific ex Japan Index (in sterling terms).

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Despite the difficulties of COVID-19, Aberdeen New Dawn (ABD) has provided very strong absolute and relative returns during the last 12 months. These are markedly ahead of its benchmark, the wider Asia ex Japan region and global equity markets more generally. Asia is emerging from the pandemic in a position of relative strength and ABD's manager thinks valuations are at attractive levels relative to global equities.

Vietnam's response to the COVID-19 pandemic has been very effective and, reflecting this, the International Monetary FUND (IMF) has predicted that it will post positive GDP growth of 1.6% for 2020, increasing to 6.7% this year and averaging 7.0% for 2021 to 2025. Indeed, Dynam Capital, Vietnam Holding's (VNH's) manager, believes that Vietnam will be one the 20 largest economies in the world by 2050.



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INVESTOR

Vietnam Holding Limited
Investment companies | Annual overview | 17 March 2021

Leveraging Asia's rising star

Vietnam's response to the COVID-19 pandemic has been very effective and, reflecting this, the International Monetary FUND (IMF) has predicted that it will post positive GDP growth of 1.6% for 2020, increasing to 6.7% this year and averaging 7.0% for 2021 to 2025. Indeed, Dynam Capital, Vietnam Holding's (VNH's) manager, believes that Vietnam will be one the 20 largest economies in the world by 2050.

The manager has tilted the portfolio towards sectors such as banking (where exposure has moved from around 10% to 25%) and higher-quality real estate, which it believes are well-positioned to capture the benefits of this growth. This strategy has already helped some rewards, as VNH's banking stocks have been amongst its stronger performing holdings as markets have recovered.

| Sector | Country specialist |
|-------------------|--------------------|
| Ticker | VNH LN |
| Base currency | GBP |
| Price | 289.0p |
| NAV | 253.4p |
| Premium(discount) | (11.6%) |
| Yield | Nil |

Strong environmental, social and governance (ESG) focus.

Vietnam has had a standout success story in terms of its handling of COVID-19 (see page 8).

The manager believes that Vietnam will be one the 20 largest economies in the world by 2050.

Capital growth from a concentrated portfolio of high growth Vietnamese companies

VNH aims to provide investors with long-term capital appreciation by investing in a portfolio of high-growth companies in Vietnam. These should come at an attractive valuation and demonstrate strong environmental, social and corporate governance awareness. It achieves this by investing primarily in publicly-quoted Vietnamese equities, but it can also invest in unlisted companies and can hold the securities of foreign companies if a majority of their assets and/or operations are based in Vietnam.

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INVESTOR

Jupiter US Smaller Companies
Investment companies | Initiation | 18 March 2021

Over the pond

From the beginning of April, Brown Advisory (Brown) is set to take over the management of Jupiter US Smaller Companies (JUS), following the retirement of the trust's long-standing manager, Robert Siddles. Back in December, when JUS's board announced its intention to appoint Brown, it said that the long and impressive track record of the new manager's US small-cap growth strategy, with annualised returns of 14.5% over 10 years, stood out in a highly competitive field. It also said that it believed that the appointment of Brown should lead to strong performance, a narrower discount and ultimately the ability to grow the company over time. With this major change now approaching, this note takes an in-depth look at JUS and explores the key changes that investors should expect to see. One key difference is that the portfolio will be managed from the US, rather than remotely from the UK.

| Sector | North American Smaller Companies |
|-------------------|----------------------------------|
| Ticker | JUS LN |
| Base currency | GBP |
| Price | 1,346.5p |
| NAV | 1,492.3p |
| Premium(discount) | (10.7%) |
| Yield | Nil |

Soon to be renamed Brown Advisory US Smaller Companies Plc.

The new manager's US small-cap growth strategy has a long and impressive track record.

Brown Advisory believes in the power of compounding returns in good businesses.

Capital growth from a diversified portfolio of US smaller and medium-sized companies

JUS aims to provide investors with long-term capital growth by investing in a diversified portfolio primarily of quoted US smaller and medium-sized companies. Brown's long-term investment philosophy has three core tenets: to think and act differently to exploit inefficiencies; and to focus on businesses that possess three qualities in particular: durable growth, sound governance, and scalable go-to-market strategies.

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North American Income Trust (NAIT) stands apart amongst the AIC North America sector funds in combining an income focus with at least 90% of its portfolio invested in the US. NAIT's manager, Fran Radano, believes that this should work in its favour, as there is a good chance that the market rotation back into sectors with attractive valuations, like financials, will continue over the rest of 2021.



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INVESTOR

The North American Income Trust
Investment companies | Annual overview | 11 March 2021

Well-positioned as rotation gathers pace

North American Income Trust (NAIT) stands apart amongst the AIC North America sector funds in combining an income focus with at least 90% of its portfolio invested in the US. NAIT's manager, Fran Radano, believes that this should work in its favour, as there is a good chance that the market rotation back into sectors with attractive valuations, like financials, will continue over the rest of 2021.

Fran expects a strong rebound in dividend growth, with most portfolio holdings expected to meet or exceed pre-pandemic earnings per share over 2021. The scope for an increase in the market's valuation of the portfolio holdings, coupled with a discount that is wider now than it was during the summer months of 2020, may represent an attractive opportunity.

Above-average income and long-term growth

NAIT's objective is to invest for above-average dividend income and long-term capital growth, mainly from a concentrated portfolio of dividend paying S&P 500 US stocks.

| Sector | North America |
|-------------------|---------------|
| Ticker | NAIT LN |
| Base currency | GBP |
| Price | 248.9p |
| NAV | 288.7p |
| Premium(discount) | (14.8%) |
| Yield | 4.9% |

Corporate earnings over the fourth quarter of 2020 were much better than expected.

NAIT's discount is currently wider than it was over the summer of 2020, which appears at odds with the direction markets have taken since November.

NAIT's significantly greater exposure to the US compared to its closest peers, BlackRock North American Income, could a competitive advantage if the pace of recovery in the US is brisker.

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INVESTOR

Weiss Korea Opportunity Fund
Investment companies | Initiation | 9 March 2021

A remarkable success story

Weiss Korea Opportunity Fund (WKOF) was one of the best-performing of all London-listed investment companies last year, and since its 2013 launch it has delivered more than twice the return of its performance benchmark index, the MSCI Korea 25/50 Index (see page 4).

WKOF has a unique investment approach within the investment company sector. Not only is it the only UK-listed fund offering investors dedicated access to South Korean stocks, it has also adopted a differentiated investment approach that seeks to profit from the valuation gap between the non-voting Korean preference shares that make up substantially all of its portfolio and the common shares issued by the same companies.

As we describe in this note, a considerable opportunity still remains for WKOF's investment managers to continue to add value from this often-overlooked market.

South Korean preference shares

WKOF aims to earn an attractive return through long-term capital appreciation by investing primarily in South Korean preference shares.

Most Korean preference shares are effectively non-voting common shares and are generally entitled to the common per share dividend plus an additional fixed amount.

Relative to their corresponding common shares, many Korean preference shares trade at a discount resulting in higher dividend yields and lower price-to-earnings ratios.

| Sector | Country specific | Active | Open |
|---|------------------|--------|------|
| Ticker | WKOF.LN | | |
| Base currency | GBP | | |
| Price | 250.5p | | |
| NAV | 256.5p | | |
| Premium/discount | (1.9%) | | |
| Year | 1.9% | | |
| Note: 1) Marten & Co estimate. Last published 26.1.2021 at 16 March 2021. | | | |

WKOF was the eighth-best performing of all London-listed investment companies over 2020.

Biennial exit opportunity at NAV less costs

Relatively benign experience of COVID-19

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Aberdeen Emerging Markets Investment Company's (AEMC's) managers, Andrew Lister and Bernard Moody, note investors' new-found enthusiasm for emerging markets, now that they have been outperforming for a while. Their long experience of investing in the space tells them that now is a good time to be cautious. They have been taking profits on some positions and reallocating funds to areas that are yet to feel the full benefit of the change in sentiment toward the sector.

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Aberdeen Emerging Markets Investment Company
Investment companies | Annual overview | 26 March 2021

Cautiously optimistic

Aberdeen Emerging Markets Investment Company's (AEMC's) managers, Andrew Lister and Bernard Moody, note investors' renewed enthusiasm for emerging markets, now that they have been outperforming for a while. Their long experience of investing in the space tells them that now is a good time to be cautious. They have been taking profits on some positions and reallocating funds to areas that are yet to feel the full benefit of the change in sentiment toward the sector.

The managers observe that valuations are not demanding and think that the US dollar weakness that has been supporting the case for emerging markets may persist for a while yet. The long-term case for allocating money to the sector is undimmed. The managers may be cautious, but they are still optimistic.

Aims for consistent outperformance of MSCI Emerging Markets Index

AEMC invests in a carefully selected portfolio of both closed- and open-ended funds, providing diversified exposure to emerging economies. It aims to achieve consistent returns for its shareholders, above the MSCI Emerging Markets Net Total Return Index in sterling terms.

| Sector | Global emerging | AEMC LN |
|------------------|-----------------|---------|
| Ticker | | |
| Base currency | GBP | |
| Price | 650.5p | |
| NAV | 659.2p | |
| Premium/discount | (1.1%) | |
| Yield | 3.3% | |

Diversified exposure to emerging markets

Prioritise caution over greed

There is a margin of safety in emerging market valuations

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Having played a supporting role in the initial phase of the stock market recovery – breaking historical precedent in the process – the share prices of financial stocks, and banks in particular, have come back sharply since November. Demand for its shares meant that Polar Capital Global Financials Trust's (PCFT's) premium rating was recently at its highest level in more than five years, paving the way for share issuances. Banks were well-capitalised going into the pandemic, so the much-milder-than-expected impact on loan defaults to date, coupled with the prospect of economies gradually re-opening, is shifting the discussion forward to the potential impact of pandemic stimulus on inflation.

JLEN Environmental Assets (JLEN) holds the most diversified portfolio within its peer group. Today, it is asking shareholders to approve a broader definition of environmental assets as well as increased exposure to construction-stage investments. We think that JLEN's premium, which is one of the highest within its group of competing funds, reflects the breadth of its asset mix and the accompanying high proportions of income from government-backed subsidies, which makes its income more predictable.

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Polar Capital Global Financials Trust
Investment companies | Update | 25 February 2021

The tide has turned

Having played a supporting role in the initial phase of the stock market recovery – breaking historical precedent in the process – the share prices of financial stocks, and banks in particular, have come back sharply since November. Demand for its shares meant that Polar Capital Global Financials Trust's (PCFT's) premium rating was recently at its highest level in more than five years, paving the way for share issuances. Banks were well-capitalised going into the pandemic, so the much-milder-than-expected impact on loan defaults to date, coupled with the prospect of economies gradually re-opening, is shifting the discussion forward to the potential impact of pandemic stimulus on inflation, and ultimately increases in interest rates. Meanwhile, distributions, in the form of dividends and share buybacks, are returning and billions of dollars' worth of loan reserves are being released unused. It is worth reiterating that PCFT has more savings to its bow than developed world banks. Asia ex-Japan is now 26% of the fund and exposure to fintech payments companies like PayPal has been rewarded handsomely.

Growing income from financials stocks

PCFT aims to generate a growing dividend income, together with capital appreciation. It invests primarily in a global portfolio, consisting of listed or quoted securities issued by companies in the financial sector. This includes banks, life and non-life insurance companies, asset managers, stock exchanges, specialty lenders, and fintech companies, as well as property and other related sub-sectors.

At about 10%, fintech is a significant part of the fund

| Sector | Specialist-financials | PCFT LN |
|------------------|-----------------------|---------|
| Ticker | | |
| Base currency | GBP | |
| Price | 189.5p | |
| NAV | 148.5p | |
| Premium/discount | 8.7% | |
| Yield | 2.9% | |

PCFT's managers note that, unlike during the Global Financial Crisis, banks' capital levels have continued to rise through the current downturn. Restrictions on dividends have been lifting.

Exposure to Asia-Pacific (ex-Japan) now accounts for the vast majority of PCFT's overall emerging markets portfolio exposure level of 28%

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JLEN Environmental Assets
Investment companies | Annual overview | 16 February 2021

Increasingly diversified as green-led recovery looms

JLEN Environmental Assets (JLEN) holds the most diversified portfolio within its peer group. Today, it is asking shareholders to approve a broader definition of environmental assets as well as increased exposure to construction-stage investments. We think that JLEN's premium, which is one of the highest within its group of competing funds (see page 24), reflects the breadth of its asset mix and the accompanying high proportions of income from government-backed subsidies, which makes its income more predictable.

The pace of decarbonisation (reducing the production of greenhouse gases including CO₂ from the economy) in the UK and wider continental Europe (see page 6), where JLEN is exploring opportunities (see page 8), is set to ramp up, particularly with many governments looking to the 'green economy' to play a significant role in the post-COVID recovery. JLEN is well-positioned to take advantage of this.

Progressive dividend from investment in environmental infrastructure assets

JLEN aims to provide its shareholders with a sustainable, progressive dividend, paid quarterly. It also aims to preserve the capital value of its portfolio on a net basis over the long term. It invests in environmental infrastructure assets with predictable, wholly or partially index-linked cash flows, supported by long-term contracts or stable regulatory frameworks.

| Sector | Renewable energy infrastructure | JLEN LN |
|---|---------------------------------|---------|
| Ticker | | |
| Base currency | GBP | |
| Price | 114.5p | |
| NAV | 95.9p | |
| Premium/discount | 19.4% | |
| Yield | 8.9% | |
| *Last published NAV, as at 31 December 2020 | | |

JLEN has the broadest net of any fund within its peer group.

JLEN's shares trade at a marked premium to the peer group average.

JLEN's high yield, derived from government-backed income sources, provides a compelling alternative to traditional equity income.

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BB Biotech AG
Investment companies | Initiation | 11 February 2021

Bold Brilliant biotech investor

Swiss-listed BB Biotech is the oldest-established, the largest and, over the longer term, one of the best-performing of the small group of closed-end funds that specialise in the biotech sector. It offers investors a vehicle to gain exposure to a focused portfolio of predominantly-US small-to-mid-cap biotech companies developing therapeutic products, with a strong bias towards cell, gene and particularly RNA-based technologies.

The company has a consistent 27-year record of outperformance against the broad US biotech indices and aims to deliver its shareholders at least a 15% a year growth in capital, including a 5% dividend per year. It has met this target consistently over the past 10 years with a 17% per year compound return in its share price (excluding dividends) and 20% per year on a total return basis (assuming dividends are reinvested).

Performance in 2020 was driven, in part, by an investment in Moderna, whose stock price rose more than five-fold last year on the back of the rapid and successful development of its COVID-19 vaccine (mRNA-1273).

High conviction, fundamental and long term

BB Biotech is a high-conviction, fundamental and long-term investor that offers investors direct access to a selected portfolio of promising, fast-growing and profitable biotech companies listed on stock markets around the world, but with a strong bias to the US. BB Biotech aims to deliver a compound total return of at least 15% per year with an annual dividend equivalent to 5% of NAV.

| Sector | Biotechnology and healthcare |
|------------------|------------------------------|
| Ticker | BION:SW |
| Base currency | CHF |
| Price | 80.20 |
| NAV | 82.25 |
| Premium/discount | 12.1% |
| Yield | 3.9% |

- Acquires positions in promising companies
- 13 holdings taken over or merged over the past five years
- Dividend paid each year totalling 5% of NAV

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Despite significant headwinds caused by the COVID-19 pandemic, Grit Real Estate Income Group's (GRIT's) diverse portfolio has proved resilient, with rent collection rates of 91.4% and a slight recovery in property valuations. Buoyed by the performance of its offices (the group's largest sector exposure), corporate accommodation and industrial portfolios, plus its consistently strong rent receipts, the group has reinstated its dividend (after suspending it at the height of the pandemic), albeit at a lower level.



Grit Real Estate Income Group
Real estate | Update | 17 February 2021

On the path to recovery

Despite significant headwinds caused by the COVID-19 pandemic, Grit Real Estate Income Group's (GRIT's) diverse portfolio has proved resilient, with rent collection rates of 91.4% and a slight recovery in property valuations. Buoyed by the performance of its offices (the group's largest sector exposure), corporate accommodation and industrial portfolios, plus its consistently strong rent receipts, the group has reinstated its dividend (after suspending it at the height of the pandemic), albeit at a lower level.

The quality nature of its hospitality tenants and positive government-backed financial support have mitigated the impact on its holdings in the hospitality sector, while sales and purchases of properties have brought its retail exposure down significantly.

A consolidation of its corporate structure, which has seen it move corporate domicile from Mauritius to Guernsey, a step up to the Premium listing segment of the London Stock Exchange and conversion to a sterling quotation could facilitate Grit's inclusion in the FTSE indices and improve liquidity in its shares.

Pan-African real estate

Grit is a pan-African real estate company that invests in and actively manages a diversified portfolio of assets in selected African countries (excluding South Africa). It aims to deliver strong and sustainable income for shareholders, with the potential for income and capital growth, and is targeting a net total shareholder return inclusive of NAV growth of 12.0% per annum.

| Sector | Real estate |
|------------------|-------------|
| Ticker | GRIT:LN |
| Base currency | GBP |
| Price | 81.5p |
| NAV | 85.3p |
| Premium/discount | (18.8%) |
| Yield | 6.2% |

- Pan-African real estate portfolio proved resilient during pandemic, with net collection rate of 91.4%
- Dividend reinstated with additional one-off dividend earmarked for 2021
- Corporate structure clean-up to improve liquidity in shares

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Shires Income
Investment companies | Annual overview | 3 February 2021

High yield without compromising on returns

2020 showed off Shires Income's (SHRS's) ability to deliver on its objective. By sourcing income from a wider pool than most of its peers, SHRS's revenue account held up well relative to the wider UK market, and it managed to produce returns ahead of the average of its peers and the UK market (see page 15 for an analysis of SHRS's sources of revenue).

Iain Pyke, SHRS's manager, is cautiously optimistic about the outlook for 2021. The pace of economic recovery, supported by considerable injections of government money, will be influenced by the success of vaccination programmes. Iain's focus has been on securing SHRS's revenue income. He is wary of the valuations being applied to some stocks and believes the need to be selective, which SHRS's investment approach gives him the freedom to do.

High level of income with potential for growth

SHRS aims to provide its shareholders with a high level of income, together with the potential for growth on both income and capital from a portfolio substantially invested in large-cap UK equities. The portfolio may be further diversified with exposure to smaller UK companies and overseas equities. SHRS augments its income with a portfolio of redeemable preference shares and convertibles (and, when the manager believes appropriate, fixed income securities), financed, in part, by lower cost gearing (borrowing).

| Sector | UK equity income |
|------------------|------------------|
| Ticker | SHRS:LN |
| Base currency | GBP |
| Price | 236.0p |
| NAV | 254.0p |
| Premium/discount | (7.1%) |
| Yield | 6.9% |

- Economic recovery to come, supported by considerable stimulus
- Need to be selective
- Revenue contribution from preference shares enables emphasis on quality

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Since May 2020, Strategic Equity Capital (SEC) has been managed by the public equity team at Gresham House Asset Management. The head of that team, Ken Wotton, became lead-manager of the trust in September, working alongside Adam Khanbhai. Over the last three months of 2020, three full exits were achieved and two new investments made. Five of the stocks in the portfolio are ones where funds managed or advised by the manager have a significant stake. The manager believes that there is now a clear path towards improved performance for SEC and a narrowing of its discount.



Strategic Equity Capital
Investment companies | Annual overview | 2 February 2021

Back to its roots

Since May 2020, Strategic Equity Capital (SEC) has been managed by the public equity team at Gresham House Asset Management. The head of that team, Ken Wotton, became lead-manager of the trust in September, working alongside Adam Khanbhai. The chair of SEC's investment committee is now Tony Dalewood, SEC's lead manager when it was launched in 2006 and Gresham House PLC's chief executive.

Under its new leadership, SEC is gradually retooling its portfolio on smaller companies where it can take more material stakes and exercise a greater degree of influence. Whilst the core investment strategy is unchanged, we think that this reflects a return to the original ethos of the trust. Over the last three months of 2020, three full exits were achieved and two new investments made. Five of the stocks in the portfolio are ones where funds managed or advised by the manager have a significant stake. The manager believes that there is now a clear path towards improved performance for SEC and a narrowing of its discount.

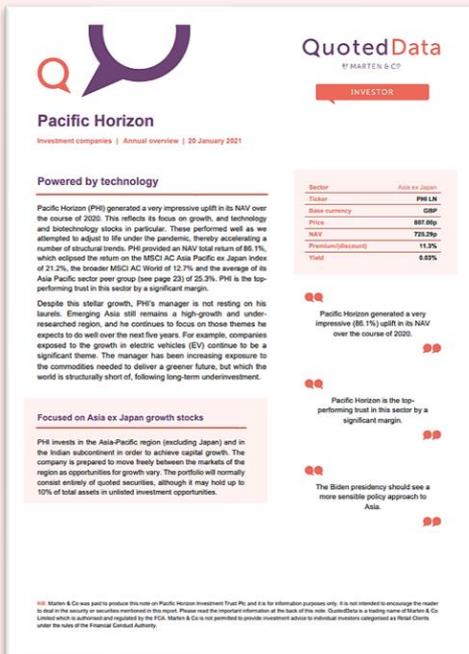
Focused UK small companies portfolio

SEC aims to achieve absolute returns over a medium-term period, principally through capital growth. SEC is managed with a focused portfolio of investments selected on the same basis that a private equity investor would use to appraise its investments.

| Sector | UK smaller companies |
|------------------|----------------------|
| Ticker | SEC:LN |
| Base currency | GBP |
| Price | 237.0p |
| NAV | 264.0p |
| Premium/discount | (10.7%) |
| Yield | 6.9% |

- Increased emphasis on taking influential minority stakes in companies
- A greater emphasis on engagement
- Tony Dalewood, SEC's original lead manager, now heads its investment committee

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Pacific Horizon (PHI) generated a very impressive uplift in its NAV over the course of 2020. This reflects its focus on growth, and technology and biotechnology stocks in particular. These performed well as we attempted to adjust to life under the pandemic, thereby accelerating a number of structural trends. PHI provided an NAV total return of 86.1%, which eclipsed the return on the MSCI AC Asia Pacific ex Japan index of 21.2%, the broader MSCI AC World of 12.7% and the average of its Asia Pacific sector peer group (see page 23) of 25.3%. PHI is the top-performing trust in this sector by a significant margin.

Despite this stellar growth, PHI's manager is not resting on his laurels. Emerging Asia still remains a high-growth and under-researched region, and he continues to focus on those themes he expects to do well over the next five years. For example, companies exposed to the growth in electric vehicles (EV) continue to be a significant theme. The manager has been increasing exposure to the commodities needed to deliver a greener future, but which the world is structurally short of, following long-term underinvestment.

Guide

Our independent guide to quoted investment companies is an invaluable tool for anyone who wants to brush up on their knowledge of the investment companies' sector. Please register on www.quoteddata.com if you would like it emailed to you directly.



Appendix 1 – median performance by sector over Q1 2021

| | Share price Q1 21 TR (%) | NAV Q1 21 TR (%) | Discount 31/03/21 (%) | Market cap 31/03/21 (£m) | Number of companies in the sector |
|------------------------------------|--------------------------------|---------------------|-----------------------------|--------------------------------|---|
| Commodities & Natural Resources | 13.7 | 3.3 | (4.6) | 94 | 8 |
| North American Smaller Companies | 9.2 | 8.8 | (3.3) | 217 | 2 |
| Debt - Structured Finance | 8.2 | 3.8 | (12.8) | 151 | 7 |
| Property - UK Logistics | 7.9 | 0.0 | 6.7 | 3,087 | 1 |
| UK Smaller Companies | 7.8 | 8.4 | (8.5) | 131 | 24 |
| North America | 7.6 | 10.2 | (5.0) | 263 | 6 |
| India | 7.4 | 6.3 | (12.1) | 218 | 4 |
| Asia Pacific Smaller Companies | 7.1 | 8.1 | (11.3) | 335 | 3 |
| UK Equity & Bond Income | 5.8 | 4.6 | (9.5) | 130 | 2 |
| Property - UK Commercial | 5.6 | 1.1 | (16.5) | 188 | 16 |
| Private Equity | 4.9 | 0.0 | (20.7) | 210 | 20 |
| Global Equity Income | 4.8 | 6.0 | (0.3) | 310 | 7 |
| Property - UK Residential | 4.8 | 0.8 | (3.0) | 274 | 9 |
| UK All Companies | 4.6 | 5.0 | (3.3) | 233 | 11 |
| Country Specialist | 4.4 | 6.7 | (13.6) | 281 | 5 |
| Growth Capital | 4.0 | 0.0 | (1.9) | 336 | 5 |
| UK Equity Income | 3.8 | 4.7 | (1.4) | 222 | 26 |
| Flexible Investment | 3.6 | 0.6 | (2.4) | 85 | 22 |
| Property - UK Healthcare | 3.2 | 1.5 | 5.9 | 471 | 2 |
| Property - Debt | 2.2 | 2.2 | (14.0) | 214 | 4 |
| Global Emerging Markets | 2.0 | 5.0 | (7.3) | 311 | 14 |
| Debt - Direct Lending | 1.6 | 1.6 | (7.8) | 103 | 10 |
| Royalties | 1.2 | (2.8) | 6.2 | 796 | 2 |
| Environmental | 1.2 | 1.4 | 0.9 | 67 | 4 |
| Debt - Loans & Bonds | 1.0 | 2.1 | (5.7) | 126 | 15 |
| Global | 0.9 | 1.6 | (4.5) | 423 | 17 |
| Hedge Funds | 0.7 | 1.3 | (16.9) | 55 | 11 |
| Europe | 0.2 | 3.5 | (9.8) | 387 | 8 |
| Financials | 0.0 | 0.0 | 0.0 | 255 | 3 |
| Insurance & Reinsurance Strategies | 0.0 | 0.0 | (18.6) | 5 | 5 |
| Property - Europe | 0.0 | 0.0 | (7.6) | 285 | 7 |
| Property - Rest of World | (0.1) | 0.0 | (45.8) | 45 | 4 |
| Renewable Energy Infrastructure | (0.3) | 1.5 | 8.1 | 465 | 16 |
| Infrastructure Securities | (0.5) | 2.2 | (6.1) | 105 | 2 |
| European Smaller Companies | (0.6) | 1.4 | (11.3) | 554 | 4 |
| Japan | (1.4) | 1.9 | (8.8) | 272 | 6 |

| | Share price Q1 21 TR (%) | NAV Q1 21 TR (%) | Discount 31/03/21 (%) | Market cap 31/03/21 (£m) | Number of companies in the sector |
|----------------------------|--------------------------------|---------------------|-----------------------------|--------------------------------|---|
| Biotechnology & Healthcare | (1.8) | (0.2) | 1.0 | 786 | 6 |
| Asia Pacific | (2.0) | 2.8 | (7.9) | 578 | 6 |
| Leasing | (2.3) | 2.0 | (43.9) | 96 | 6 |
| Global Smaller Companies | (3.0) | 5.2 | (7.6) | 1,294 | 5 |
| Infrastructure | (3.7) | 0.0 | 2.1 | 1,146 | 9 |
| Technology & Media | (4.8) | (0.6) | (4.6) | 1,162 | 3 |
| China / Greater China | (9.6) | (0.6) | (1.1) | 504 | 3 |
| Latin America | (10.2) | (7.0) | (10.1) | 88 | 2 |
| Japanese Smaller Companies | (10.9) | (4.7) | (4.8) | 148 | 5 |
| MEDIAN | 1.2 | 1.6 | (6.1) | 255 | 6 |

Source: Morningstar, Marten & Co



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