



## Second quarter of 2022

Investment companies | Quarterly roundup | July 2022

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### Stunted growth

It was very much 'more of the same' during the second quarter of 2022 as the conflict in Ukraine continued, rising inflation and interest rates created volatility and supply chain woes didn't seem to ease. Towards the end of the quarter, previously strong-performing sectors such as commodities & natural resources took a sudden hit, as concerns of a global slow down increased, while China/greater China funds finally seemed to get back on track. Looking ahead, the risk of stagflation across the developed world has increased, while further interest rates look likely. Inflation looks set to stay high due to high commodity prices, supply chain bottlenecks, upbeat US wage growth and deglobalisation.

### New research

Over the quarter, we published notes on: [Henderson High Income](#), [Polar Capital Global Financials](#), [abrdn New Dawn](#), [Civitas Social Housing](#), [Downing Renewables and infrastructure](#), [AVI Global](#), [Standard Life Investments Property Income](#), [CQS New City High Yield](#), [Polar Capital Technology](#), [JPMorgan Japanese](#), [Grit Real Estate Income](#) and [Montanaro UK Smaller Companies](#). You can read all of these notes by clicking on the links above or by visiting our website.

### In this issue

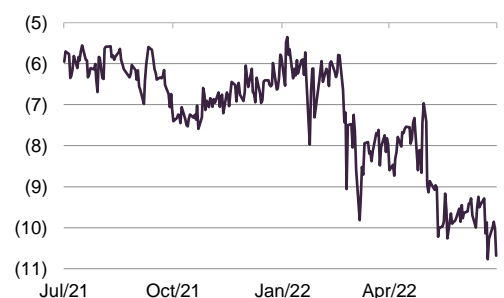
**Performance data** – China/greater China funds bounced back towards the end of the quarter after a torrid start to the year, while the leasing sector was boosted by its aircraft members which have benefited from a surge in travel as consumers feel safe enough to fly again. Meanwhile, the technology & media and growth capital sectors are still suffering as growth stocks continue to be out of favour as interest rates rise.

**Major news stories** – [CT UK High Income](#) pleaded its case for continuation while [DP Aircraft 1](#) decided to go ahead with its fundraising plans. [Henderson International Income](#), [Schroder Oriental Income](#) and [Greencoat UK Wind](#) altered their fees and [Urban Logistics REIT](#) doubled in size after a 'transformational year'.

**Money in and out** – Around £2.3bn of net new capital was raised over the second quarter of 2022, led by fundraises from [International Public Partnerships](#), from [Supermarket Income REIT](#) and [Home REIT](#).

### All investment companies median discount

Time period 01/07/2021 to 30/06/2022

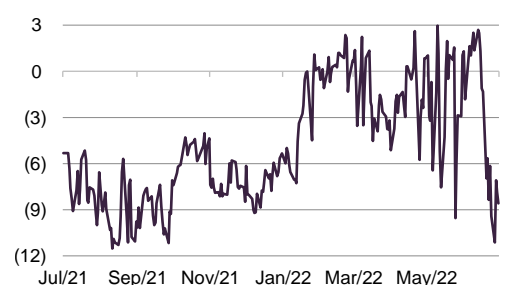


Source: Morningstar, Marten & Co

Discounts have been widened and been increasingly volatile as inflation and the risk of a global recession have increased.

### Commodities & natural resources hit a turning point

Time period 01/07/2021 to 30/06/2022



Source: Morningstar, Marten & Co

Discounts on commodities & natural resources trusts have been increasingly volatile reflecting both higher energy prices and tight commodity markets versus the growing risk of a global recession. After a strong start to 2022 H1, this economically sensitive sector crashed in June.



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## Winners and losers

Out of a total of 353 investment companies that we follow, the median total NAV return over the second quarter of 2022 was -3.9% (the median total share price return was -6.9%). This compares with a median total NAV return of -0.4% in Q1.

### By sector

#### Best performing sectors over Q2 2022 by total price return

	Median share price total return	Median NAV total return	Median discount 30/06/22	Median sector market cap 30/06/22 (£m)	Number of companies in the sector
	(%)	(%)	(%)		
Insurance & Reinsurance Strategies	205.4	8.8	169.3	29.6	2
China / Greater China	11.9	10.2	(3.1)	325.5	4
Leasing	8.9	5.1	(40.3)	103.1	8
Renewable Energy Infrastructure	4.6	1.5	3.1	582.5	21
Hedge Funds	3.1	4.0	(12.0)	85.4	8

**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

The best performing sector for the second quarter of 2022 was insurance & reinsurance strategies as one of its two members, [CatCo Reinsurance](#), made progress with its wind up. China/greater China funds bounced back towards the end of the quarter after a torrid start to the year, with a strong pickup in services and construction as COVID-19 outbreaks and restrictions eased. Meanwhile, the aircraft funds in the leasing sector benefited from a surge in travel as consumers feel safe enough to fly again.

#### Worst performing sectors over Q2 2022 by total price return

	Median share price total return	Median NAV total return	Median discount 30/06/22	Median sector market cap 30/06/22 (£m)	Number of companies in the sector
	(%)	(%)	(%)		
Technology & Media	(21.6)	(17.5)	(13.5)	862.7	3
European Smaller Companies	(17.3)	(14.6)	(13.5)	445.5	4
UK All Companies	(16.4)	(12.4)	(13.7)	192.5	9
Growth Capital	(16.1)	0.0	(39.2)	192.0	7
Property - Rest of World	(15.5)	0.0	(67.1)	28.4	4

**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

Renewable energy infrastructure trusts also performed well as many of its members have benefited from rising power prices (in the UK, the marginal price for power tends to be set by the cost of electricity provided by gas-fired peaking plants, which

has been driven up by higher gas prices) and a stronger awareness and need for renewable energy solutions, while hedge funds placed fifth in the table.

On the other hand, the technology & media and growth capital sectors are still suffering as growth stocks continue to be out of favour as the direction of inflation and interest rates have caused a sharp rotation from growth-style investing. European smaller companies were hit towards the end of the quarter after more grim statistics showing inflation on the continent reaching a record high of 8.6% in June, cementing the ECB's commitment to a rate rise in July. The UK all companies and property – rest of world sectors were also among the bottom performers in Q2.

## Top 10 performers by fund

### Best performing funds in total NAV (LHS) and price (RHS) terms over Q2 2022

Fund	Sector	(%)	Fund	Sector	(%)
NB Distressed Debt Global	Debt - Loans & Bonds	15.6	Literacy Capital PLC	Private Equity	34.7
JZ Capital Partners	Flexible Investment	15.4	Syncona	Biotechnology & Healthcare	27.5
BH Macro USD	Hedge Funds	14.6	Doric Nimrod Air Two	Leasing	18.4
Thomas Lloyd Energy Impact	Renewable Energy Infrastructure	14.4	JPMorgan China Growth & Income	China / Greater China	17.8
JPMorgan China Growth & Income	China / Greater China	13.5	JPMorgan Global Core Real Assets	Flexible Investment	15.9
US Solar	Renewable Energy Infrastructure	11.6	BH Macro USD	Hedge Funds	14.6
abrdn China	China / Greater China	10.9	Fidelity China Special Situations	China / Greater China	14.5
Riverstone Credit Opportunities Income	Debt - Direct Lending	10.6	Gresham House Energy Storage	Renewable Energy Infrastructure	13.9
BioPharma Credit	Debt - Direct Lending	10.1	Africa Opportunity	Global Emerging Markets	13.8
Tufton Oceanic Assets	Leasing	10.0	Symphony International	Private Equity	13.5

Source: Morningstar, Marten & Co. Note: excludes trusts with market caps below £15m at 30/06/22

NB Distressed Debt Global took the top spot for NAV performance over Q2 with the trust still in realisation mode. In April, the board agreed to waive all future fees. Fellow debt funds Riverstone Credit Opportunities Income and BioPharma Credit returned around 10% each in NAV terms while JZ Capital Partners was up more than 15%. The latter benefited from a sale in its JZHL Secondary Fund in May. Thomas Lloyd Energy Impact and US Solar did well after announcing new investments, while Chinese names JPMorgan China Growth & Income, abrdn China and Fidelity China Special Situations saw a pick-up in performance as signs suggest the country's economy is starting to recover.

In share price terms, Literacy Capital delivered an impressive 34.7% as the trust continues to outperform despite being just over a year old. Syncona shared good results in June while Doric Nimrod Air Two performed well for reasons already explained. Gresham House Energy Storage raked in £150m in a placing in May proving investors are confident in its pipeline, which in turn was reflected in strong share price performance for the quarter.

## Bottom 10 performers by fund

### Worst performing funds in total NAV (LHS) and price (RHS) terms over Q2 2022

Fund	Sector	(%)	Fund	Sector	(%)
UIL	Flexible Investment	(29.0)	JPMorgan Russian Securities	Country Specialist	(52.2)
Golden Prospect Precious Metals	Commodities & Natural Resources	(28.6)	Chrysalis	Growth Capital	(41.1)
Baillie Gifford US Growth	North America	(26.3)	Baillie Gifford US Growth	North America	(39.1)
BlackRock World Mining	Commodities & Natural Resources	(23.8)	Geiger Counter	Commodities & Natural Resources	(36.4)
Keystone Positive Change	Global	(23.2)	Scottish Mortgage	Global	(30.1)
Allianz Technology	Technology & Media	(22.1)	Montanaro European Smaller	European Smaller Companies	(28.6)
abrdn UK Smaller Companies Growth	UK Smaller Companies	(21.9)	Keystone Positive Change	Global	(28.2)
BlackRock Throgmorton	UK Smaller Companies	(21.7)	Smithson	Global Smaller Companies	(27.7)
JPMorgan UK Smaller Companies	UK Smaller Companies	(21.6)	BlackRock Throgmorton	UK Smaller Companies	(27.6)
BlackRock Latin American	Latin America	(21.3)	Baillie Gifford European Growth	Europe	(26.6)

Source: Morningstar, Marten & Co. Note: excludes trusts with market caps below £15m at 30/06/22

On the negative side, some commodities & natural resources names struggled towards the end of Q2 despite a stellar start to the year, with **Golden Prospect Precious Metals** and **BlackRock World Mining** down by almost 30% in NAV terms. Unsurprisingly, **BlackRock Latin American** followed suit due to its high correlation with commodities. They were joined by growth-focused names such as **Baillie Gifford US Growth**, **Keystone Positive Change** and **Allianz Technology** which have suffered from negative sentiment towards growth-style investing. UK smaller companies names **JPMorgan UK Smaller Companies**, **BlackRock Throgmorton** and **abrdn UK Smaller Companies Growth** were also among the worst performers for the quarter in NAV terms.

**JPMorgan Russian Securities** saw a significant unwinding of its ridiculous premium, which continues to look elevated, making it the worst performing trust in share price terms over Q2, by some margin (we have long bemoaned the trust's non-sensical premium, which appears to be driven by speculation in the hope of making a quick buck, when the trust's portfolio continues to be seriously impaired). The anti-growth sentiment leaked into share price performance too with the Baillie Gifford names already mentioned in addition to **Chrysalis** and **Scottish Mortgage** each featuring and down by 28% or more. Meanwhile, **Geiger Counter** fell by almost 37% in share price terms after being one of the best-performing trusts in 2021. However, investors should note that this is a result of the actioning of its unique embedded right feature rather than the quality and performance of its underlying holdings.

## Significant rating changes by fund

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

Fund	Sector	30 June 2022 disc (%)	31 Mar 2022 disc (%)	Fund	Sector	30 June 2022 disc (%)	31 Mar 2022 disc (%)
Literacy Capital	Private Equity	25.0	(7.2)	JPMorgan Russian Securities	Country Specialist	49.5	228.2
Syncona	Biotechnology & Healthcare	4.9	(17.7)	Chrysalis	Growth Capital	(50.8)	(16.4)
JZ Capital Partners	Flexible Investment	(48.6)	(70.0)	Tritax Big Box	Property - UK Logistics	(15.8)	11.3
Gresham House Energy Storage	Renewable Energy Infrastructure	19.1	5.8	HgCapital	Private Equity	(24.7)	(0.4)
ScotGems	Global Emerging Markets	(13.8)	(25.1)	Schiehallion	Growth Capital	(1.0)	22.3
abrdn Latin American Income	Latin America	(7.9)	(18.0)	Thomas Lloyd Energy Impact	Renewable Energy Infrastructure	6.9	26.7
Foresight Sustainable Forestry	Farmland & Forestry	2.7	(6.9)	3i	Private Equity	(14.3)	5.1
JLEN Environmental Assets	Renewable Energy Infrastructure	6.0	(2.2)	Pantheon International	Private Equity	(45.7)	(27.0)
Value and Indexed Property Income	Property - UK Commercial	(12.9)	(20.9)	Augmentum Fintech	Technology & Media	(32.8)	(14.3)
Doric Nimrod Air Two	Leasing	(29.5)	(36.8)	Tritax EuroBox	Property - Europe	(28.8)	(11.7)

Source: Morningstar, Marten & Co. Note: excludes trusts with market caps below £15m at 30/06/22

### Getting more expensive

Literacy Capital became more expensive over Q2 with its rating moving from a single digit discount swinging to a double-digit premium (it is very tightly held and so its share price moves can be quite sharp, with similar changes in its rating). The trust announced in June that it had received approval as an investment trust, with effect from its accounting period commencing on 1 April 2022. It was joined by Syncona which posted good results while renewable energy infrastructure names Gresham House Energy Storage and JLEN Environmental Assets have seen strong demand and performance while rising inflation has driven up their NAVs. Foresight Sustainable Forestry also saw its discount swing to a premium after announcing a fundraise in early June (which went on to raise £45m).

### Getting cheaper

After soaring to a ridiculous 228% by the end of March as, rather distastefully, some investors tried to profit from the war in Ukraine, JPMorgan Russian Securities narrowed back down to a 49.5% premium. Schiehallion's premium continued to come back down to reality after trading on a 59.3% premium by the end of 2021,

and finally swung to a discount by the end of June of 1%. Fellow growth capital peer, [Chrysalis](#), which also enjoyed trading on a premium for some time, is now trading on a 50% discount, as growth-focused funds continue to be out of favour. With a high proportion of tech-focused names sitting in certain private equity funds, it is no surprise that [HgCapital](#), [3i](#) and [Panthéon International](#) also feature on this list alongside pure play technology name [Augmentum Fintech](#).

## Money raised and returned

Out of the 353 investment companies we follow, around £2.3bn of net new capital was raised over the second quarter of 2022, with the bulk of that being in May (£1.6bn).

2022 has still not seen any new trusts come to market, though there has been a good amount of fundraising from a number of existing trusts via placings, with many of these fundraisings oversubscribed. A significant number took place in Q2.

### Money raised (LHS) and returned (RHS) in £m over Q2 2022

Fund	Sector	£m raised	Fund	Sector	£m returned
<a href="#">International Public Partnerships</a>	Infrastructure	334.0	<a href="#">Monks</a>	Global	(60.1)
<a href="#">Supermarket Income REIT</a>	Property - UK Commercial	306.7	<a href="#">Alliance Trust</a>	Global	(45.8)
<a href="#">Home REIT</a>	Property – UK Residential	260.0	<a href="#">Pershing Square Holdings</a>	North America	(42.8)
<a href="#">Greencoat Renewables</a>	Renewable Energy Infrastructure	256.4	<a href="#">Scottish Mortgage</a>	Global	(36.7)
<a href="#">Gore Street Energy Storage</a>	Renewable Energy Infrastructure	165.0	<a href="#">Witan</a>	Global	(36.7)
<a href="#">Gresham House Energy Storage</a>	Renewable Energy Infrastructure	162.4	<a href="#">BlackRock Latin American</a>	Latin America	(34.8)
<a href="#">Bluefield Solar Income</a>	Renewable Energy Infrastructure	151.2	<a href="#">F&amp;C</a>	Global	(33.6)
<a href="#">Capital Gearing</a>	Flexible Investment	133.3	<a href="#">Polar Capital Technology</a>	Technology & Media	(33.0)
<a href="#">Ruffer</a>	Flexible Investment	124.9	<a href="#">Finsbury Growth &amp; Income</a>	UK Equity Income	(22.9)
<a href="#">BH Macro GBP</a>	Hedge Funds	97.2	<a href="#">Balanced Commercial Property</a>	Property - UK Commercial	(17.3)

Source: Morningstar, Marten & Co. Note: excludes trusts with market caps below £15m at 30/06/22

## Money coming in

April saw an oversubscribed £307m fundraise from [Supermarket Income REIT](#) while [Greencoat Renewables](#) also saw its placing oversubscribed and raised a commendable €281m (£250m). [Gore Street Energy Storage](#) raised £150m (up from the £75m target) with net proceeds planned to be deployed towards the company's significant pipeline.

The biggest fundraise of the quarter came in May via a £325m fundraise from [International Public Partnerships](#), with [Home REIT](#) not far behind having completed a £263m fundraise which will be used to acquire and create homeless



accommodation across the UK. Meanwhile, **Gresham House Energy Storage** raised £160m in a placing, which will allow it to fund the majority of its pipeline. The company said that the placing was significantly oversubscribed, and a scaling back exercise was undertaken.

June saw the smallest amount of fundraising at just £230m of net new money, led by a £150m fundraise from **Bluefield Solar Income**. Proceeds will be used to pay down the trust's revolving credit facility, which will in turn provide capacity to fund its pipeline.

## Money going out

**BlackRock Latin American** completed a tender offer in May which saw it purchase of 9,810,979 tendered shares at 417.0889p per share (a 2% discount to the trust's NAV on 20 May 2022), returning £40.9m to shareholders. Meanwhile, share buybacks over Q2 were led by **Monks**, **Alliance Trust**, **Pershing Square**, **Scottish Mortgage** and **Witan**.



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## Major news stories over Q2 2022

### Portfolio developments

- Triple Point Energy Efficiency Infrastructure buys BESS assets
- TRIG acquires 49% interest in Spanish solar park, Project Valdesolar
- International Public Partnerships buys Gold Coast Light Rail Stage 3
- Schroder Asian Total Return outperforms over tough year
- BB Biotech remains resilient in another difficult quarter
- Bluefield Solar Income buys UK-based solar and wind portfolio and announces proposed issue
- NextEnergy Solar reports positive performance for Q1 '22
- Aquila European Renewables Income acquires solar asset
- BBGI Global Infrastructure buys German motorway
- Schroder British Opportunities backs Mintec
- Digital 9 buying Arqiva stake
- Taylor Maritime sells one vessel and cancels sale of another
- Baillie Gifford UK Growth – patience will be rewarded

### Property news

- Palace Capital to boost dividend following strong year
- UK Commercial Property hit by wider discount
- Regional REIT splashes £48.2m on trio of offices
- Warehouse REIT posts 33.2% NAV total return as it gears up for main market move
- AEW UK REIT posts 29.7% total return
- Urban Logistics REIT doubles in size in transformational year

### Corporate news

- Final update on offer for CIP Merchant Capital
- Greencoat Renewables raises €281m in oversubscribed placing
- HydrogenOne Capital Growth announces placing to fund immediate £45m pipeline
- Downing Renewables & Infrastructure's hydro debt facility classified as a green loan
- Home REIT raises £263m to tackle homeless crisis
- abrdn Japan underperforms in challenging year but avoids continuation vote
- BMO UK High Income pleads case for continuation
- Asset Value Investors raises concerns over Fujitec board's actions
- Africa Opportunity announces mandatory redemption of shares
- DP Aircraft 1 to go ahead with \$750,000 fundraising plan
- Chrysalis conserving cash to fund existing portfolio
- Trian shareholders call for EGM to replace three directors for not meeting 'required standards of corporate governance'
- Impact Healthcare REIT announces capital raise

### Managers and fees

- Henderson International Income reduces management fee and changes benchmark for better alignment
- Schroder Oriental Income cuts performance fee
- Capital Gearing reveals 'satisfactory' results as trust celebrates 40 years under Peter Spiller's management
- Jupiter lined up for Rights and Issues as manager retires
- Greencoat UK Wind renews investment management agreement with new fee structure

### QuotedData views

- Circling the Pershing Square – 1 April
- To B or not to B – 8 April
- Are you still watching? – 22 April
- What's going on? – 29 April
- Is logistics a house of cards? – 6 May 2022
- Delhi's dilemma – navigating geopolitics – 13 May
- What's the craic, Scottish Mortgage? – 20 May
- Unloved quality – 27 May
- Fishing for an Asian fund?, China or Vietnam? – 10 June
- Riding out stagflation – 17 June
- Discounted opportunity – Not all private equity is exuberant growth plays – 24 June

Visit [www.quoteddata.com](http://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.

- JPMorgan European Discovery AGM 2022, 18 July
- Biotech Growth AGM 2022, 19 July
- Woodford – The Cavalry is Coming, 19 July
- BMO UK High Income AGM 2022, 20 July
- Fidelity China Special Situations AGM 2022, 20 July
- Montanaro UK Smaller Companies AGM 2022, 27 July
- JPMorgan Japan Small Cap Growth and Income AGM 2022, 27 July
- The Global Smaller Companies Trust AGM 2022, 28 July
- JPMorgan Global Core Real Assets AGM 2022, 5 August
- JLEN Environmental Assets AGM 2022, 1 September
- Monks AGM 2022, 6 September
- Lindsell Train AGM 2022, 8 September
- Augmentum Fintech AGM 2022, 14 September
- Odyssean Investment Trust AGM 2022, 21 September
- Aberdeen New India AGM 2022, 28 September
- QuotedData's Property Conference 2022, 19 October
- The London Investor Show 2022, 28 October


## 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
1 October	AIE, CAT, IGC, VNH	Tim Creed	Schroder UK Public Private
8 October	FEML, GRP	Steven Tredget	Oakley Capital
15 October	ATS, CGL, GHS	Nicholas Yeo	abrdn China
22 October	FEML, SCIN	Claire Shaw	Scottish Mortgage
29 October	EPG, SHED	Richard Pindar	Literacy Capital
5 November	UKW, GHS, ACIC	Rory Bateman	Schroder British Opportunities
12 November	PINT, SMT, GSEO	Helen Steers	Pantheon
19 November	TIGT, ROOF	Iain McCombie	Baillie Gifford UK Growth
26 November	MTU, JLEN, GRIT, CORD	David Cornell	India Capital Growth
3 December	AAS, TEEC	Rob Crayfound	CQS Natural Resources Growth & Income
10 December	EWI, TLEI	Nicholas Ware	Henderson Diversified Income
7 January	QuotedData	Andrew McHattie	2021 roundup
14 January	ELTA, JLEN, HGEN, ASLI	Jason Baggaley	Standard Life Investments Property Income
21 January	BSIF, RICA	Keith Watson	Geiger Counter

28 January	FSF, CIP, SLPE	Jonathan Maxwell	SDCL Energy Efficiency
4 February	AEET, TEEC	Sebastian Lyon	Personal Assets
11 February	THRG, SEC, TFIF, UKML	Richard Aston	CC Japan Income & Growth
18 February	CSH, HONY, NESF, TRIG	Carlos Hardenberg	Mobius
25 February	BSIF, CRS, DGI9, JEFI	Ian Francis	New City High Yield
4 March	JRS, MCKS	Thomas Moore	abrdn Equity Income
11 March	ATT, JEFI, SGEM	James Harries	Securities Trust of Scotland
18 March	FEET, RAV, TRIG	Tom Moore & Henrik Dahlström	Downing Renewables & Infrastructure
25 March	GRP, ANII, IGC, RKW	Blake Hutchins	Troy Income & Growth
1 April	FJV, ORIT, PSH	Ian Lance	Temple Bar
8 April	HGEN, SUPR, INPP, GRID	Yoojeong Oh	abrdn Asian Income
22 April	ALAI	Viktor Szabó	abrdn Latin American Income
29 April	FSF	Richard Kelly & Robert Guest	Foresight Sustainable Forestry
22 April	AEET, NESF, PHLL	Viktor Szabó	abrdn Latin American Income
29 April	NBPE, VEIL	Robert Guest	Foresight Sustainable Forestry
6 May	APAX, EPG, UKW, WKOF, WTAN, ACIC	Gary Moglione	Momentum Multi-Asset Value Trust
13 May	BSIF, CAPC, RNEW, JLEN, LXI, SIR, SHB	Richard Sem	Pantheon Infrastructure
20 May	HGEN, SMT	James Thom	Aberdeen New Dawn
27 May	BSIF, UKW, GRID, HOME	Paul Bridge	Civitas Social Housing
10 June	CHI, RII	Craig Martin	Vietnam Holding
17 June	BGHS, LTI, MTU	Laura Elkin	AEW UK REIT
24 June	TI1, TEEC, SHED	Pedro Gonzalez de Cosio	BioPharma Credit
1 July	AIE, CHRY	Andrew Beal	Schroder BSC Social Impact
8 July	GABI	David Conlon & Joanne Fisk	GCP Asset-Backed Income
<b>Coming up</b>			
15 July	ADIG	Jennifer Mernagh	Aberdeen Diversified Income and Growth
22 July	GCP	Philip Kent	GCP Infrastructure
29 July	IAT	TBC	Invesco Asia

## Research notes published over Q2 2022



**Henderson High Income**

Investment companies | Annual overview | 26 April 2022

**Last man standing**

Henderson High Income (HHI) has enjoyed something of a UK revival for a year now, boosted by a recovery from the pandemic and a game of catch-up among dividend-paying companies, which manager David Smith says still have further to go. Concerns around inflation, and now the Russo-Ukrainian conflict, linger – but the trust's focus on high-quality companies and its ability to invest across both equities and bonds means that it has more scope to prepare for any uncertainty on the horizon. Following the liquidation of Acorn Income in Q4 2021, HHI is now the only trust in the UK equity and bond income sector.

**High income from a diverse UK equity income portfolio**

HHI invests in a prudently diversified selection of both well-known and smaller companies to provide investors with a high income stream, while also maintaining the prospect of capital growth. Gearing (borrowing) is used to enhance income returns, and also to achieve capital growth over time. A portion of gearing is usually invested in fixed-interest securities, which helps dampen the overall volatility of the trust.

HHI invests in a prudently diversified selection of both well-known and smaller companies to provide investors with a high income stream, while also maintaining the prospect of capital growth. Gearing (borrowing) is used to enhance income returns, and also to achieve capital growth over time. A portion of gearing is usually invested in fixed-interest securities, which helps dampen the overall volatility of the trust.

**QuotedData**  
BY MARTEN & CO

**INVESTOR**

Sector	UK Equity and Bond Income
Ticker	HHI.LN
Base currency	GBP
Price	177.25p
NAV	176.25p
Premium/discount	0.6%
Yield	5.7%


HHI performed strongly over 2021, achieving an NAV return of 10.0%, outperforming its blended benchmark's rise of 14.1%.

HHI received just over £800,000 in special dividends during 2021.

As at the end of March 2022, gearing was 22.3%, while equity exposure was 11.4% and bonds 10.9%.

◀ Henderson High Income (HHI) has enjoyed something of a UK revival for a year now, boosted by a recovery from the pandemic and a game of catch-up among dividend-paying companies, which manager David Smith says still have further to go. Concerns around inflation, and now the Russo-Ukrainian conflict, linger – but the trust's focus on high-quality companies and its ability to invest across both equities and bonds means that it has more scope to prepare for any uncertainty on the horizon. Following the liquidation of Acorn Income in Q4 2021, HHI is now the only trust in the UK equity and bond income sector.

Polar Capital Global Financials (PCFT) has been a beneficiary of renewed interest in the financials sector, as economies reopen from the effects of lockdowns and interest rates begin to edge up. Incredibly, the sector is yet to make up the ground it lost relative to the wider market in early 2020, as COVID-19 hit. Many of the companies in the portfolio are reporting strong earnings growth already. However, the sector's rerating has stalled on fears of a recession. PCFT's managers point to the strength of banks' balance sheets and their conservative lending policies.



**Polar Capital Global Financials Trust**

Investment companies | Update | 6 April 2022

**Riding out the storm**

Polar Capital Global Financials Trust (PCFT) has been a beneficiary of renewed interest in the financials sector, as economies reopen from the effects of lockdowns and interest rates begin to edge up (see our explainer in this note, higher rates should feed into higher margins for banks). Incredibly, the sector is yet to make up the ground it lost relative to the wider market in early 2020, as COVID-19 hit – see Figure 2 on page 5. Many of the companies in PCFT's portfolio are reporting strong earnings growth already. However, the sector's rerating has stalled on fears of a recession. PCFT's managers point to the strength of banks' balance sheets and their conservative lending policies. They also cite the evidence of 1970s UK – when banking brief periods of very high inflation – banks did relatively well (see page 6).

**Growing income and capital 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.

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Sector	Specialist – Financials
Ticker	PCFT.LN
Base currency	GBP
Price	175.5p
NAV	169.4p
Premium/discount	2.2%
Yield	2.6%

Rising short-term interest rates are, PCFT's managers believe, particularly good news for banks.

There is still further to go before the sector even gets back to pre-pandemic levels.

Historical data – from the UK in the 1970s – suggests that banks can prosper in a higher inflation environment.



**abrdn New Dawn**

Investment companies | Annual overview | 7 June 2022

**Over the trough?**

It has been another tough six months for abrdn New Dawn (ABD) as the Asia Pacific region has had to face new challenges from the Russo-Ukrainian conflict to China's deadliest COVID-19 wave yet (the economic impacts of which have been made worse by Xi Jinping's zero-COVID policy). This has only exacerbated headwinds already in place such as rising inflation. Manager James Thom believes the worst is behind us, but uncertainty and volatility remain. The trust itself has underperformed in the short-term but still boasts strong long-term numbers and, if a new dawn is indeed rising over the region, with India finally enjoying its reformation and the economic rebound (mostly) underway, now could be an attractive entry point. The trust is also trading on a 12.4% discount.

**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 economies, excluding Japan. The trust holds a diversified portfolio of securities in various 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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**INVESTOR**

Sector	Asia Pacific
Ticker	ABD.LN
Base currency	GBP
Price	263.5
NAV	301.7
Premium/discount	(22.6%)
Yield	1.20%

ABD aims to provide shareholders with a high level of capital growth by investing in most Asia Pacific countries.

The manager is cautious on China and bullish on India's fundamentals.

The trust's ongoing charges ratio is among the lowest in its Asia Pacific ex Japan sector.

◀ It has been another tough six months for abrdn New Dawn (ABD) as the Asia Pacific region has had to face new challenges from the Russo-Ukrainian conflict to China's deadliest COVID-19 wave yet (the economic impacts of which have been made worse by Xi Jinping's zero-COVID policy). This has only exacerbated headwinds already in place such as rising inflation. Manager James Thom believes the worst is behind us, but uncertainty and volatility remain. The trust itself has underperformed in the short-term but still boasts strong long-term numbers and is also trading on a 12.4% discount.

Civitas Social Housing's (CSH's) discount to net asset value (NAV) has yet to recover from an activist short seller attack last year, with its share price almost as low as it has ever been in over five years since it launched. Although CSH's manager made a strong rebuttal to the allegations made by the short seller, regulatory concerns around the financial strength of some of its housing association tenants has persisted throughout its existence. To aid regulatory compliance, CSH plans to add a new clause to leases that would enable greater risk-sharing with the housing associations and allow them to temporarily stop paying rent in certain circumstances.



**Civitas Social Housing**

REITs | Update | 27 May 2022

**Fundamentals remain strong**

Civitas Social Housing's (CSH's) discount to net asset value (NAV) has yet to recover from an activist short seller attack last year, with its share price almost as low as it has ever been in over five years since it launched. Although CSH's manager made a strong rebuttal to the allegations made by the short seller, regulatory concerns around the financial strength of some of its housing association tenants has persisted throughout its existence. To aid regulatory compliance, CSH plans to add a new clause to leases that would enable greater risk-sharing with the housing associations and allow them to temporarily stop paying rent in certain circumstances.

The fundamentals that support growth in the sector remain strong and aren't going away, namely increased demand from individuals and a lack of supply. The high dividend yield/large discount to NAV that CSH's shares are trading on seem appealing.

**Income and capital growth from social housing**

CSH aims to provide to shareholders with an attractive level of income, together with the potential for capital growth from investing in a portfolio of social homes. The company expects that these will benefit from inflation-adjusted long-term leases and that they will deliver a targeted dividend yield of 5% per annum on the issue price, with further growth expected. CSH intends to increase the dividend broadly in line with inflation.

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**INVESTOR**

Sector	Property – UK residential
Ticker	CSH.LN
Base currency	GBP
Price	86.5p
NAV	105.5p
Premium/discount	(22.3%)
Yield	6.5%

Proposed new lease clause to enable regulatory compliance among tenants.

Fundamentals supporting growth in the sector remain strong.

Attractive share price discount to net asset value.



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**INVESTOR**

**Downing Renewables and Infrastructure Trust**  
Investment companies | Annual overview | 24 May 2022

**Proving its mettle**

With a solid first set of results published, revenue and dividends running ahead of IPO forecasts, a diverse and differentiated portfolio of attractive renewable energy assets, and a growing NAV supported by investments that are helping to build NAV and profits, Downing Renewables and Infrastructure (DORE) is attracting the support of new investors.

On 11 May 2022, the trust announced an NAV as at end March 2022 of 110.1p – up from 103.5p per share as at 31 December 2021; we discuss what drove this uplift on page 15 of this note. The share price is yet to fully reflect the good news, however, currently DORE's shares are trading at a share value, compared to a median premium of over 7% for its peer group (see page 15).

Following its latest acquisition, DORE has drawn down 65% of its £25m revolving credit facility (RCF). The manager has a strong pipeline of investment opportunities (see page 11), and to assure that and using the drawings on the RCF, the directors are considering a fundraise.

Russia's war on Ukraine and the associated spike in energy prices have underscored the need for Europe to rid itself of its fossil fuel dependence and accelerate the switch to renewables. The compelling associated continuing renewable-powered energy lends to be cheaper than gas-powered energy in an added bonus. DORE deserves to be playing an active part in this.

**Diversified renewable energy and infrastructure**

Downing Renewables and Infrastructure Trust aims to provide investors with an attractive and sustainable level of income returns, with an element of capital growth, by investing in a diversified portfolio of renewable energy and infrastructure assets located in the UK, Ireland and Northern Europe.

Sector	Renewable energy infrastructure
Ticker	DORE LN
Base currency	GBP
Price	110.2p
NAV	110.1p
Premium/discount	(0.1%)
Yield	4.5%

Notes: 1. Manager's website, last updated 14 May 2022. 2. Based on forward to property.

DORE's strategy focuses on diversification by geography, technology, revenue and project stages.

From launch, DORE has generated annualised returns of 9.0% in share price terms and 11.4% in NAV terms, well ahead of target.

The manager has identified a pipeline valued in excess of £80n.

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With a solid first set of results published, revenue and dividends running ahead of IPO forecasts, a diverse and differentiated portfolio of attractive renewable energy assets, and a growing NAV supported by investments that are helping to build NAV and profits, Downing Renewables and Infrastructure (DORE) is attracting the support of new investors. Following its latest acquisition, DORE has drawn down 69% of its £25m revolving credit facility (RCF). The manager has a strong pipeline of investment opportunities and to access that and repay the drawings on the RCF, the directors are considering a fundraise. Russia's war on Ukraine and the associated spike in energy prices have underscored the need for Europe to rid itself of its fossil fuel dependence and accelerate the switch to renewables

After a strong run of both absolute and relative performance, AVI Global Trust (AGT) faces twin headwinds of widening discounts within its underlying portfolio – as holdings' share prices move further below their underlying net asset value – and a widening discount on its own shares. The manager has been cautious on markets, eliminating the trust's gearing (borrowing) at the end of 2021. That gives it the firepower to take advantage of some of the bargains being thrown up by current events. The manager believes that when markets settle, discounts will start to narrow again to AGT's benefit.

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**AVI Global Trust**  
Investment companies | Annual overview | 29 May 2022

**Bargain hunting**

After a strong run of both absolute and relative performance (see page 16), AVI Global Trust (AGT) faces twin headwinds of widening discounts within its underlying portfolio – as holdings' share prices move further below their underlying net asset value – and a widening discount on its own shares.

The manager has been cautious on markets, eliminating the trust's gearing (borrowing) at the end of 2021. That gives it the firepower to take advantage of some of the bargains being thrown up by current events. The manager believes that when markets settle, discounts will start to narrow again to AGT's benefit.

Our note describes AGT's investment process, how it is invested currently, and goes into more detail on some of the larger holdings within the portfolio.

Sector	Global
Ticker	AGT LN
Base currency	GBP
Price	109.5p
NAV	211.7p
Premium/discount	(16.7%)
Yield	1.7%

The manager has reduced the number of holdings to focus on higher conviction positions.

Gearing was matched downwards at the end of 2021 and the trust has unopened borrowing facilities.

AGT can now see the seeds for future outperformance by building positions in good quality stocks on attractive discounts.

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**INVESTOR**

**Standard Life Investments Property Income Trust**  
REITs | Update | 19 May 2022

**Resilient income in uncertain times**

Standard Life Investments Property Income Trust's (SLI's) portfolio has performed strongly over the past year, posting a net asset value (NAV) total return of 30.7%. It is making the most of its manager proving the portfolio's focus onto the well-performing industrial and logistics sector many years ago (it now makes up 55% of the portfolio). This has allowed the manager to sell assets for substantial profits in a buoyant investment market for industrial assets, focusing on properties that it believes do not fit future occupier needs – specifically, on sustainability features.

The company has around £60n available for new investments and the manager has set its sights on lower-yielding (lower exposure relative to rental income), quality assets that have strong environmental, social and governance (ESG) credentials, which it believes will provide it with resilient long-term income with superior growth potential. Despite recent valuation gains, the company's share price has not kept pace, and it currently trades on an attractive discount to NAV of 23.7%.

**Commercial UK property exposure**

SLI aims to generate an attractive level of income, along with the prospect of both income and capital growth, by investing in a diversified portfolio of UK commercial real estate assets in the industrial, office, retail and other sectors. SLI uses gearing with the aim of enhancing returns, with the current loan-to-value (LTV) ratio at 16.6%.

Sector	Property – UK Commercial
Ticker	SLI LN
Base currency	GBP
Price	80.6p
NAV	105.8p
Premium/discount	(23.7%)
Yield	4.4%

NAV total return of 30.7% for year to 31 March 2022.

Portfolio with strong ESG credentials.

NAV and earnings enhancing acquisitions to come.

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Standard Life Investments Property Income's (SLI's) portfolio has performed strongly over the past year, posting a net asset value (NAV) total return of 30.7%. It is reaping the rewards of its manager pivoting the portfolio's focus onto the well-performing industrial and logistics sector many years ago (it now makes up 55% of the portfolio). This has allowed the manager to sell assets for substantial profits in a buoyant investment market for industrial assets; focusing on properties that it believes do not fit future occupier needs – specifically, on sustainability features.

The manager of CQS New City High Yield Fund (NCYF), has observed the marked shifts in central banks' policy towards raising interest rates this year. He feels that, while recent rises are a move in the right direction, central banks' caution – driven by concerns regarding the fragility of the global economy and the risk of repeating previous policy mistakes of tightening monetary policy into a slowdown – is leading to a very serious risk of inflation taking hold. He thinks inflation could become embedded at a potentially unsustainable level and that the UK economy is more vulnerable than those of Europe and the US.

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**CQS New City High Yield Fund**  
Investment companies | Update | 17 May 2022

**Interest rate rises maybe too little, too late**

Ian Francis, the manager of CQS New City High Yield Fund (NCYF), has observed the marked shifts in central banks' policy towards raising interest rates this year. He feels that, while recent rises are a move in the right direction, central banks' caution – driven by concerns regarding the fragility of the global economy and the risk of repeating previous policy mistakes of tightening monetary policy into a slowdown – is leading to a very serious risk of inflation taking hold.

He thinks inflation could become embedded at a potentially unsustainable level and that the UK economy is more vulnerable than those of Europe and the US. Reflecting this, financial and real assets account for a large part of NCYF's portfolio. Ian has also been adding to NCYF's overseas exposure at the margin and has been gradually edging up the portfolio's exposure to equities.

Sector	Debt – Loans & Bonds
Ticker	NCYF LN
Base currency	GBP
Price	54.0p
NAV	58.0p
Premium/discount	(6.2%)
Yield	6.3%

Central banks' rate rises are dangerously behind the inflation curve.

NCYF has significant exposure to financial and real assets, which should benefit from higher interest rates if the trend towards higher inflation continues.

The total annual dividend has increased every year since launch.

**High-dividend yield and potential for capital growth**

NCYF aims to provide investors with a high-dividend yield and the potential for capital growth by investing mainly in high-yielding fixed interest securities. These include, but are not limited to, preference shares, loan stocks, corporate bonds (convertible and/or redeemable) and government bonds. The company also invests in equities and other non-repeating securities. The manager has a strong focus on capital preservation and is conservative in his approach to growing NCYF's capital.

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**Polar Capital Technology**

Investment companies | Update | 10 May 2022

**Eyes on the prize**

Heightened downside risk and disappointing earnings updates have seen the technology sector give back some of its considerable long-term outperformance of the wider market. As investors retreated to the sector titans (stocks such as Microsoft and Apple), Polar Capital Technology's (PCT's) underweight position in these companies has seen it underperform its benchmark over the 12 months to the end of April. PCT's manager, Ben Rogoff, is undeterred by this, stating that technology stocks are in a better place than last year, and comparable performance will be more favourable going forward.

The manager has taken advantage of valuation compression in the sector to upgrade PCT's portfolio, rotating away from stocks (such as those in e-commerce), which are more sensitive to the economic cycle, and into secular growth stocks (such as software companies), where earnings are more constant even during downturns. Ben believes that, despite depressed economic growth, the long-term fundamental growth drivers for the sector remain.

Sector	Technology and media
Total	PCT LN
Base currency	GBP
Price	1,546.7p
NAV	2,385.7p
Premium/discount	(53.3%)
Yield	Nil

Technology valuation decline presents opportunity to upgrade portfolio

Portfolio rotated from cyclical stocks to secular growth stocks

Long-term fundamental growth drivers remain

**Global growth from tech portfolio**

PCT aims to maximise long-term capital growth through investing in a diversified portfolio of technology companies around the world, diversified across both regions and sectors within the overall investment objective to reduce investment risk.

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A sharp selloff in the share prices of the types of high-quality, growing companies favoured by JPMorgan Japanese Investment Trust (JFJ) has meant that the trust has given back much of its recent outperformance. The selloff mimics those of other countries such as the US and UK, but Japan is not afflicted by the high inflation or the threat of rising interest rates that triggered the stock market falls in other countries. JFJ's managers are seeing opportunities to buy stocks that they favour on attractive valuations. They are also encouraged by the increasingly shareholder-friendly environment in the country; share buy backs and dividends are at record levels.

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**JPMorgan Japanese Investment Trust**

Investment companies | Update | 8 July 2022

**Unjustified selloff creates opportunities**

A sharp selloff in the share prices of the types of high-quality, growing companies favoured by JPMorgan Japanese Investment Trust (JFJ) has meant that the trust has given back much of its recent outperformance. The selloff mimics those of other countries such as the US and UK, but Japan is not afflicted by the high inflation or the threat of rising interest rates that triggered the stock market falls in other countries.

JFJ's managers are seeing opportunities to buy stocks that they favour on attractive valuations. They are also encouraged by the increasingly shareholder-friendly environment in the country; share buy backs and dividends are at record levels.

Sector	Japan
Total	JFJ LN
Base currency	GBP
Price	425.5p
NAV	454.3p
Premium/discount	(6.7%)
Yield	1.2%

Nicholas (Investing) describes the recent sell-off as brutal

The inflation/interest rate issue is real for many parts of the world, notably the US, but this is not true of Japan

This may be a good opportunity to back JFJ's approach

**Capital growth from Japanese equities**

JFJ aims to produce capital growth from a portfolio of Japanese equities and can use borrowing to gear the portfolio within the range of 0% net cash to 20% geared in normal market conditions.

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**Grit Real Estate Income Group**

Real estate | Update | 9 July 2022

**Transition underway**

African property company Grit Real Estate Income Group (GRIT) has cleared a path for increased dividend distributions and net asset value (NAV) growth following a decisive piece of corporate action in the form of a heavily NAV dilutive capital raise. It has used the proceeds to bring its loan to value (LTV – borrowings plus cash as a percentage of portfolio valuation) under control and to expand its core business with the acquisition of a developer and asset manager.

The developer – Gateway Real Estate Africa (GREA) – has an attractive pipeline of 140+ alternative development projects, most notably diaspora residences across the continent set to the US government and data centres (see page 5 for an in-depth look at the development pipeline). Meanwhile, within its current portfolio, its residential assets are reuniting with the return of international travel, and retail valuations seem to have bottomed out – suggesting valuation growth in these sectors. Grit also has plans to ramp up exposure to the industrial sector, which is chronically underappreciated across Africa.

Sector	Real estate
Total	GRIT LN
Base currency	GBP
Price	34.5p
NAV	71.7p
Premium/discount	(50.6%)
Yield	12.2%

NAV 1: Yield based on dividend of 4 cents per share being paid for year to June 2022. GRIT has given a dividend of 4 cents per share for the year

Re-invested dividend of between 5 and 6 cents per share for 2022 and 2023

Path to NAV growth following acquisition of developer

Loan to value brought under control with substantial refinancing of debt in the offering

**Pan-African real estate**

GRIT is a pan-African real estate company that invests in, develops and actively manages a diversified portfolio in selected African countries. These assets are underpinned by mostly US\$ and non-demonetised long-term leases with a range of financially multinational tenant covenants. The company aims to deliver strong and sustainable income for shareholders, with the potential for income and capital growth, and currently targets a shareholder return of 12% a year.

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Shares in the good-quality growing businesses favoured by Montanaro UK Smaller Companies (MTU) have experienced a sharp selloff since the beginning of 2022, when interest rates began to rise in response to rampant inflation. Manager Charles Montanaro is focused on picking stocks for the long term rather than trying to second-guess macro trends. He and his extensive team have a strong dialogue with the management of these companies. He observes that high-quality, well-managed small businesses with strong market positions and pricing power have been able to pass on additional costs and are better able to cope with supply chain disruptions.

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**Montanaro UK Smaller Companies**

Investment companies | Annual overview | 4 July 2022

**Selloff provides opportunities**

Shares in the good-quality growing businesses favoured by Montanaro UK Smaller Companies (MTU) have experienced a sharp selloff since the beginning of 2022, when interest rates began to rise in response to rampant inflation.

Manager Charles Montanaro is focused on picking stocks for the long term rather than trying to second-guess macroeconomic trends. He and his extensive team have a strong dialogue with the management of these companies. He observes that high-quality, well-managed small businesses with strong market positions and pricing power have been able to pass on additional costs and are better able to cope with supply chain disruptions. Charles believes that following the selloff, valuations are now the most attractive that they have been in many years. This could be a great opportunity for long-term investors.

Sector	UK smaller companies
Total	MTU LN
Base currency	GBP
Price	105p
NAV	114.3p
Premium/discount	(8.7%)
Yield	4.2%

Currently has the highest yield in its peer group at 6.5%

A long track record of sustainable investing

Discount management initiatives continue to bear fruit as more well-invested investors join the share register

**UK small cap with a bias to quality**

MTU aims to achieve capital appreciation through investing in small quoted companies listed on the London Stock Exchange or traded on AIM, and to outperform its benchmark, the FTSE Smallcap Companies Index (excluding investment companies).

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## Guide

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## Appendix 1 – median performance by share price return over Q2 2022

	Share price Q2 22 TR (%)	NAV Q2 22 TR (%)	Discount 30/06//22 (%)	Median market cap 30/06//22 (£m)	Number of companies in the sector
Insurance & Reinsurance Strategies	205.4	8.8	169.3	29.6	2
China / Greater China	11.9	10.2	(3.1)	325.5	4
Leasing	8.9	5.1	(40.3)	103.1	8
Renewable Energy Infrastructure	4.6	1.5	3.1	582.5	21
Hedge Funds	3.1	4.0	(12.0)	85.4	8
Debt - Structured Finance	0.5	0.5	(15.1)	161.2	6
Royalties	(1.1)	5.3	(11.3)	833.6	2
Infrastructure Securities	(1.2)	(2.4)	(6.7)	126.9	2
Debt - Direct Lending	(1.2)	1.8	(13.8)	169.5	8
Asia Pacific Smaller Companies	(1.4)	(1.1)	(11.0)	323.2	3
Property - UK Healthcare	(2.5)	1.5	(0.6)	561.4	2
Property - Debt	(3.0)	0.8	(14.9)	217.0	4
Property - UK Commercial	(3.6)	1.1	(18.5)	317.1	14
Infrastructure	(3.8)	1.4	5.1	1,054.6	10
Flexible Investment	(4.4)	(3.9)	(3.8)	91.5	22
Private Equity	(4.6)	1.0	(34.6)	683.9	19
Global Equity Income	(5.7)	(5.1)	(3.6)	325.3	7
Debt - Loans & Bonds	(5.8)	(6.4)	(7.0)	122.4	12
Asia Pacific	(6.0)	(5.5)	(12.0)	478.7	6
Global Emerging Markets	(6.4)	(6.3)	(12.3)	255.6	12
UK Equity & Bond Income	(6.9)	(5.7)	(1.1)	208.3	1
UK Equity Income	(7.0)	(6.0)	(4.1)	256.9	24
Biotechnology & Healthcare	(7.1)	(4.8)	(5.6)	606.2	6
Property - UK Residential	(7.3)	1.2	(8.8)	361.3	7
Environmental	(7.5)	(11.7)	(13.0)	79.4	3
India	(8.3)	(7.8)	(17.3)	245.0	4
Financials	(9.3)	(8.3)	(16.3)	385.3	2
Global	(9.7)	(10.8)	(9.0)	453.3	17
Country Specialist	(10.3)	(11.3)	(14.6)	127.9	5
Latin America	(10.6)	(18.0)	(7.0)	67.4	2
Europe	(11.4)	(8.9)	(14.4)	335.5	7
Property - Europe	(11.7)	1.1	(28.1)	410.5	5
Japanese Smaller Companies	(13.3)	(12.4)	(9.1)	145.0	5
North America	(13.3)	(9.6)	(12.5)	427.7	6
Commodities & Natural Resources	(14.1)	(10.8)	(8.6)	69.7	9
Property - UK Logistics	(14.1)	1.0	(15.1)	762.2	3

	Share price Q2 22 TR (%)	NAV Q2 22 TR (%)	Discount 30/06//22 (%)	Median market cap 30/06//22 (£m)	Number of companies in the sector
UK Smaller Companies	(14.2)	(14.5)	(15.0)	135.5	24
North American Smaller Companies	(14.7)	(7.5)	(13.7)	178.5	2
Global Smaller Companies	(14.9)	(12.9)	(13.9)	765.5	5
Japan	(15.1)	(11.3)	(10.3)	212.4	6
Property - Rest of World	(15.5)	0.0	(67.1)	28.4	4
Growth Capital	(16.1)	0.0	(39.2)	192.0	7
UK All Companies	(16.4)	(12.4)	(13.7)	192.5	9
European Smaller Companies	(17.3)	(14.6)	(13.5)	445.5	4
Technology & Media	(21.6)	(17.5)	(13.5)	862.7	3
<b>MEDIAN</b>	<b>(7.1)</b>	<b>(5.1)</b>	<b>(12.3)</b>	<b>255.6</b>	<b>6</b>

**Source:** Morningstar, Marten & Co. Note: all figures represent median values of the constituent funds from each sector. To 30/06//22



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