



Third quarter of 2023

Investment companies | Quarterly roundup | October 2023

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'Uncomfortable'

Following a fast start to the first half of the year, globally equities took a breather in Q3, as markets assessed the implications of the worst bond sell-off in a generation. Yields on 10-year US treasuries and UK gilts closed the quarter at fresh highs and are quickly approaching levels last seen in the lead up to the global financial crisis.

Coupled with rising interest rates, the ensuing tightening of financial conditions appears to have finally begun to work its way through to inflation outcomes, particularly in the US, although it seems highly unlikely that the Federal Reserve's broadly defined target for 2% price growth is compatible with current labour market strength and unemployment rates of under 4%. After several months of slowing data, inflation has shown signs of trending upwards once more, giving more credence to the expectation of 'higher for longer' rates.

In the UK, fears of stagflation eased moderately in July as inflation data for the previous month fell sharply to 7.9% (core 6.9%), although with GDP running at a rounding error away from zero, there appears little to celebrate, particularly given the direction of several leading economic indicators which continue to point towards stagnation.

It was a similar story in the Eurozone. While the region has been one of the better performing sectors over the course of the year, returns have fallen over the last few months as growth has slowed and inflation has remained stubbornly elevated. European Composite PMIs fell for the fourth consecutive month in September, while inflation continued to track over 5%. The outlook has improved slightly in October, with flash inflation data offering a welcome reprieve, coming in below expectations at 4.3%, however there remains a long way to go in the economy's fight for price stability.

New research

So far in Q3, we have published notes on: [Bluefield Solar Income Fund](#), [Henderson High Income/Henderson Diversified Income](#), [Baillie Gifford UK Growth](#), [Grit Real Estate Income Group](#), [Ecofin US Renewables](#), [Pantheon Infrastructure](#), [GCP Infrastructure](#), [abrdn Property Income Trust](#), [Montanaro European Smaller Companies](#), [NextEnergy Solar Fund](#), [Tritax EuroBox](#), [AVI Japan](#), and [Chrysalis Investments](#).



You have uncertainty. You have geo-economic fragmentation, low productivity growth, and low demographics. You put all these things together and you have a slowdown in medium-term growth



Higher rates have increased concerns around the availability and cost of financing, in addition to the added competition from money market funds which are now providing steady returns without the associated credit and duration risks



Inflation remains uncomfortably high. Central banks must avoid a premature easing





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At a glance

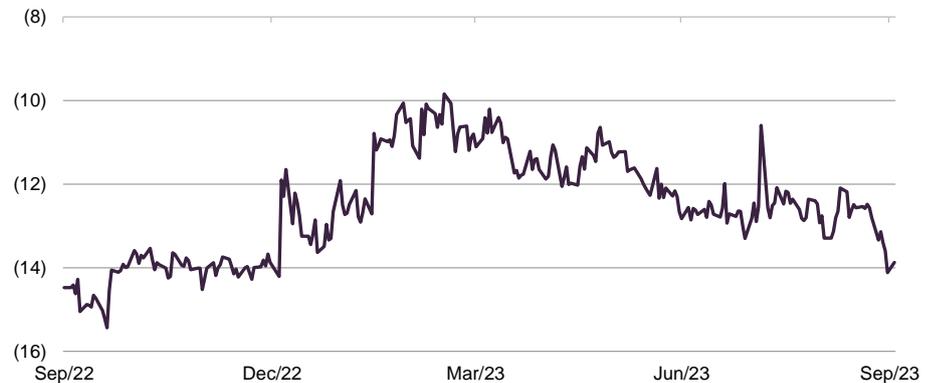
All investment companies median discount

After closing in on single digits over the first quarter of the year, discounts have widened steadily, falling to -14.1% at the end of Q3, as financial conditions have tightened significantly. While this appears to have had a positive impact on inflation across the bulk of the world's developed markets, it remains elevated while growth prospects are looking increasingly grim.

Europe median discount

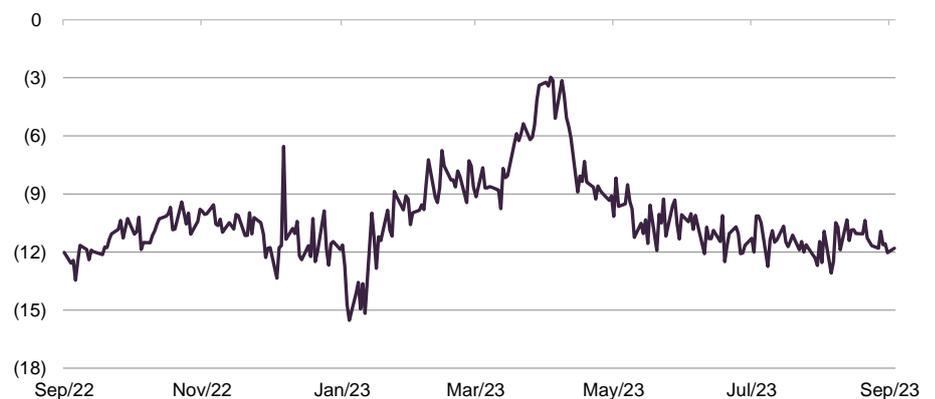
Median discounts in Europe have failed to recover from the collapse of SVB and the ensuing bailout of Credit Suisse earlier in the year. Prior to this, they were trending towards par, but now sit at around -11%. Unfortunately for investors, it is difficult to see this trend reversing in the near term, particularly given Germany's struggles, with the Eurozone's largest economy expected to contract in both Q3 and Q4.

Time period 30 September 2022 to 30 September 2023



Source: Morningstar, Marten & Co

Time period 30 September 2022 to 30 September 2023



Source: Morningstar, Marten & Co

	30/09/2023	Change on quarter (%)
Pound to US dollar	1.220	(4.0)
Pound to Euro	1.15	(0.9)
Oil (Brent, in dollars)	95.31	27.2
Gold (in dollars)	1848.63	(3.7)
US Treasuries (10-year yield)	4.57	19.1
UK Gilts (10-year yield)	4.44	1.1
German government bonds (bunds, 10-year yield)	2.84	18.7

Source: Bloomberg

Winners and losers

Despite broader market falls, NAVs grew 1% at the median although discounts widened from 12.8% in Q2 to 14.1% in Q3.

By sector

Best performing sectors over Q3 2023 by total price return

	Median share price total return (%)	Median NAV total return (%)	Median discount 30/09/23 (%)	Median sector market cap 30/09/23 (£m)	Number of companies in the sector
Royalties	32.0	2.2	(44.7)	675	2
India/Indian Subcontinent	7.1	7.2	(11.7)	293	4
Debt - Loans & Bonds	5.5	4.8	(6.6)	117	12
Property - UK Logistics	5.4	0.0	(36.2)	518	3
Property - UK Commercial	4.3	1.4	(28.2)	194	15

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

Q3 was defined by the ongoing long end bond sell off, with global markets trending down in sympathy. Investment trust returns were negative on average, although several sectors still achieved positive returns.

The Royalties sector was the standout performer following a cash offer from independent music company, Concord, for the outstanding share capital of Round Hill Music Royalty which represented a premium of approximately 67.3% to its closing share price.

The India and Indian Subcontinent sector has continued its impressive run over the course of the year, benefiting from buoyant domestic markets. The economy is on track to achieve YOY GDP growth of 7% making it the fastest growing major economy in the world, in stark contrast to the rest of the Asia Pacific region. While the outlook for the region remains positive, recent reports have suggested some areas of the economy, particularly within the mid and smaller cap sectors, have been experiencing a surge in speculative interest which have driven up valuations dramatically, with some commentators comparing the rally to that of the meme stock surge seen in the US in 2021.

While higher rates have generally weighed on returns, the Debt - Loans & Bonds sector has benefited with companies able to roll loans at higher coupon rates, boosting earnings and insulating returns. Although, this has been a double-edged sword in some cases with rising costs putting pressure on the operating abilities of some debtors.

The bulk of the returns in the UK Logistics sector stems from Tritax Big Box, although the growth appears to be more a matter of timing rather than any sustained recovery. Shares in the company hit their low water mark for the year at the beginning of the quarter, corresponding with the peak in UK rate expectations, and have steadily recovered as these have softened.

Returns in the Property - UK Commercial sector have followed a similar trend, although punctuated by a few outsized moves. Ediston Property Investment Company was up 23.2% over the quarter following the sale of its portfolio to US company, Realty Income, while Regional REIT fell 36.7% following the release of its annual report which outlined a significant drop in net rental income and was accompanied by a dividend cut.

Worst performing sectors over Q3 2023 by total price return

	Median share price total return (%)	Median NAV total return (%)	Median discount 30/09/23 (%)	Median sector market cap 30/09/23 (£m)	Number of companies in the sector
Infrastructure Securities	(12.6)	(15.0)	(11.9)	140	2
Property - Rest of World	(11.9)	0.9	(61.8)	105	3
Property - Europe	(11.5)	1.4	(41.6)	30	4
Renewable Energy Infrastructure	(6.2)	1.5	(14.1)	258	22
North American Smaller Companies	(5.3)	(3.2)	(12.7)	352	2

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

The worst performing funds reflect a continuation of the year's dominate themes. Higher rates have increased concerns around the availability and cost of financing, in addition to the added competition from money market funds which are now providing steady returns without the associated credit and duration risks. This has been particularly harrowing for the Infrastructure and Renewable Energy Infrastructure sectors which have endured a horrid run, reflected in year-to-date share price losses of 14% and 18% respectively.

Property is another area that has clearly suffered from rising rates, and while there has been some positive news on the inflation front in the US, and to a lesser extent, the UK, the expectation of 'higher for longer' rates continue to depress returns, particularly in Europe where the threat of stagflation appears highest.

The fall in the North American Smaller Companies sector is a reflection of the rapid tightening in financial conditions in the US driven by the long end treasury sell off. Generally speaking, smaller companies have weaker balance sheets than their large cap counterparts and are therefore less able to absorb rising interest expenses, with these payments reaching fresh, record highs in Q3 across the small cap index.

Top 10 performers by fund

Best performing funds in total NAV (LHS) and price (RHS) terms over Q3 2023

Fund	Sector	(%)	Fund	Sector	(%)
Geiger Counter	Commodities & Natural Resources	48.2	Round Hill Music Royalty	Royalties	62.0
India Capital Growth	India/Indian Subcontinent	14.4	Seraphim Space Investment Trust	Growth Capital	60.2
Ashoka India Equity Investment	India/Indian Subcontinent	9.8	Geiger Counter	Commodities & Natural Resources	42.5
CVC Income & Growth EUR	Debt - Loans & Bonds	9.6	Symphony International Holding	Private Equity	24.2
VietNam Holding	Country Specialist	8.5	Ediston Property Investment Company	Property - UK Commercial	23.2
CQS Natural Resources G&I	Commodities & Natural Resources	7.9	Schroders Capital Global Innov Trust	Growth Capital	19.9
Nippon Active Value	Japanese Smaller Companies	7.3	Pantheon International	Private Equity	14.5
Temple Bar	UK Equity Income	7.0	Riverstone Energy	Commodities & Natural Resources	14.1
VPC Specialty Lending Investments	Debt - Direct Lending	6.8	EPE Special Opportunities	Private Equity	13.8
BH Macro USD	Hedge Funds	6.7	Tritax Big Box	Property - UK Logistics	13.2

Source: Morningstar, Marten & Co.

Geiger Counter topped the list of best performing funds by total NAV return in September as uranium prices surged to their highest level in 12 years, underpinned by a global renaissance in nuclear power, as utilities race to lock in fuel supplies. Prices have been rising steadily over the course of the year. However, recent supply constraints and a growing urgency for energy security have seen these surge toward levels not seen since the 2011 Fukushima disaster.

As noted above, the two small/medium cap Indian funds continue to outperform, boosted by the region's world leading growth rates. The economy has been a benefactor of the diversification of global supply chains away from China, in addition to long running economic and capital market reforms which began prior to the pandemic. While the outlook for the region remains positive, recent reports have suggested some areas of the economy, particularly within the mid and smaller cap sectors, have been experiencing a surge in speculative interest which have driven up valuations dramatically, with some commentators comparing the rally to that of the meme stock surge seen in the US in 2021.

CVC Income & Growth was the best performing fund within the Debt – Loans & Bonds sector with regard to NAV growth. As noted above, the company has been able to leverage rising rates by reinvesting into attractive new primary issuance as existing positions are exited or repaid. Similar tailwinds have also contributed to the outperformance of VPC Specialty Lending.

Vietnamese markets have experienced an impressive period of growth through 2023 following a challenging few years following the pandemic. The economy has

benefited from ongoing economic reforms, increasingly global export relationships, and ongoing consumer strength in the US, its largest export market. The region has also benefited from relatively low inflation and increased tourist activity which has boosted the returns of VietNam Holding.

CQS Natural Resources declined over the first half of the quarter as industrial metals fell, though subsequently recovered as weak economic data and still hawkish central bank commentary gave way to prospects for more meaningful Chinese stimulus. The company, along with peer, Riverstone Energy, was also buoyed by climbing oil prices which were supported by OPEC's decision to extend production cuts. These dynamics also had a positive impact on Temple Bar, although returns have suffered following the end of the quarter due in part to a rising USD which weighs on commodity prices.

Nippon Active Value was also up strongly, bucking the trend of its Japanese smaller companies counterparts. The company is merging with Atlantis Japan Growth and abrdn Japan, and has secured a Premium main market listing on the London Stock Exchange. The release of its interim report reaffirmed the underlying quality of the portfolio.

The returns of BH Macro were thanks predominantly to USD appreciation stemming from the rally in long end USD treasuries.

On the share price side, Round Hill Music leapt when a bidder emerged for the company. Seraphim Space rallied following a trading update which showed that 11 companies in the trust's investment portfolio had closed investment rounds at higher valuations than previous rounds.

Symphony International rallied on the back of an announcement that the fund will begin to return capital to shareholders following a strategic review. It is not immediately clear what drove the returns of Private Equity peer, EPE Special Opportunities, but Pantheon International announced a planned £200m share buyback.

The Schroders Capital Global Innovation trust saw its discount close as shares rallied over the course of the month. However, this comes on the back of relatively thin volume and should be put in context with the fund's steadily falling NAV.

Bottom 10 performers by fund

The worst performing funds are very much a reflection of the dynamics discussed on page five, with a clear representation of funds struggling with the growing cost of capital and rising discount rates, which includes growth-focused companies like Montanaro European Smaller Companies, and Edinburgh Worldwide. Income-focused alternative asset funds, particularly in infrastructure sectors have also suffered from rising risk-free rates, as capital has flown into money markets and longer duration debt.

On the NAV side, Golden Prospect Precious Metals has suffered from the latest surge in real bond yields and the ensuing rise in USD which has weighed heavily on gold with the precious metal falling almost 5% at the end of the quarter. Surging rates in the US have also dragged down the returns of Martin Currie Global Portfolio due to a large overweight in US tech. The company's largest holding, NVDIA, which makes up 10% of the fund, was down 12% over the last month of the quarter.

Worst performing funds in total NAV (LHS) and price (RHS) terms over Q3 2023

Fund	Sector	(%)	Fund	Sector	(%)
Premier Miton Global Renewables Trust	Infrastructure Securities	(20.2)	Digital 9 Infrastructure	Infrastructure	(36.8)
Montanaro European Smaller	European Smaller Companies	(11.0)	Regional REIT	Property - UK Commercial	(36.7)
Golden Prospect Precious Metal	Commodities & Natural Resources	(10.7)	Gresham House Energy Storage	Renewable Energy Infrastructure	(26.0)
Ecofin Global Utilities & Infra	Infrastructure Securities	(9.8)	Syncona	Biotechnology & Healthcare	(23.8)
Martin Currie Global Portfolio	Global	(9.3)	Baker Steel Resources	Commodities & Natural Resources	(20.9)
Baillie Gifford European Growth	Europe	(9.2)	Globalworth Real Estate Investments	Property - Europe	(19.2)
International Biotechnology	Biotechnology & Healthcare	(8.4)	Foresight Sustainable Forestry	Farmland & Forestry	(18.5)
Edinburgh Worldwide	Global Smaller Companies	(8.1)	Harmony Energy Income Trust	Renewable Energy Infrastructure	(18.1)
Jupiter Green	Environmental	(8.0)	Macau Property Opportunities	Property - Rest of World	(17.3)
Bellevue Healthcare	Biotechnology & Healthcare	(8.0)	Cordiant Digital Infrastructure	Infrastructure	(16.2)

Source: Morningstar, Marten & Co. Note: excludes trusts with market caps below £15m at 30/09/23

Europe has been one of the better performing sectors over the course of the year, however the region has struggled over the last few months with the selloff a reflection of the growing sense of stagflation in the region. Composite PMIs spent their fourth consecutive month in contraction while inflation has continued to track over 5%. The outlook has improved slightly in October, with flash inflation data offering a welcome reprieve, coming in below expectations at 4.3%, however there remains a long way to go in the economy's fight for price stability.

Jupiter Green has suffered from the broader selloff in renewable energy driven by rising costs of production and finance.

It was somewhat of a surprise to see Bellevue Healthcare on the list of worst performers, although the fund's exposure leans towards the more growth-oriented end of the spectrum with exposure to subsectors like med tech and diagnostics which have sold off over the last few months. For example, its largest holding, Exact Sciences, fell 32% in August. International Biotechnology was hit too.

In terms of share price moves, Digital 9 Infrastructure announced a delay in its planned part-disposal of one of its investments and the resultant pressure on cash flow meant a planned dividend was cancelled. Gresham House Energy Storage warned that rates of return available from its British battery storage assets were weak, which weighed on other battery companies including Harmony. Syncona has suffered from similar headwinds to Bellevue Healthcare. As mentioned on page seven, Baker Steel Resources has been impacted by weak Chinese demand for steel, without the ballast from energy exposure that helped drive returns for CQS Natural Resources.

Foresight Sustainable Forestry's share price fall may be related to the collapse in UK carbon credit prices that followed the government's watering down of its climate policies.

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

Fund	Sector	30 June disc (%)	30 Sep disc (%)	Fund	Sector	30 June disc (%)	30 Sep disc (%)
Seraphim Space Investment Trust	Growth Capital	(70.6)	(52.9)	Gresham House Energy Storage	Renewable Energy Infrastructure	(1.3)	(28.2)
Ediston Property Investment Company	Property - UK Commercial	(28.7)	(13.9)	Regional REIT	Property - UK Commercial	(38.5)	(62.5)
Schroders Capital Global Innov Trust	Growth Capital	(49.3)	(39.3)	Digital 9 Infrastructure	Infrastructure	(38.9)	(61.9)
Symphony International Holding	Private Equity	(45.9)	(37.6)	Syncona	Biotechnology & Healthcare	(17.2)	(36.9)
Tritax Big Box	Property - UK Logistics	(36.6)	(28.4)	Foresight Sustainable Forestry	Farmland & Forestry	(7.8)	(24.9)
Literacy Capital	Private Equity	(4.2)	4.0	Harmony Energy Income Trust	Renewable Energy Infrastructure	(9.8)	(26.4)
Pantheon International	Private Equity	(43.9)	(36.3)	Atrato Onsite Energy	Renewable Energy Infrastructure	(7.9)	(23.9)
EPE Special Opportunities	Private Equity	(50.0)	(42.4)	VH Glob Sustainable Energy Opp	Renewable Energy Infrastructure	(16.3)	(30.0)
Atlantis Japan Growth	Japanese Smaller Companies	(14.9)	(7.4)	Blackstone Loan Financing Limited	Debt - Structured Finance	(22.8)	(36.1)
Boussard & Gavaudan EUR	Hedge Funds	(19.0)	(11.9)	Gore Street Energy Storage Fund	Renewable Energy Infrastructure	(17.6)	(30.6)

Source: Morningstar, Marten & Co. Note: excludes trusts with market caps below £15m at 30/09/23

Getting more expensive

Of the funds not referenced above, Literacy Capital rallied on news of the sale of one of its largest assets for a 53.8% premium to carrying value while Atlantis Japan Growth rallied following its merger with Nippon Active Value.

Boussard & Gavaudan is undergoing a realisation of the existing assets, and any movements are a symptom of very thin volume.



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Getting cheaper

Atrato Onsite Energy and VH Global Sustainable Energy Opportunities have been caught up in the general selloff in the renewables sector.

Blackstone Loan Financing has likely been affected by a combination of rising interest rates and gears of higher defaults within the underlying loan portfolios that it is exposed to.

Gore Street Energy Storage was hit by the selloff in battery funds that we referred to earlier. This reached such an extreme that in recent weeks the manager and board have published detailed reasons why they feel that this has been overdone.

Money raised and returned

Money raised (LHS) and returned (RHS) in £m over Q3 2023

Fund	Sector	£m raised	Fund	Sector	£m returned
JPMorgan Global Growth & Income	Global Equity Income	38.0	Worldwide Healthcare	Biotechnology & Healthcare	(64.4)
City of London	UK Equity Income	21.1	Personal Assets	Flexible Investment	(61.6)
Ashoka India Equity Investment	India/Indian Subcontinent	13.1	Capital Gearing	Flexible Investment	(60.3)
Law Debenture Corporation	UK Equity Income	6.3	Pershing Square Holdings	North America	(59.1)
Odyssean Investment Trust	UK Smaller Companies	4.3	Smithson Investment Trust	Global Smaller Companies	(51.4)

Source: Morningstar, Marten & Co. Note 1) value of shares issued/repurchased as at 30 September 2023

Money coming in

JPMorgan Global Growth and Income has been successfully raising capital along with usual suspects, City of London, and Law Debenture. Ashoka India Equity Investment has continued to benefit from the stability provided by markets in India and has been able to sustain a stable premium over the past six months. As has Odyssean, which has managed to buck the trend of the bulk of its smaller company peers and has been able to access the market for capital.

Money going out

In terms of money going out it was a case of the usual suspects as a number of larger trusts continued to operate their respective buy back policies. Personal Assets and Capital Gearing both try to maintain a zero discount. However, they are out of favour currently having lost investors money over the past year or so (they target absolute returns).

Major news stories over Q3 2023

Portfolio developments

- GCP continues to execute despite NAV pressure
- Another challenging year for Mid Wynd International
- Schroders Capital Global Innovation NAV dives again
- Infrastructure India sells prime asset but not for cash
- Gulf Investment Fund changes its manager
- Hg agrees partial sale of TeamSystem
- Bluefield Solar posts positive NAV move
- NextEnergy Solar NAV dips on higher discount rate
- Oakley invests in dental labs
- Manager laments five-year underperformance of Baillie Gifford US Growth
- Small cap exposure weighs on the Diverse Income Trust
- Defensive positioning continues to weigh on Henderson Diversified Income
- NextEnergy Solar publishes updated sustainability report
- Another period of solid returns for Alliance Trust
- Rising discount rates impact GCP Infrastructure

Corporate news

- IPSX to wind down
- GCP merger with RMII terminated
- RM Infrastructure Income to wind down
- Ecofin US Renewables announces strategic review
- Symphony International joins queue for the exit
- Atlantis Japan Growth to merge with Nippon Active Value
- abrdn New Dawn announces proposed combination with Asia Dragon Trust
- Better news for Ecofin US Renewables as new route to grid connection identified
- Schroders takes on International Biotechnology
- abrdn New Dawn announces proposed combination with Asia Dragon Trust
- Downing Renewables buys Swedish electricity distributor
- abrdn Diversified Income & Growth next out the door?

Property news

- Triple Point Social Housing REIT sells four assets in line with book values
- Realty Income to buy Ediston Property's portfolio for £196.8m
- LondonMetric sells £40.5m industrial assets and will focus portfolio on triple net leases
- UK Commercial Property lets Sussex Junction development
- Successful disposal for Tritax EuroBox
- Grit Real Estate completes acquisition of developer
- Home REIT proposes changes to investment policy
- Ediston Property in discussions to sell portfolio

Managers and fees

- Henderson European Focus manager, John Bennett, to retire
- Home REIT board to be replaced

QuotedData views

- Are some investment trust discounts now detached from reality?
- Mind the gap
- The right fund in the right structure
- Opportunities in commodities?
- Lehman terms
- Renewables – an inevitable part of our future?
- What if the tide goes out further?
- Where there's smoke is there fire?
- The new reality for renewables
- Divining higher income in an inflationary environment
- Infrastructure sits on solid foundations
- Diversity rules for The Renewables Infrastructure Group
- the future of growth investing
- time is right for this European logistics specialist

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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.

- abrdn Asia Focus Group Update – 18 October
- Tufton Oceanic AGM – 24 October
- Hipgnosis Songs EGM– 26 October
- City of London Investment Trust AGM – 31 October
- JPMorgan Mid Cap Investment Trust AGM– 1 November
- JPMorgan Global Growth & Income– 3 November.
- Murray Income Trust AGM – 7 November
- JPMorgan Emerging Markets AGM – 7 November
- UIL AGM – 9 November
- Henderson Eurotrust AGM – 15 November
- European Opportunities AGM – 15 November
- abrdn UK Smaller Companies AGM – 23 November
- Bluefield Solar AGM – 28 November
- Fidelity Asian Values AGM – 29 November

Interviews

Every Friday at 11 am, we run through the more interesting bits of the week's news, and we usually have a special guest discussing a particular investment company.

Friday	The news show	Special Guest	Topic
7 July	FP	Steve Marshall	Cordiant Digital Infrastructure
14 July	SONG, TLEI, USF	David Smith	Henderson High Income
21 July	DGN, DGI9, ABD	Ian Lance	Temple Bar
28 July	RNEW, HDIV, ASCI	Uzo Ekwue & Pav Sriharan	Schroders British Opportunity Trust
4 August	BPCR, TLEI	Fotis Chatzimichalakis	Impax Asset Management
11 August	GCP/GABI/RMII, HGEN, NAVF/AJG	Helen Steers	Pantheon International
18 August	TLEI, RSE, BSIF, NESF, EPIC, ESP	Richard Moffit	Urban Logistics
25 August	USF, RICA, TLEI, EPIC, HOME	Iain Pyle	Shires Income
1 September	HEIT, SOHO	Ed Simpson	GCP Infrastructure
8 September	RNEW, RHM, RMII	Prashant Khemka	Ashoka WhiteOak
15 September	EPIC, SONG, SUPR, TLEI	Dean Orrico	Middlefield Canadian Income
22 September	AIG, GABI, GCP, HICL	Andrew Jones	LondonMetric Property
29 September	DGI9, GIF, HICL, SONG	Carlos Hardenberg	Mobius Investment Trust
6 October	ORIT, PSH, RGL	Alan Gauld	abrdn Private Equity
13 October	EOT, GSF, CHRY	James de Uphaugh	Edinburgh Investment Trust
Coming Up			
20 October		Tom Williams	Downing Renewables
27 October		Richard Sem	Pantheon Infrastructure
3 November		Craig Martin	Vietnam Holding

Research notes published over Q3 2023

QuotedData
BY MARTEN & CO

INVESTOR

NextEnergy Solar Fund

Investment complete | Update | 12 July 2023

Recycling champion

From an operational standpoint, NextEnergy Solar Fund (NESF) is designed to be a source of page 2 of this note, the board, encouraged by a high proportion of predictable revenue, has felt comfortable in declaring an inflation-matching 11% increase in NESF's dividend per share, and is confident that this will be well-covered by earnings.

In the face of a difficult market for fundraising (expanding the fund by issuing new shares), NESF's strategic update focusing capital from its portfolio of solar assets. In the short term, the proceeds would be used to reduce borrowings (debt) and fund a potential new solar buyback. Long-term, the proceeds could be used to secure new solar and energy storage opportunities that present a suitable return profile.

After a good 2022 financial year, new investments could boost the NAV and capital further. Share buybacks could turn the rise in NESF's share price (discount) to near value (NAV) and lower debt levels could earn interest income. Combine this with a prospective dividend yield of 8% and NESF's total score bright.

Rank	Revenue energy (€/MWp)
Value	100%
Revenue energy	100%
Price	100%
NAV	100%
Financial strength	100%
Total	100%

100% ESG score (based on the use of Green, Blue, Red, and Grey) and 100% (no) nuclear exposure. It is not intended to encourage the reader to invest in the securities mentioned in this report. Please see the important information at the back of this note. Downloaded on 12 July 2023. All rights reserved. All trademarks are the property of their respective owners. All trademarks are the property of their respective owners. All trademarks are the property of their respective owners. All trademarks are the property of their respective owners.

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BY MARTEN & CO

INVESTOR

AVI Japan Opportunity

Investment complete | Update | 19 July 2023

Good governance, better returns

The team behind AVI Japan Opportunity (AJOT) continues to champion the tenets of good corporate governance and shareholder alignment. On this front, it recently made some positive progress with one of its investments – NC Holdings – where it put forward some resolutions at that company's annual general meeting (AGM).

The benefits that it can access through improved corporate governance complement an attractive dividend (Japanese equity market), which is increasingly attracting the attention of foreign investors. The rising price of the stock in the Japanese market, the fact that the company has a strong track record of high-quality growth, and the fact that the company has a strong track record of high-quality growth, all contribute to the overall attractiveness of the investment.

What there has been a handful of new additions to AJOT's portfolio, there has been an overall strengthening of the portfolio towards higher-quality assets, reducing exposure to some of the lower-quality assets that have sometimes dragged on performance.

Thanks to its strong relationships, AJOT has been able to generate available opportunities of peers and other benchmarks over the long term. As well as supporting strong demand for its shares, with the market share price continuing to trade close to its NAV.

Rank	Japanese market
Value	100%
Revenue energy	100%
Price	100%
NAV	100%
Financial strength	100%
Total	100%

100% ESG score (based on the use of Green, Blue, Red, and Grey) and 100% (no) nuclear exposure. It is not intended to encourage the reader to invest in the securities mentioned in this report. Please see the important information at the back of this note. Downloaded on 19 July 2023. All rights reserved. All trademarks are the property of their respective owners. All trademarks are the property of their respective owners. All trademarks are the property of their respective owners.

From an operational standpoint, NextEnergy Solar Fund (NESF) is doing well. As we discuss on page 5 of this note, the board, encouraged by a high proportion of predictable revenue, has felt comfortable in declaring an inflation-matching 11% increase in NESF's dividend per share, and is confident that this will be well-covered by earnings.

The rapid readjustment of valuations in the European logistics sector has encouraged investors seeking quality assets to return to the market, bringing optimism to Tritax EuroBox's (EBOX's) manager that values are stabilising. The company's portfolio yield moved out 70 basis points (bps – equivalent of 0.7%) in the six months to 31 March 2023, but the worst of the declines seem to be over.

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Tritax EuroBox

Half-yearly | Annual overview | 12 July 2023

Optimism returns

The rapid readjustment of valuations in the European logistics sector has encouraged investors seeking quality assets to return to the market, bringing optimism to Tritax EuroBox (EBOX's) manager that values are stabilising. The company's portfolio yield moved out 70 basis points (bps – equivalent of 0.7%) in the six months to 31 March 2023, but the worst of the declines seem to be over.

Operationally, the company is in good shape to take advantage of a strong demand and supply situation, having received an uplift in annual rent of 2.5% in the six months to March 2023 (10.4% over 12 months). It has recently let a completed development in Germany above estimated market value (17%) and provided a concession to an existing building. Additional development opportunities, refinancing and inflation-linked uplifts are set to come.

Grants in income and operational leverage have meant that the company has been able to fully cover its dividend with earnings for the past three quarters. Going forward, the manager expects earnings to continue to cover the dividend, which represents an 8.4% return yield on the current share price.

Rank	Revenue energy (€/MWp)
Value	100%
Revenue energy	100%
Price	100%
NAV	100%
Financial strength	100%
Total	100%

100% ESG score (based on the use of Green, Blue, Red, and Grey) and 100% (no) nuclear exposure. It is not intended to encourage the reader to invest in the securities mentioned in this report. Please see the important information at the back of this note. Downloaded on 12 July 2023. All rights reserved. All trademarks are the property of their respective owners. All trademarks are the property of their respective owners. All trademarks are the property of their respective owners.

The team behind AVI Japan Opportunity (AJOT) continues to champion the tenets of good corporate governance and shareholder alignment. On this front, it recently made some positive progress with one of its investments – NC Holdings – where it put forward some resolutions at that company's annual general meeting (AGM).

There is no denying that the last 18 months have been a challenge for Chrysalis Investments (CHRY). However, under the hood, the majority of the portfolio assets have actually performed reasonably well given the circumstances, especially when you consider that one company, Klarna, contributed more than half of CHRY's total NAV adjustment during FY2022. Its other private investments, which make up the majority of the portfolio, fell just 5.6% during the same period.

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Chrysalis Investments

Investment complete | Update | 20 July 2023

Putting growing pains behind it

There is no denying that the last 18 months have been a challenge for Chrysalis Investments (CHRY). However, under the hood, the majority of the portfolio assets have actually performed reasonably well given the circumstances, especially when you consider that one company, Klarna, contributed more than half of CHRY's total NAV adjustment during FY2022. Its other private investments, which make up the majority of the portfolio, fell just 5.6% during the same period.

The long-term prospects for the fund remain unchanged, with the company investing in a range of attractive assets that continue to benefit from the rapidly accelerating digital transition. The performance of these companies relies on their ability to disrupt their respective industries, create new products, and improve.

While short-term fluctuations in macroeconomic conditions create challenges, including the ability to finance growth (as investors pull money out of markets of the market considered to be higher risk), the business plan execution we have seen across the majority of the portfolio over the past 12 months leaves us optimistic going forward.

Rank	Revenue energy (€/MWp)
Value	100%
Revenue energy	100%
Price	100%
NAV	100%
Financial strength	100%
Total	100%

100% ESG score (based on the use of Green, Blue, Red, and Grey) and 100% (no) nuclear exposure. It is not intended to encourage the reader to invest in the securities mentioned in this report. Please see the important information at the back of this note. Downloaded on 20 July 2023. All rights reserved. All trademarks are the property of their respective owners. All trademarks are the property of their respective owners. All trademarks are the property of their respective owners.

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Montanaro European Smaller Companies
Investment companies | Annual overview | 01 August 2023

No Continental Drift

Despite the headwinds it has faced – chief among them higher interest rates – Montanaro European Smaller Companies (MTE) remains committed to investing in high-quality, high-growth companies. MTE's manager, George Cooke, has been unflinching in his approach, making the change to MTE's portfolio other than increasing its concentration to high-quality, high-growth companies.

Over the long term, MTE's track record demonstrates the opportunities that small cap investing can present, aided by factors such as poor research coverage, with MTE continuing to be one of the best performing European small cap strategies available to investors. Yet despite this, the trust trades on a wide discount, currently 12.7%, as MTE has been tested up in the water-ship-wallet rather than being judged on its own merits. This may represent an attractive opportunity for long-term investors.

Continental European smaller companies

MTE aims to achieve capital growth by investing principally in Continental European listed smaller companies. The benchmark index is the MSCI Europe ex UK Small Cap Index (in sterling terms).

Metric	European Smaller Companies	MTE (€)
Price	100%	87.3%
Price discount	0%	12.7%
NAV	100%	100%
NAV discount	0%	0%
Price/NAV discount	0%	12.7%
Yield	0%	0%

MTE is a prime example of the potential of European small cap.

European equities remain attractive on a fundamental basis, being of a higher quality than many of their international peers.

Despite its long-term outperformance, MTE's discount is historically wide, and this presents a possible entry point.

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Despite the headwinds it has faced – chief among them higher interest rates – Montanaro European Smaller Companies (MTE) remains committed to investing in high-quality, high-growth companies. MTE's manager, George Cooke, has been unflinching in his approach, making little change to MTE's portfolio other than increasing its concentration by trimming lower-conviction holdings.

In recent months, macroeconomic conditions have weighed on the utilities and infrastructure sectors and on the returns generated by Ecofin Global Utilities and Infrastructure (EGL). Now, as the peak of interest rates draws nearer and economic growth stutters, the tide may be about to turn in the trust's favour. EGL's manager, Jean-Hugues de Lamaze highlights the strong earnings of the companies in its portfolio (see pages 5 and 6), which have made some of these look even more undervalued.

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Ecofin Global Utilities and Infrastructure Trust
Investment companies | Update | 02 August 2023

Utilities and Infrastructure at low tide

In recent months, macroeconomic conditions have weighed on the utilities and infrastructure sectors and on the returns generated by Ecofin Global Utilities and Infrastructure (EGL). Now, as the peak of interest rates draws nearer and economic growth stutters, the tide may be about to turn in the trust's favour. EGL's manager, Jean-Hugues de Lamaze highlights the strong earnings of the companies in its portfolio (see pages 5 and 6), which have made some of these look even more undervalued.

In contrast with most London-listed investment companies, EGL has experienced some modest volatility of its share price discount to net asset value (NAV) recently. The trust is trading this with share buy backs, but the current above-average discount does provide an opportunity for investors to get exposure to the trust at attractive levels.

Developed markets utilities and other economic infrastructure exposure

EGL seeks to provide a high, secure dividend yield and to make long-term growth, while taking care to preserve shareholders' capital. It invests principally in the utility and infrastructure sectors in Europe, North America and other developed (G7) countries. It targets a dividend yield of 4% a year on its net assets, paid quarterly, and can use gearing (borrowing) and distribution to achieve this.

Metric	Infrastructure	EGL
Price	100%	85.1%
Price discount	0%	14.9%
NAV	100%	100%
NAV discount	0%	0%
Price/NAV discount	0%	14.9%
Yield	0%	4.5%

Most of the companies that the Ecofin team follow closely are trading cheap relative to history.

US utilities are attractively valued on average.

Global infrastructure is trading at a material valuation discount to global equities.

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GCP Infrastructure Investments (GCP) has announced a potential three-way merger between it, GCP Asset Backed Income (GABI), and RM Infrastructure Income (RMII). As we explore in this note, this has the potential to address some of the issues that may have given rise to GCP's exceptionally wide share price discount to its NAV. The outlook for investors remains as promising as ever thanks to a broad range of supportive conditions.

The Negative investor sentiment towards the commercial real estate sector has seen the share price discount to net asset values (NAVs) among REITs and listed property companies remain excessively wide, including abrdn Property Income Trust (API). This is despite a large valuation correction at the end of 2022 and transactional evidence of value stabilisation. A re-rating of the sector and API's shares should be triggered by market indications that interest rates have peaked (due to their close correlation with property yields), so promising inflation data for June was encouraging.

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abrdn Property Income Trust
Investment companies | Update | 16 August 2023

Ready and waiting

Negative investor sentiment towards the commercial real estate sector has seen the share price discount to net asset value (NAV) among REITs and listed property companies remain excessively wide, including abrdn Property Income Trust (API). This is despite a large valuation correction at the end of 2022 and transactional evidence of value stabilisation. A re-rating of the sector and API's shares should be triggered by market indications that interest rates have peaked (due to their close correlation with property yields), so promising inflation data for June was encouraging.

For API's manager, the trust continues to be an growing income, and on that front it has performed well. Asset management initiatives within the portfolio have seen its recovery rate drop to below 5%, after a string of recent setbacks within the office portfolio. Additional rental income potential across the wider portfolio might encourage further positivity.

UK commercial property exposure

API 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 property assets, in the industrial, office, retail and alternative sectors. API uses borrowing with the aim of enhancing returns, with the current loan-to-value (LTV) ratio at 28.1%.

Metric	Property - UK Commercial	API
Price	100%	47.8%
Price discount	0%	52.2%
NAV	100%	100%
NAV discount	0%	0%
Price/NAV discount	0%	52.2%
Yield	0%	5.4%

Valuations in the commercial property sector are still high.

Leasing momentum has brought recovery rates down below 5%.

Top-rated, sustainable portfolio.

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Having concluded its acquisition of a leading property developer and asset manager, pan-African property company Grit Real Estate Income Group (Grit) has been reborn. Grit 2.0 has a greater and more achievable return target (of between 12% and 15% per annum) thanks to the controlling stake it now owns in Gateway Real Estate Africa (GREA) and its attractive pipeline of net asset value (NAV) accretive, risk-mitigated development projects – most notably diplomatic residences across the continent that are let to the US government.

While share prices across the whole of the renewable energy infrastructure sector have been under pressure over the past 12–18 months, the execution by Bluefield Solar Income Fund (BSIF) has remained impressive, helping it to maintain its record of sector-leading distributions. The company's record performance has been driven by locking in higher power prices through power purchase agreements (PPAs – which allow BFSI to sell energy at an agreed price, over a certain period of time). Thanks to the execution of these contracts, the board has good visibility over the bulk of company earnings for the next few years.

Henderson Diversified Income (HDIV) has agreed heads of terms for a combination with Henderson High Income (HHI). As part of the deal, shareholders in HDIV will have the option to take cash for all or part of their holding if they choose. In July 2023, HDIV's chairman noted (see our news story [here](#)) that the trust had shrunk through share buybacks, and that this was inflating its average running costs and affecting liquidity in its shares. More importantly, he also made some observations about the fund's investment approach (devised at launch in 2007) and the impact that this might be having on the sustainability of HDIV's income and shareholders' total returns (see page 4).

As the fund with most growth-orientated investment style amongst its peers (see page 21), Baillie Gifford UK Growth Trust (BGUK) has faced particularly strong headwinds during the last 18 months, as investors have either sought sanctuary in value and defensive stocks, or pulled money out of equities altogether, often in favour of fixed income stocks which are now offering a better rate of return than they have for some time.

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Grit Real Estate Income Group
Investment complete | Update | 27 September 2023

Grit 2.0

Having concluded its acquisition of a leading property developer and asset manager, pan-African property company Grit Real Estate Income Group (Grit) has been reborn. Grit 2.0 has a greater and more achievable return target (of between 12% and 15% per annum) thanks to the controlling stake it now owns in Gateway Real Estate Africa (GREA) and its attractive pipeline of net asset value (NAV) accretive, risk-mitigated development projects – most notably diplomatic residences across the continent that are let to the US government.

Ongoing asset recycling – activity from the well and hospital sector – has allowed us to reduce share price, while creative means of raising additional capital should secure the substantial development pipeline and put a view to ongoing, sustainable income and growing, resilient income. A new line of income through the new income earned from the property asset management business adds further robustness to its earnings and supports its dividend.

Key Metrics:

Return (Net asset value)	2023
Total	2023
Risk-adjusted	2023
Price	2023
NAV	2023
Pensions (2023)	2023

Key Points:

- Acquisition of GREA provides opportunity to generate returns
- Separate deal for asset manager brings in new revenues
- Targeting annual returns of between 12% and 15%

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Bluefield Solar Income Fund
Investment complete | Update | 3 October 2023

Record year supports growth strategy

While share prices across the whole of the renewable energy infrastructure sector have been under pressure over the past 12–18 months, the execution by Bluefield Solar Income Fund (BSIF) has remained impressive, helping it to maintain its record of sector-leading distributions. The company's record performance has been driven by locking in higher power prices through power purchase agreements (PPAs – which allow BFSI to sell energy at an agreed price, over a certain period of time). Thanks to the execution of these contracts, the board has good visibility over the bulk of company earnings for the next few years.

BSIF is now 10 years old and as at 30 June 2023 had delivered cumulative returns of 65% to shareholders. The company has an attractive pipeline of new investment opportunities totalling over 1,400 MW. We share the chairman's conviction that the discount to net asset value represents BSIF's ability to fund more such high-quality projects.

Focus on value accretive renewable investments

BSIF aims to pay shareholders an attractive return, principally in the form of regular sector-leading income distributions, by being invested primarily in solar energy assets located in the US. The company also invests a minority of its capital into other renewables assets including wind and energy storage.

Key Metrics:

Return (Renewable energy investment)	2023
Total	2023
Risk-adjusted	2023
Price	2023
NAV	2023
Pensions (2023)	2023

Key Points:

- We feel that the current discount is hard to justify and likely provides investors with an attractive entry point.
- BSIF has been positively impacted by higher electricity prices.
- ESG is a key component of BSIF's strategy.

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Henderson High Income / Henderson Diversified Income
Investment complete | Track now | 4 October 2023

Merger terms agreed

Henderson Diversified Income (HDIV) has agreed heads of terms for a combination with Henderson High Income (HHI), as part of the deal, shareholders in HDIV will have the option to take cash for all or part of their holding if they choose.

In July 2023, HDIV's chairman noted (see our news story [here](#)) that the trust had shrunk through share buybacks, and that this was inflating its average running costs and affecting liquidity in its shares. More importantly, he also made some observations about the fund's investment approach (devised at launch in 2007) and the impact that this might be having on the sustainability of HDIV's income and shareholders' total returns (see page 4).

The HDIV board invited proposals from a number of investment companies with alternative investment processes, and believe that a combination with HHI offers numerous benefits. There are also benefits for HHI shareholders if HHI is able to expand. In addition, as we detail on page 7, James Henderson, manager of both trusts, is making a considerable contribution towards the costs of the scheme.

It will be a shame to see HDIV go, but a combination with HHI could be a sensible option to us. There is strategic income value for HDIV shareholders, a small immediate capital uplift, and better prospects for capital growth, which will still offer some exposure to the higher yields that are now available from bonds, and it should be a bigger, more appealing, more liquid, and more efficient trust.

Key Metrics:

Return (UK Equity Bond and Income Fund Investment Return)	HHI / HDIV
Total	HHI / HDIV
Risk-adjusted	HHI / HDIV
Price	HHI / HDIV
NAV	HHI / HDIV
Pensions (HHI / HDIV)	HHI / HDIV

Key Points:

- HHI offers similar yield to that of HDIV, but also access to a growing dividend
- Cash will for HDIV shareholders' shareholders
- Substantial contribution to costs from James Henderson

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Baillie Gifford UK Growth Trust
Investment complete | Track now | 30 September 2023

A recipe for a re-rating

As the trust with most growth-orientated investment style amongst its peers (see page 21), Baillie Gifford UK Growth Trust (BGUK) has faced particularly strong headwinds during the last 18 months, as investors have either sought sanctuary in value and defensive stocks, or pulled money out of equities altogether, often in favour of fixed income stocks which are now offering a better rate of return than they have for some time.

Despite these challenges, BGUK has provided a net asset value (NAV) total return of 51% over the last year (see page 21) and an operational level in companies continue to perform well. The manager has indicated their long-term confidence in the portfolio, and noted acknowledging investor size has increased, they now that BGUK's companies are financially sound and have robust balance sheets.

Both the UK and growth stocks are looking cheap, and BGUK's leading a return to NAV that is significantly above its long-term average. This could be a recipe for a strong re-rating when the outlook improves, particularly now that there are signs the inflation is coming under control.

Focused portfolio of UK growth equities

BGUK aims to achieve capital growth by investing in a concentrated portfolio (20–40 companies) of UK equities, with the aim of providing a return in excess of the FTSE All-Share Index. The portfolio will predominantly comprise constituents of the FTSE 250 Index, but where appropriate, it may also include constituents of other indices, convertible securities, and equity-linked derivatives for efficient portfolio management purposes. BGUK may also invest up to 10% of its total assets in related investment opportunities (at the discretion of the investment manager).

Key Metrics:

Return (UK All Companies)	2023
Total	2023
Risk-adjusted	2023
Price	2023
NAV	2023
Pensions (2023)	2023

Key Points:

- The UK and growth stocks looking cheap, but BGUK's exposure to significantly above its long-term average.
- BGUK's companies continue to show well and its strategies remain long-term confidence in the portfolio.
- A recipe for a strong re-rating particularly with signs inflation is coming under control.

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 share price return over Q3 2023

	Share price Q1 23 TR (%)	NAV Q1 23 TR (%)	Discount 31/03/23 (%)	Median market cap 31/03/23 (£m)	Number of companies in the sector
Royalties	32.0	2.2	(28.91)	675.3	2.0
India/Indian Subcontinent	7.1	7.2	(13.23)	292.9	4.0
Debt - Loans & Bonds	5.5	4.8	(8.63)	117.1	15.0
Property - UK Logistics	5.4	0.0	(32.45)	518.2	3.0
Property - UK Commercial	4.3	1.4	(26.52)	193.7	14.0
Private Equity	4.0	1.1	(36.50)	340.9	19.0
Debt - Direct Lending	4.0	3.4	(23.53)	226.3	8.0
Insurance & Reinsurance Strategies	3.8	5.1	11.3	32.8	2.0
UK All Companies	3.7	(0.42)	(12.83)	192.1	9.0
Debt - Structured Finance	3.6	4.9	(21.39)	146.9	6.0
Asia Pacific Smaller Companies	3.1	6.1	(12.62)	366.3	3.0
Commodities & Natural Resources	2.9	0.0	(20.57)	70.0	9.0
Country Specialist	2.1	5.5	(15.84)	406.7	5.0
North America	1.6	0.5	(12.93)	420.1	6.0
UK Equity Income	1.0	1.5	(5.67)	308.1	24.0

	Share price Q1 23 TR (%)	NAV Q1 23 TR (%)	Discount 31/03/23 (%)	Median market cap 31/03/23 (£m)	Number of companies in the sector
Property - UK Healthcare	0.8	1.4	(29.21)	407.0	2.0
Growth Capital	0.7	1.4	(52.87)	134.6	7.0
Technology & Technology Innovation	0.4	(2.22)	(11.91)	1892.7	2.0
Flexible Investment	0.3	0.0	(19.55)	90.0	20.0
Global Emerging Markets	0.3	0.2	(11.37)	272.6	11.0
Global Equity Income	0.2	(0.89)	(7.96)	319.4	7.0
UK Smaller Companies	0.0	(0.96)	(12.33)	109.1	24.0
Hedge Funds	(0.23)	3.2	(11.79)	70.0	8.0
Latin America	(0.38)	(2.25)	(13.68)	116.9	2.0
Global	(0.51)	0.3	(10.92)	933.6	16.0
UK Equity & Bond Income	(0.56)	1.5	(2.51)	207.7	1.0
Asia Pacific	(0.56)	(1.73)	(11.41)	431.2	6.0
Asia Pacific Equity Income	(0.62)	(1.00)	(9.19)	334.7	5.0
Europe	(0.63)	(1.82)	(11.81)	391.7	7.0
Property - UK Residential	(0.93)	1.2	(61.27)	153.6	7.0
Financials & Financial Innovation	(1.05)	2.7	(25.39)	299.4	2.0
Global Smaller Companies	(1.13)	(3.00)	(15.76)	727.0	5.0
Japanese Smaller Companies	(1.46)	(2.37)	(7.42)	165.7	5.0
China / Greater China	(2.29)	(1.21)	(12.78)	195.2	4.0
Property - Debt	(2.57)	0.5	(13.29)	53.3	4.0
Biotechnology & Healthcare	(2.83)	(4.39)	(7.98)	516.5	6.0
Infrastructure	(2.86)	0.6	(24.37)	769.6	10.0
Environmental	(4.11)	(6.75)	(14.75)	76.7	3.0
European Smaller Companies	(4.27)	(5.99)	(14.29)	442.5	4.0
Japan	(4.64)	(2.24)	(8.93)	257.9	6.0
North American Smaller Companies	(5.31)	(3.22)	(14.82)	183.3	2.0
Renewable Energy Infrastructure	(6.16)	1.5	(24.19)	352.3	22.0
Property - Europe	(11.51)	1.4	(42.55)	258.0	5.0
Property - Rest of World	(11.86)	0.9	(58.28)	29.9	4.0
Infrastructure Securities	(12.55)	(15.00)	(9.98)	105.0	2.0
Farmland & Forestry	(18.50)	0.0	(24.88)	140.2	1.0
	(0.30)	0.4	(13.49)	258.0	5.5
Royalties	32.0	2.2	(28.91)	675.3	2.0

Source: Morningstar, Marten & Co. Note: all figures represent median values of the constituent funds from each sector. To 30/09/23



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