

TB CHAWTON GLOBAL EQUITY INCOME FUND APRIL 2021 FACTSHEET



All data as at 30 April 2021

Investment Objective

The Fund aims to provide a growing income stream and to grow capital over the long term (5 years or more). Each part of this objective will have equal weighting.

Investment Philosophy

The fund will be at least 80% invested in global equities. The Investment Manager will invest in a select (typically 20-50 holdings) portfolio of companies that exhibit high and sustainable returns on capital allowing the companies to both reinvest in the business for growth and provide a meaningful and growing dividend stream to be paid over time. In order to maximise the opportunity of identifying such companies, the Fund will invest in listed equities globally. The Manager believes that in order to sustain high returns over the long term, companies must adhere to responsible and sustainable investment principles.

Management Commentary

Berkshire Hathaway AGM

Warren Buffett travelled to Los Angeles to chair the Berkshire Hathaway Annual General Meeting on 1st May alongside Charlie Munger and looked much better for it. The previous year he seemed down as COVID forced the cancellation of the live event and he was forced to present, virtually, on his own. Buffett remains a giant amongst investors with Berkshire Hathaway now at a market capitalisation of well over \$600 billion as I write - the tenth largest company by this measure in the world. He used part of the meeting to demonstrate how difficult it is to predict the long-term future of companies using the early car industry and the largest companies in the world by market capitalisation thirty years ago compared to now to illustrate his point. He also made reference to the infamous casino analogy from Keynes's General Theory as characterising current speculation in the market. Another quote from the same paper puts it a different way referring to predicting the yield on investments 'ten years hence' and shorter term market fluctuations:

*'In fact, those who seriously attempt to make any such estimate are often so much in the minority that their behaviour does not govern the market.'*¹

Governance and incentivisation

When attempting to predict the future of a business, one useful area of analysis is discerning who are the real power brokers behind a company and whether they are aligned with long term investors. Ideally, there will be a significant shareholder with the right mind-set most commonly being descendants of the founding family, certain holding companies or certain investors. For many companies, the founding families are long gone and the investor base is fragmented. Then one must consider the board of directors and executive management. The remuneration architecture can provide important clues. In such cases, even with high quality companies, one can have boards and management focused on their own self-enrichment over 5 years and setting incentives that whilst delivering their objectives, result in lazy allocation, or mis-allocation, of capital. Warning signs are very high levels of overall compensation compared to peers and incentives revolving around 'adjusted' earnings per share. Conversely, modest current compensation combined with incentives set around growing returns on capital and economic profit, that offer greater rewards in the future, represent encouraging signs.

Portfolio activity

There was limited activity in the month with the only major change being the sale of our remaining stake in the The Renewables Infrastructure Company. This company is characterised by a high yield and very modest growth. Whilst we retain a very high regard for the group and will most likely return to it at some stage, we also consider the opportunity cost of holding it against other opportunities with higher growth (of both capital and income) potential. We added to our position in Australian Fund Manager; Magellan Financial.

Ongoing Charges Figure (OCF)

I am pleased to say that with the higher levels of assets under management, the additional expenses charged to the fund on top of the annual management fee have proportionately reduced such that our B Class shares now have an OCF of 1.15% and our C class; 0.85%. Our aim is to further reduce these figures as we grow to pass on the savings from our lean cost base.

¹ The General Theory of Employment, Interest and Money, John Maynard Keynes

Performance

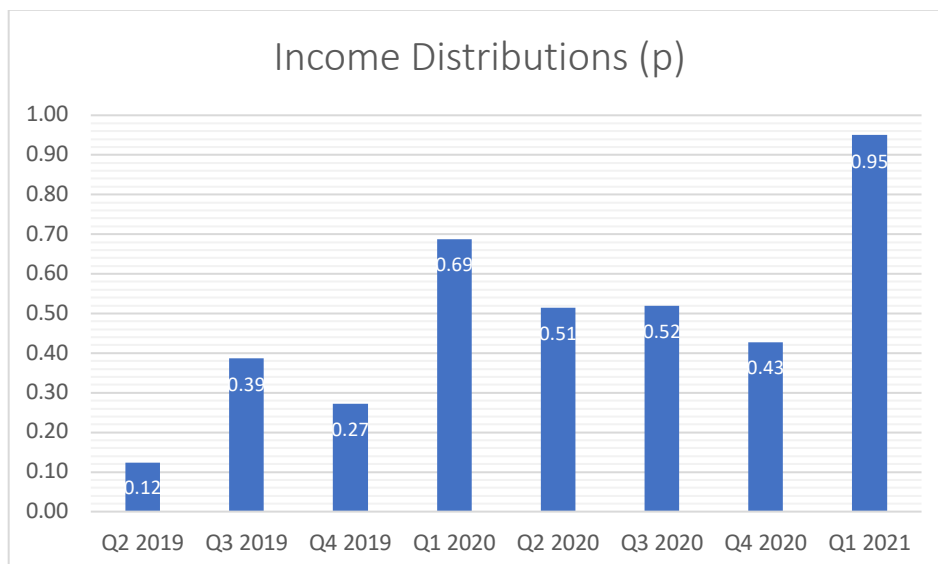


21/05/2019 - 30/04/2021 Data from FE fundinfo 2021

Cumulative	3 Months	6 Months	1 year	Since Launch*
TB Chawton Global Equity Income Fund B Acc GBP	4.8%	12.2%	22.1%	30.3%
MSCI World TR	10.0%	20.6%	32.4%	32.2%
IA Global Equity Income	8.2%	21.1%	25.6%	19.1%
Quartile	4	4	3	1

Source: FE fundinfo as at 30 April 2021. Total return in GBP. Past performance is not a reliable indicator of future results. The value of your investments and the income derived from it can go down as well as up and you may not get back the money you invested. * Fund launch 21 May 2019

Historic Quarterly distributions





The Investment Manager

Michael Crawford successfully managed what grew to be a substantial global equity fund at Bessemer Trust for seven years before departing in January 2019 to found Chawton Global Investors. He has over 23 years of fund management experience and was a member of the highly successful Morgan Grenfell Asset Management U.K. team from 1996 to 2004. He has also worked at Credit Suisse Asset Management and LV Asset Management. Michael has a Masters in Business Administration from Cranfield School of Management.

Michael Crawford
Managing Partner
 Portfolio Manager,
 Global Equities

How to Invest

TB Chawton Global Equity Income is available as an OEIC and it is also suitable to include in stocks and shares ISAs and SIPPS. You can buy shares in the fund by visiting www.tbailevfs.co.uk/funds or through various third parties including Hargreaves Lansdown, Alliance Trust Savings, Aegon, Transact, Barclays Wealth and AJ Bell.

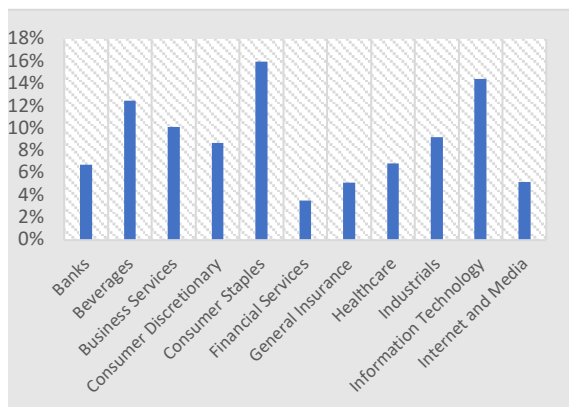
Ten Largest Holdings (% of NAV)

Procter & Gamble	4.4%
Next plc	4.2%
TSMC	4.2%
Texas Instruments	4.0%
Johnson & Johnson	3.8%
RELX	3.7%
Atlas Copco	3.6%
SEB Enskilda	3.5%
L'Oreal	3.5%
HDFC Bank	3.4%

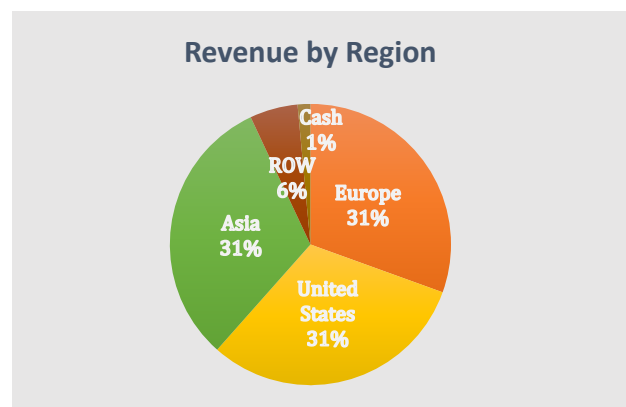
Risks

As a concentrated equity portfolio of typically less than 50 stocks the fund may involve higher volatility and therefore higher risk for those with shorter term investment time horizons (under 5 years). The value of an investment and the income from it can fall as well as rise as a result of market and currency movements and you may not get back the amount originally invested. You should therefore regard your investment as long term. Details of the risk factors are included in the fund's prospectus available at www.tbailevfs.co.uk/funds

Sector Allocation



Geographic Breakdown



Fund Information

Type of scheme	UK OEIC (UCITS)
Launch date	21 May 2019
Total Net Assets	£12.3m
Comparator Benchmark	MSCI World Index
Number of Holdings	35 (33 company groups)
Base Currency	GBP (£)
Classes	B, C (£, \$, €)
Dealing and valuation	12 noon each UK Business Day
Year End	31 December
Dividend XD dates	1 April, 1 July, 1 Oct, 1 Jan
Dividend pay dates	31 May 31 Aug 30 Nov 28 Feb
Last 12 months Div. payments	2.4p
IA sector	Global Equity Income
Custodian	Northern Trust
Authorised Corporate Director	T. Bailey Fund Services Ltd

Minimum Investment

Class B Shares	£1,000
Class C Shares	£500,000

Management Fees

Class B Shares	0.90%
Class C Shares	0.60%

Ongoing Charge Figure*

Class B Shares	1.15%
Class C Shares	0.85%

SEDOL Codes

Class B GBP INC	BJ1GY07
Class B GBP ACC	BJ1GXX3
Class B EUR INC	BJ1GY18
Class B EUR ACC	BJ1GXY4
Class B USD INC	BJ1GY29
Class B USD ACC	BJ1GXZ5
Class C GBP INC	BJ1GY63
Class C GBP ACC	BJ1GY30
Class C EUR INC	BJ1GY74
Class C EUR ACC	BJ1GY41
Class C USD INC	BJ1GY85
Class C USD ACC	BJ1GY52

ISIN Codes

Class B GBP INC	GB00BJ1GY073
Class B GBP ACC	GB00BJ1GXX37
Class B EUR INC	GB00BJ1GY180
Class B EUR ACC	GB00BJ1GXY44
Class B USD INC	GB00BJ1GY297
Class B USD ACC	GB00BJ1GXZ50
Class C GBP INC	GB00BJ1GY636
Class C GBP ACC	GB00BJ1GY305
Class C EUR INC	GB00BJ1GY743
Class C EUR ACC	GB00BJ1GY412
Class C USD INC	GB00BJ1GY859
Class C USD ACC	GB00BJ1GY52

*For full information on the periodic charge please refer to section 7 of the full prospectus

Important Information

TB Chawton Global Equity Income is a sub-fund of the TB Chawton Investment Funds ICVC. Full details of the TB Chawton Investment Funds including risk warnings are published in the TB Chawton Funds Prospectus, The TB Chawton Funds Supplementary Information Document (SID) and the TB Chawton Investment Funds Key Investor Information Documents (KIIDs) which are available on request or at www.tbaileyfs.co.uk. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. Chawton Global Investors LLP is authorised and regulated by the Financial Conduct Authority No. 825467. T. Bailey Fund Services Limited is authorised and regulated by the Financial Conduct Authority No. 190293

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