

**SHINING A LIGHT ON THE.....  
Slater Income Fund**

**AT A GLANCE**

<b>Investment Objective</b>
The investment objective of the Fund is to produce an attractive and increasing level of income while additionally seeking long term capital growth by investing predominantly in the shares of UK listed equities. The Fund will invest predominantly in UK listed companies across the full range of market capitalisations, including those listed on the Alternative Investment Market (AIM).

<b>Inception Date</b>	26 <sup>th</sup> September 2011
<b>Fund Factsheet Link</b>	<a href="https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000MX2X">https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000MX2X</a>

<b>Management</b>	
<b>Manager Name</b>	<b>Start Date</b>
Mark Slater	26 <sup>th</sup> September 2011

**FUND PERFORMANCE**

Performance from 1<sup>st</sup> January 2016 to 31<sup>st</sup> January 2022:

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Slater Income Fund</b>	-1.23%	12.07%	-12.90%	21.25%	-13.71%	24.44%	-0.23%
<b>FTSE All Share</b>	16.75%	13.10%	-9.47%	19.17%	-9.82%	18.32%	-0.33%

Performance over 12 months, 3 years, 5 years and since launch:

	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>Since launch</b>
<b>Slater Income Fund</b>	24.21%	24.06%	24.94%	146.45%
<b>FTSE All Share</b>	18.90%	21.66%	30.20%	130.07%

*You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.*

<b>Tracking Error</b>	<b>Information Ratio</b>	<b>Active Share</b>	<b>Upside Capture Ratio</b>	<b>Downside Capture Ratio</b>	<b>Batting Average</b>	<b>Beta</b>	<b>Alpha</b>	<b>Equity Style</b>
7.25%	0.10	79.96	110.10	105.34	61.11	1.22	0.63	Small/Value

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Volatility Measurements	
3-Yr Std Dev (volatility)	20.16%
3-Yr Mean Return (average)	7.45%

Investment Style Details	
Giant	16.23%
Large	13.66%
Medium	5.06%
Small	14.67%
Micro	42.59%

Top 5 Holdings – 40 Equity Holdings		
Sureserve Group PLC	Industrials	4.93%
Supermarket Income REIT Ord	-	4.28%
Legal & General Group PLC	Financial Services	4.16%
Phoenix Group Holdings PLC	Financial Services	3.87%
STV Group PLC	Communication Services	3.84%

Top 5 Sectors	
Financial Services	34.13%
Industrials	12.34%
Consumer Cyclical	9.92%
Consumer Defensive	9.67%
Basic Materials	6.30%

## UPDATE....

This was our second update with the team. The fund had been through a period of underperformance and has recently undergone some changes which has seen an improvement. This has continued.

It is a multi-cap strategy but is currently tilted towards small and micro-cap stocks. They are a true income fund and if the dividend of a company drops below 2.5% then they will normally sell that stock. The aim is to deliver strong dividend yields and growth.

They have three buckets across growth stocks (40%), cyclical (20%) and dividend stalwarts (40%). They will only pay out what they get so this is a natural dividend fund.

The new strategy is focused on around 40 companies and their screening looks at cash flow, balance sheets and profits. They run with an investment committee who ultimately make the decisions on what should be included. This is a buy and hold strategy and so the holdings should look similar from month to month.

As some additional background, the fund was established in 2011, with the aim to deliver a yield 20% above the FTSE All Share Index. Up to 2015 the fund performed well, and then it underperformed. Over the last 18 months the new strategy has started to deliver on the performance they would expect to see. The dividend yield did drop back after 2020 but it is now close to 2019 levels.

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In summary, this is a “recovery” fund, in that it has had a period of underperformance and the team have worked hard to turn this around. Although they are long term holders, they are active within a more concentrated group of names. They are not trying to shoot the lights out but instead deliver consistent growing income and growth. We currently have an underweight to the UK but have added this to our watchlist.

*The source of information in this note has been provided by Slater and is correct as of February 2020. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to decide based on these notes we cannot take responsibility for this, and you should carry out your own research before deciding. We would also recommend that you receive advice before following up on any decision.*