



## Trojan Ethical Income Fund

All data as at 30 April 2018

[www.taml.co.uk](http://www.taml.co.uk)

The investment objective of the Trojan Ethical Income Fund is to provide income with the potential for capital growth in the medium term. Its investment policy is to invest substantially in UK and overseas equities. Trojan Ethical Income Fund may also invest in fixed interest securities, indices, deposits, collective investment schemes and money market instruments. The Fund will invest in accordance with the parameters of its ethical investment criteria. Any comparisons against indices are for illustrative purposes only.

### Prices

**116.12p**

'O' accumulations shares

**109.22p**

'O' income shares

### Dividend Yield

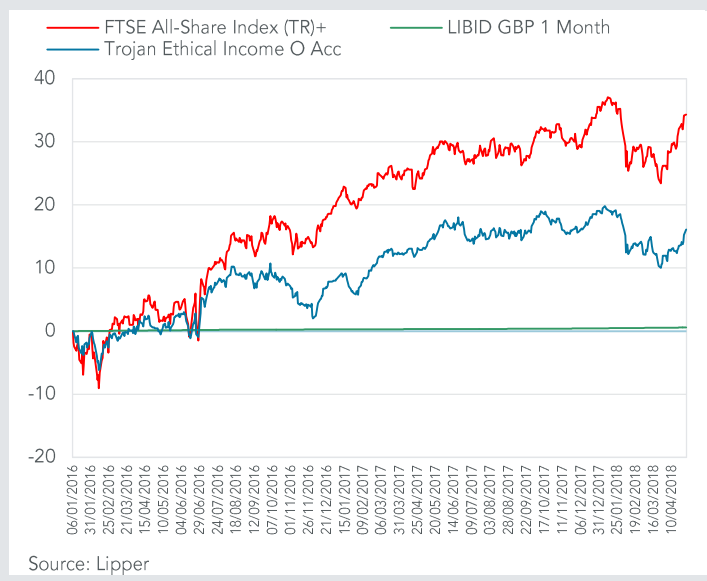
**3.1%**

'O' income shares

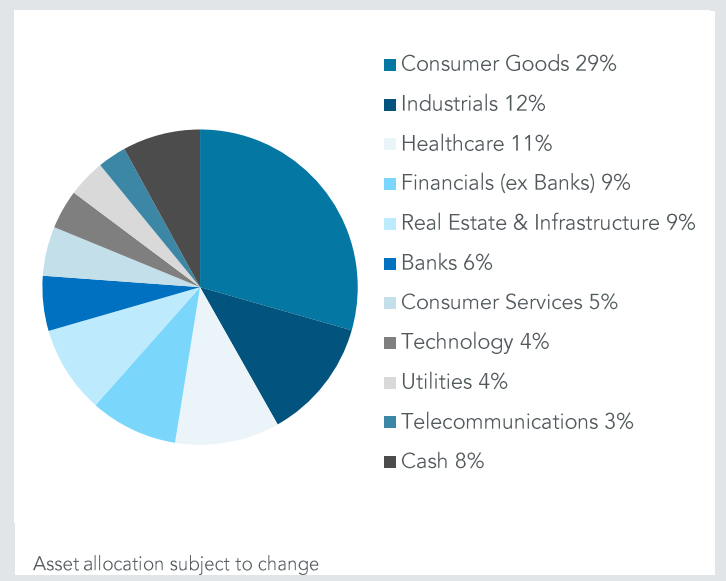
### Fund Size

**£77m**

### Percentage Growth from 06/01/2016 to 30/04/2018



### Asset Allocation



Total Return to 30 April 2018	06/01/16 Since launch	30/04/17 1 year	31/10/17 6 months
Trojan Ethical Income Fund O Acc	+16.1%	+2.9%	-1.0%
LIBID GBP 1 Month*	+0.6%	+0.3%	+0.2%
FTSE All-Share Index (TR)+	+34.3%	+8.2%	+2.1%

Discrete Calendar Annual Returns	2016 <sup>#</sup>	2017	2018 YTD
Trojan Ethical Income Fund O Acc	+8.0%	+10.2%	-2.5%

\*London Inter Bank Bid Rate

<sup>#</sup>from 6 January 2016

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Past performance is not a guide to future performance

Source: Lipper

### April Commentary

Your Fund produced a return of +3.7% during the month, compared to +6.4% for the FTSE All-Share Index (TR). A number of factors contributed to the rally, which broke a three-month run of negative returns from UK Equities. Sterling weakened after a strong run, partly due to subdued Q1 GDP numbers which reduced expectations of higher interest rates. M&A activity also continued to pick up. A surprise decision was taken by Walmart to merge ASDA into J Sainsbury, thus abandoning its twenty-year attempt to

conquer the UK food retail market. Whitbread announced a demerger and First Group, the train operator, received a private equity approach.

Despite the less robust UK economic data, some of the strongest returns within the portfolio were delivered by Next and Domino's Pizza, two largely domestically-focused companies. We had added to Domino's at the beginning of the month and were therefore pleased to see their first quarter trading statement highlighting continued store openings and the

ongoing use of technology to drive efficiency. Shortly after the month end, Next also confirmed it had traded well since the beginning of the year. Such statements increase our belief that both companies can buck the economic trend due to the strength of their individual franchises.

The recent market volatility is continuing to deliver opportunities to invest in excellent franchises at valuations not seen for some years. Such investments will underpin the future returns from the portfolio.

## Ethical Investment Criteria

Trojan Ethical Income Fund will invest based on specific ethical investment criteria as well as adhering to Troy's fundamental stock selection process. For inclusion in the Fund's investible universe, potential investments will be screened against ethical investment criteria using a combination of third party data and the Investment Manager's primary research. The present ethical investment criteria mean that the Fund will not invest in any organisation which:

**Tobacco** – makes more than 10% of its total turnover from tobacco products.

**Pornography** – derives more than 3% of its total turnover from pornography or adult entertainment.

**Fossil Fuels** – (a) derives more than 33% of its total turnover from the refining or extraction of, or generation of power from, fossil fuels and/ or (b) derives more than 10% of its turnover from coal mining activities. Companies whose listing falls within Oil & Gas sector are also excluded.

**Armaments** – (a) generates more than 10% of its total turnover from strategic military supplies relating to conventional weapons and/or (b) produces key parts of, or provides services for, cluster munitions systems, and/or (c) is alleged to have contravened the convention on anti-personnel mines in the last ten years and which has not addressed the allegations, and/ or (d) manufactures products, or provides services, which are all or part of a nuclear weapons system.

**Alcohol** – derives more than 10% of its total turnover from the sale or production of alcohol.

**Gambling** – derives more than 10% of its total turnover from gambling (including spread betting).

**High Interest Rate Lending** – derives more than 25% of its total turnover from high interest rate lending (high interest being defined as lending at an annual percentage rate (APR) of over 100%).

Source: Troy Asset Management Limited

Top 10 holdings	% Fund
Unilever	5.3
GlaxoSmithKline	4.2
Compass Group	3.5
Lloyds	3.5
Nestlé	3.5
Experian	3.2
Reckitt Benckiser	3.0
RELX	2.8
Procter & Gamble	2.8
American Express	2.7
Total Top 10	34.5
36 other holdings	57.3
Cash & Equivalent	8.2
Total	100.0

Holdings subject to change

## Fund information

A copy of the latest Prospectus and the KIID for each class (in English) upon which you should base your investment decision is available from Link Fund Solutions Ltd, the Fund's Authorised Corporate Director and Link Fund Administrators Ltd (Authorised and Regulated by the Financial Conduct Authority) on 0345 608 0950.

<b>Structure</b> Sub-fund of Trojan Investment Funds UCITS	<b>Ongoing Charges</b> 'O' (ordinary) shares: 1.15% 'S' (charity) shares: 0.90%	<b>Dealing</b> Daily at noon Tel: 0345 608 0950
<b>Investment Adviser</b> Troy Asset Management Limited 33 Davies Street London W1K 4BP Tel: 020 7499 4030 Fax: 020 7491 2445 email: busdev@taml.co.uk	<b>Dividend Ex Dates</b> 1 August (interim), 1 February (final)	<b>Registrar</b> Link Fund Administrators Limited
<b>Fund Manager</b> Hugo Ure	<b>Dividend Pay Dates</b> 30 September (interim), 31 March (final)	<b>Auditor</b> Ernst & Young LLP
<b>Currency</b> £ Sterling	<b>Dividend Yield</b> 3.15%	<b>Depository</b> The Bank of New York Mellon (International) Limited
<b>Launch Date</b> 06 January 2016	<b>Authorised Corporate Director</b> Link Fund Solutions Limited Tel: 0345 300 2110	<b>Bloomberg (O shares)</b> TEIFOAC_LN (O Acc), TEIFOIN_LN (O Inc)
	<b>ISIN</b> GB00BYMLFL45 (O Inc), GB00BYMLFK38 (O Acc) GB00BYMLFR07 (S Inc), GB00BYMLFQ99 (S Acc)	<b>SEDOL (O shares)</b> BYMLFK3 (O Acc), BYMLFL4 (O Inc)
		<b>Pricing</b> "O" share class prices published daily in the FT

## Important Information

Fund performance data provided is calculated net of fees unless stated otherwise. Past performance is not a guide to future performance. All references to benchmarks are for comparative purposes only. Overseas investments may be affected by movements in currency exchange rates. The value of an investment and any income from it may fall as well as rise and investors may get back less than they invested. Neither the views nor the information contained within this document constitute investment advice or an offer to invest or to provide discretionary investment management services and should not be used as the basis of any investment decision. Any decision to invest should be based on information contained in the prospectus, the relevant key investor information document and the latest report and accounts. The investment policy and process of the fund(s) may not be suitable for all investors. If you are in any doubt about whether the fund(s) is/are suitable for you, please contact a professional adviser. References to specific securities are included for the purposes of illustration only and should not be construed as a recommendation to buy or sell these securities.

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