



## Trojan Fund

All data as at 31 July 2017

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

The investment objective of the Trojan Fund is to achieve growth in capital and income in real terms over the longer term. The policy is to invest substantially in UK and overseas equities and fixed interest securities but may also invest in collective investment schemes and money market instruments. Any comparisons against indices are for illustrative purposes only.

### Prices

302.19p

'O' accumulation shares

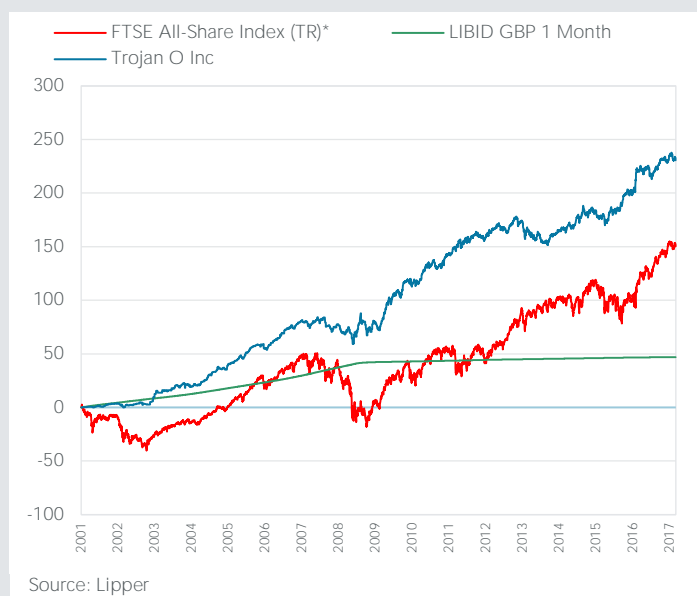
249.43p

'O' income shares

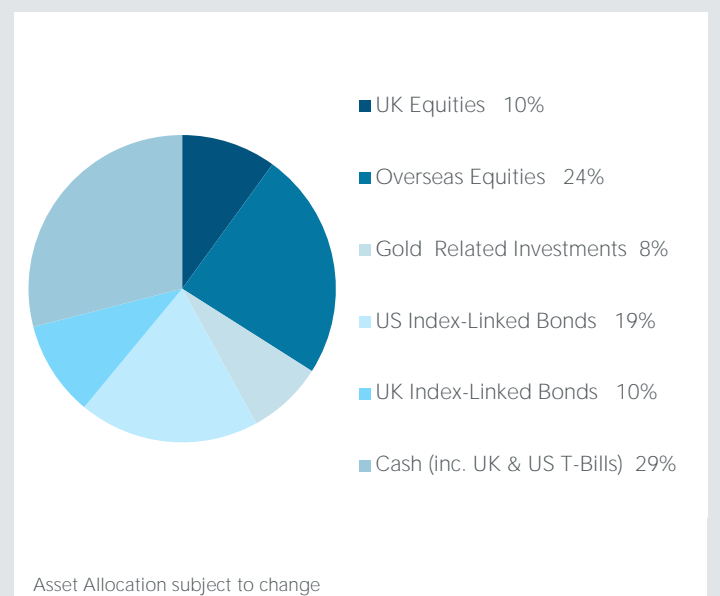
### Fund Size

£4,223m

### Percentage Growth from 31/05/2001 to 31/07/2017



### Asset Allocation



Total Return to 31 July 2017	31/05/01 Since launch	31/07/07 10 years	31/07/12 5 years	31/07/14 3 years	31/07/16 1 year	31/01/17 6 months
Trojan Fund O Inc	+230.6%	+87.9%	+24.1%	+24.5%	+3.1%	+2.2%
LIBID GBP 1 Month <sup>†</sup>	+46.9%	+12.2%	+1.7%	+0.9%	+0.1%	+0.0%
IA Flexible Investment (TR)	+133.0%	+66.4%	+57.8%	+29.7%	+13.4%	+6.1%
FTSE All-Share Index (TR) <sup>*</sup>	+150.5%	+76.3%	+65.0%	+25.7%	+14.9%	+7.1%

Discrete Calendar Annual Returns	2001 <sup>#</sup>	2002	2003	2004	2005	2006	2007	2008	2009
Trojan Fund O Inc #7 months from 31 May 2001	+0.6%	+4.1%	+15.4%	+10.3%	+15.9%	+12.0%	+6.1%	+1.1%	+11.6%
	2010	2011	2012	2013	2014	2015	2016	2017 YTD	
	+14.4%	+8.5%	+2.1%	-3.1%	+8.9%	+3.2%	+12.3%	+3.0%	

<sup>†</sup>London Inter Bank Bid Rate

<sup>\*</sup>© FTSE International Limited 2017.

Past performance is not a guide to future performance

Source: Lipper

### July Commentary

Your Fund returned -0.4% during the month compared to +1.2% for the FTSE All-Share Index (TR).

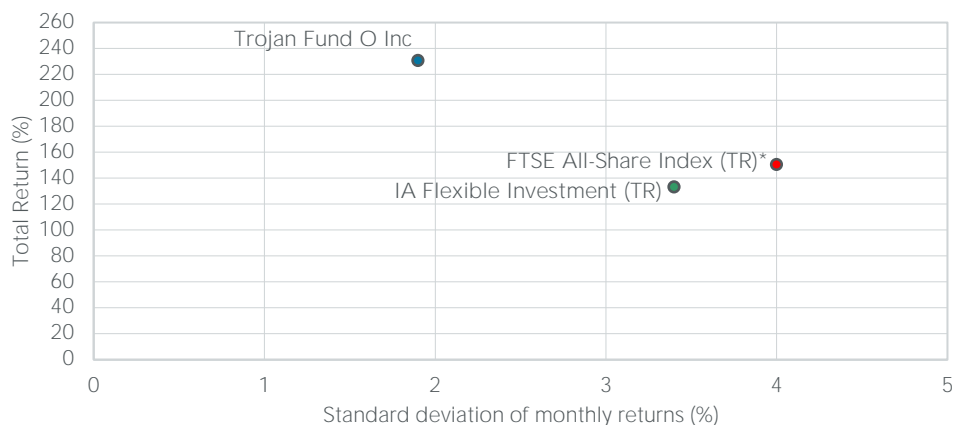
July proved to be more eventful than anticipated for the Fund's holdings in the tobacco sector. As expected, British American Tobacco completed its acquisition of the 57.8% it did not already own of its US counterpart, Reynolds American. Smoking is considerably more affordable in the US than in the UK and Reynolds has a strong and growing market

share in the country. However, the cost of the deal, at a multiple of over 16x EBITDA, in addition to the increased leverage that it brings to BAT's balance sheet, prompted us to reduce our holdings in the combined entity from almost 6% prior to the deal to 4.1% following its closure.

Three days after the acquisition had completed, the US Food and Drug Administration (FDA) announced that it would begin a public dialogue around reducing nicotine levels in combustible

cigarettes to 'non-addictive levels'. This saw the Fund's holdings in Altria (c. 2%) and British American Tobacco fall -9% and -7% respectively on the day. Importantly, the FDA can only make changes based on rigorous scientific evidence; its experience with menthol cigarettes is instructive. In 2011 a scientific advisory committee established by the FDA recommended that menthol cigarettes be banned for the benefit of public health. Six years later, they are still widely available. We suspect that the initial share price reaction is a case of 'sell first, ask questions later.'

## Return vs volatility since launch (31/05/2001)



Source: Lipper

Risk analysis since launch (31/05/01)	Fund	Index*
Total Return	+230.6%	+150.5%
Max Drawdown <sup>1</sup>	-13.7%	-45.6%
Best Month	+8.9%	+9.9%
Worst Month	-4.7%	-13.2%
Positive Months	+67.0%	+59.3%
Annualised Volatility	+6.5%	+13.7%

<sup>1</sup> Measures the worst investment period

\* FTSE All-Share Index (TR)

Top 10 holdings (excluding government bonds)	% Fund
Gold Bullion Securities	5.9
British American Tobacco	3.7
Philip Morris	3.2
Microsoft	3.2
Coca-Cola	2.4
Nestlé	2.2
Altria	2.1
Sage	1.9
Unilever	1.9
ETFS Physical Gold	1.8
<b>Total Top 10</b>	<b>28.3</b>
22 other holdings	42.9
Cash & Equivalent	28.8
<b>TOTAL</b>	<b>100.0</b>

Holdings subject to change

## Fund Manager Awards



## 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 Capita Financial Managers Ltd, the Fund's Authorised Corporate Director and Capita Financial Administrators Ltd (Authorised and Regulated by the Financial Conduct Authority) on 0345 608 0950.

The Trojan Fund is closed to new direct investments, but is still available to new investors through major fund platforms.

Structure Sub-fund of Trojan Investment Funds UCITS	Ongoing Charges 'O' (ordinary) shares: 1.05% 'S' (charity) shares: 0.80% 'I' (intermediary) shares: 1.55%	Dealing Daily at noon Tel: 0345 608 0950
Investment Adviser Troy Asset Management Ltd 33 Davies Street London W1K 4BP Tel: 020 7499 4030 Fax: 020 7491 2445 email: busdev@taml.co.uk	Dividend Ex Dates 1 August (interim), 1 February (final)	Registrar Capita Financial Administrators Ltd
Fund Manager: Sebastian Lyon Assistant Fund Manager: Sean Beck Investment Manager: Charlotte Yonge	Dividend Pay Dates 30 September (interim), 31 March (final)	Auditor Ernst & Young LLP Depository BNY Mellon Trust & Depository (UK) Ltd
Currency: £ Sterling	<b>Fund Yield (historic 'O' Inc shares)</b> 0.36%	Bloomberg CFTROJA_LN (O Acc), CFTROJI_LN (O Inc)
Launch Date: 31 May 2001	Authorised Corporate Director Capita Financial Managers Ltd Tel: 0345 608 0950	SEDOL B01BP95 (O Acc), 3424373 (O Inc)
	ISIN GB0034243732 (O Inc), GB00B01BP952 (O Acc) GB00B05KY469 (I Inc), GB00B05KY352 (I Acc) GB00B05M9T27 (S Inc), GB00B05M9S10 (S Acc)	Pricing "O" share class prices published daily in the FT

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