



## Trojan Fund

All data as at 31 October 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

303.36p

'O' accumulation shares

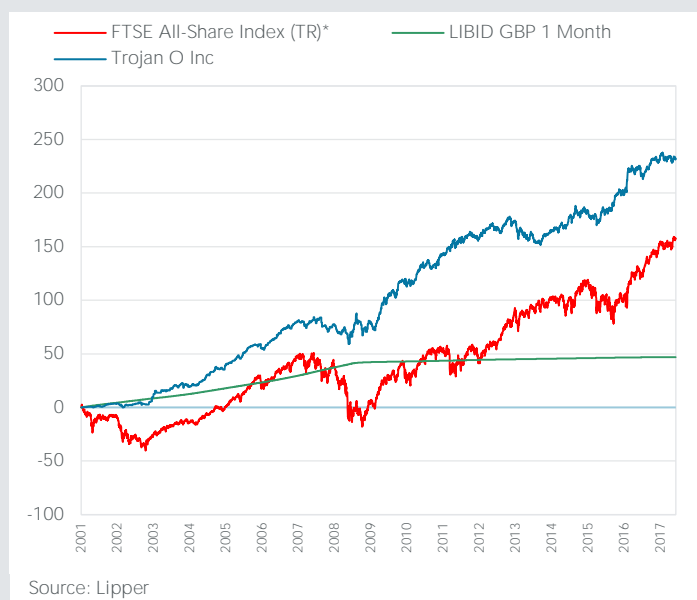
249.71p

'O' income shares

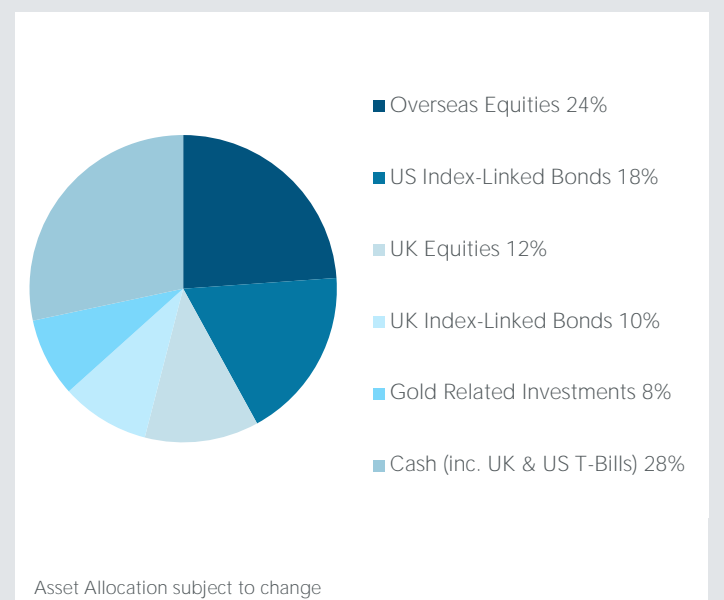
### Fund Size

£4,373m

### Percentage Growth from 31/05/2001 to 31/10/2017



### Asset Allocation



Total Return to 31 October 2017	31/05/01 Since launch	31/10/07 10 years	31/10/12 5 years	31/10/14 3 years	31/10/16 1 year	30/04/17 6 months
Trojan Fund O Inc	+231.9%	+80.7%	+24.5%	+22.9%	+2.0%	+1.0%
LIBID GBP 1 Month <sup>†</sup>	+46.9%	+10.5%	+1.6%	+0.8%	+0.1%	+0.1%
IA Flexible Investment	+139.4%	+63.0%	+58.1%	+32.6%	+10.9%	+5.9%
FTSE All-Share Index (TR) <sup>*</sup>	+157.6%	+71.0%	+62.5%	+31.0%	+13.4%	+5.9%

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%
<sup>†</sup> London Inter Bank Bid Rate	2010	2011	2012	2013	2014	2015	2016	2017 YTD	
	+14.4%	+8.5%	+2.1%	-3.1%	+8.9%	+3.2%	+12.3%	+3.4%	

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

Past performance is not a guide to future performance

Source: Lipper

### October Commentary

Your Fund returned +0.7% during the month compared to +1.9% for the FTSE All-Share Index (TR).

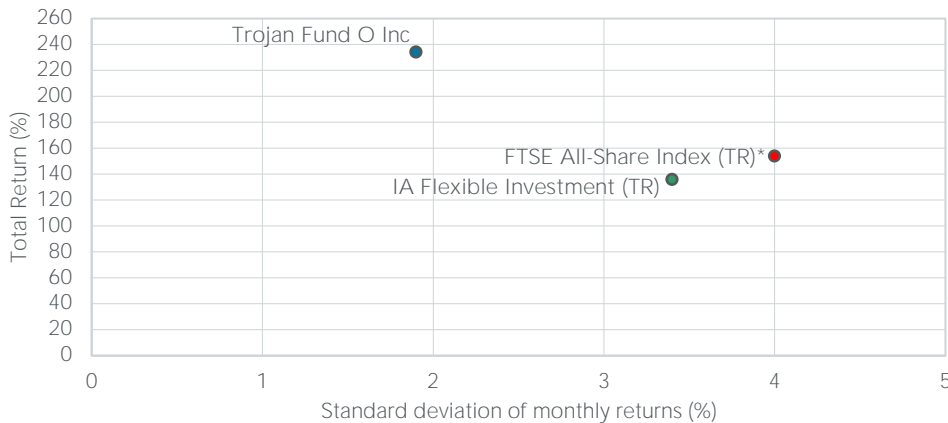
This month's small positive performance for the Fund masks an uncharacteristically eventful reporting season for some of our companies. As long-term investors (13 out of the top 15 stocks in your Fund have been held for over five years and 4 have been held for over 10), we do not place excessive weight on any one quarter's numbers. The same cannot always be said for the market.

Microsoft, a company first bought for the Trojan Fund in 2010, reported a strong set of results. Revenue increased 11% and earnings per share +17%. Commercial cloud revenues have grown to a current run-rate of \$20bn, as the company is successfully managing a transition to a new subscription-based business model. This has required a significant amount of investment which is paying off and holders of the shares have been handsomely rewarded. Microsoft's total return since the Fund's first purchase in 2010 has been 302%\* and the shares rose +6% on the day of its earnings in October.

Hershey by contrast fell over -5% on the day of its numbers. Although revenues were palatable, growing +1.1% in the context of a tricky US market, operating margins fell slightly due to planned investments and higher freight costs. We are happy to sacrifice short-term margin gains when companies invest behind manufacturing and distribution capabilities. The Fund added to its small holding in the business on weakness. The maker of Hershey's Kisses has generated returns on invested capital averaging 23% over the past 5 years\*.

\*Source: Bloomberg, 31 October 2017

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



Source: Lipper

Risk analysis since launch (31/05/01)	Fund	Index*
Total Return	+231.9%	+157.6%
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%	+59.4%
Annualised Volatility	+6.5%	+13.6%

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

\* FTSE All-Share Index (TR)

Top 10 holdings (excluding government bonds)	% Fund
Gold Bullion Securities	5.7
British American Tobacco	4.2
Microsoft	3.5
Philip Morris	2.7
Coca-Cola	2.3
Nestlé	2.1
Sage	2.0
Altria	1.9
Berkshire Hathaway	1.9
Dr Pepper Snapple	1.8
<b>Total Top 10</b>	<b>28.1</b>
22 other holdings	43.6
Cash & Equivalent	28.3
<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 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.

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: 1.02% 'S' (charity) shares: 0.77% 'I' (intermediary) shares: 1.52%	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 Link Fund 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), CFTROJL_LN (O Inc)
Launch Date: 31 May 2001	Authorised Corporate Director Link Fund Solutions Limited 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

## 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.

Although Troy Asset Management Limited considers the information included in this document to be reliable, no warranty is given as to its accuracy or completeness. The opinions expressed are expressed at the date of this document and, whilst the opinions stated are honestly held, they are not guarantees and should not be relied upon and may be subject to change without notice. Third party data is provided without warranty or liability and may belong to a third party.

The fund(s) is/are registered for distribution to the public in the UK and Ireland but not in any other jurisdiction. The distribution of shares of sub-funds of Trojan Investment Fund ("Shares") in Switzerland is made exclusively to, and directed at, qualified investors ("Qualified Investors"), as defined in the Swiss Collective Investment Schemes Act of 23 June 2006, as amended, and its implementing ordinance. Qualified Investors can obtain the prospectus, the key investor information document(s) (edition for Switzerland), the instrument of incorporation, the latest annual and semi-annual report, and further information free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, Switzerland. web: www.carnegie-fund-services.ch. The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva, Switzerland.

In Singapore, the offer or invitation to subscribe for or purchase Shares is an exempt offer made only: (i) to "institutional investors" pursuant to Section 304 of the Securities and Futures Act, Chapter 289 of Singapore (the "Act"), (ii) to "relevant persons" pursuant to Section 305(1) of the Act, (iii) to persons who meet the requirements of an offer made pursuant to Section 305(2) of the Act, or (iv) pursuant to, and in accordance with the conditions of, other applicable exemption provisions of the Act. This document may not be provided to any other person in Singapore. Issued by Troy Asset Management Limited, 33 Davies Street, London W1K 4BP (registered in England & Wales No. 3930846). Registered office: Hill House, 1 Little New Street, London EC4A 3TR. Authorised and regulated by the Financial Conduct Authority (FRN: 195764). All reference to FTSE indices or data used in this presentation is © FTSE International Limited ("FTSE") [2017]. 'FTSE' is a trade mark of the London Stock Exchange Group companies and is used by FTSE under licence. Copyright Troy Asset Management Ltd 2017