



# Trojan Income Fund

All data as at 31 August 2019

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

The investment objective of the Trojan Income Fund is to seek to achieve income with the potential for capital growth in the medium term (3 to 5 years). The Fund must invest at least 80% of its assets in UK equities.

### Prices

**350.65p**

'O' accumulation shares

**189.11p**

'O' income shares

### Net Dividend Yield

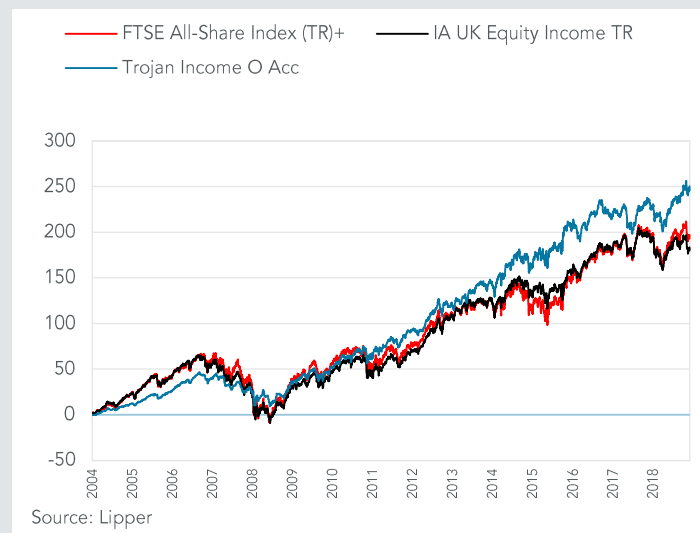
**4.1%**

'O' income shares

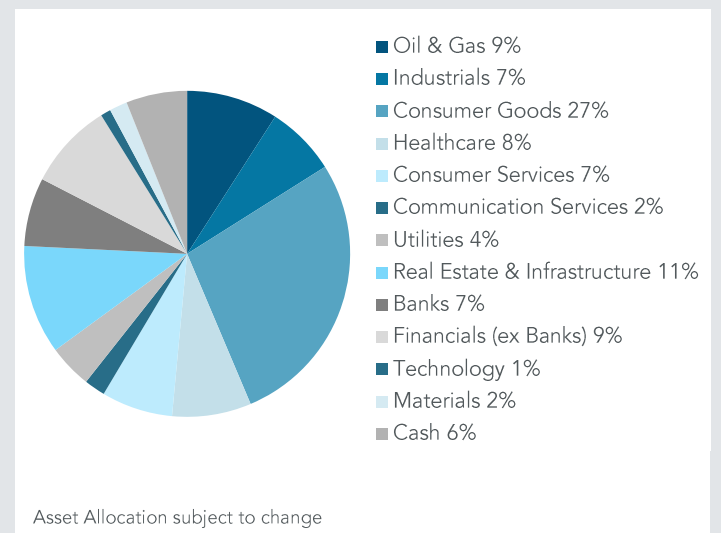
### Fund Size

**£3,091m**

## Percentage Growth from 30/09/2004 to 31/08/2019



## Asset Allocation



Total Return to 31 August 2019	30/09/04 Since launch	31/08/09 10 years	31/08/14 5 years	31/08/16 3 years	31/08/18 1 year	28/02/19 6 months
<b>Trojan Income Fund O Acc</b>	+250.7%	+167.6%	+42.7%	+14.4%	+5.8%	+9.4%
<b>IA UK Equity Income (TR)</b>	+183.5%	+125.0%	+25.1%	+10.8%	-4.0%	+1.2%
<b>FTSE All-Share Index (TR)+</b>	+197.1%	+124.8%	+31.2%	+20.2%	+0.4%	+4.3%

Discrete Calendar Annual Returns	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 YTD
<b>Trojan Income Fund O Acc</b>	+11.7%	+16.8%	+5.0%	-12.1%	+14.7%	+14.4%	+6.3%	+9.9%	+20.2%	+10.0%	+10.7%	+10.2%	+6.3%	-7.1%	+15.3%

Source: Lipper

\*© FTSE International Limited 2019

**Past performance is not a guide to future performance.**

## August Commentary

Your Fund produced a return of -0.5% during the month compared to -3.6% for the FTSE All-Share Index (TR).

Over the last month the financial press has become increasingly preoccupied with the 'inversion of the yield curve'. In normal circumstances investors rationally expect to receive a higher rate of interest in return for lending money for a longer period of time. At the moment however, investors lending to both the UK and US governments for ten years receive a lower annualised return than those lending for 3 months. This is the result of an expectation that interest rate cuts will be the inevitable central bank response to slowing economic growth.

Inverted yield curves have often presaged recession and as such equity markets have been volatile over the last month.

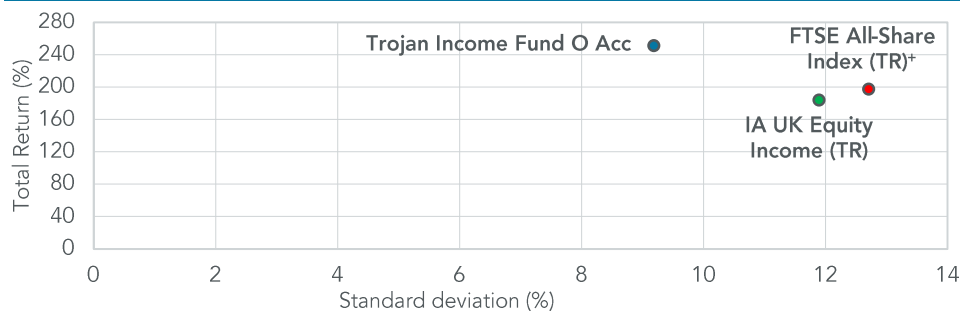
More cyclical sectors such as oil & gas and financials were hardest hit by this volatility. Banks are forecast to see reduced net interest margins and demand for energy usually moderates in times of weaker economic growth.

The Fund has protected you well against this volatility. The underlying portfolio has limited bank exposure and has eschewed stocks such as the life insurance companies. Although we have conviction in the improving cash flows from the Fund's investments in BP and Royal Dutch Shell,

the holdings here are limited in size by our recognition of their cyclicality.

Conversely, the investments in defensive consumer companies such as Nestlé and Unilever have performed notably well. Investments in income-producing property and infrastructure companies also delivered robust positive returns in most cases, with Assura, an investor in GP surgeries, the best-performing holding in the portfolio. Although we would much rather report that your investments had experienced a positive absolute return, it is the preservation of capital in weaker markets that enables the portfolio to steadily compound over the long term.

## Return vs volatility since launch (30/09/2004)

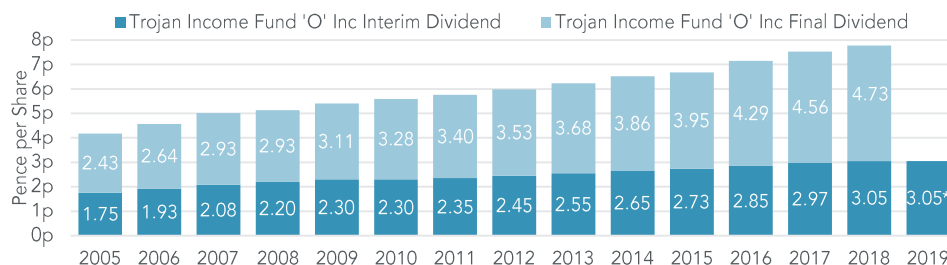


Source: Lipper

Risk analysis since launch (30/09/04)	Fund	IA <sup>2</sup>	Index <sup>†</sup>
Max Drawdown <sup>1</sup>	-25.2%	-44.9%	-45.6%
Annualised Volatility <sup>3</sup>	+9.2%	+11.9%	+12.7%

<sup>1</sup>Measures the worst investment period <sup>2</sup>IA UK Equity Income (TR) <sup>†</sup>FTSE All-Share Index (TR) <sup>3</sup>Measured by standard deviation of annual returns Source: Lipper

## Dividend Track Record Since 31 January 2005 Full year to 31 January



\*Estimated Rate. Source: Troy Asset Management Limited Past Performance Is Not A Guide To Future Performance

Top 10 holdings	% Fund
Unilever	5.8
Royal Dutch Shell	4.5
BP	4.4
Compass	4.4
GlaxoSmithKline	4.3
Lloyds	3.9
Experian	3.5
National Grid	3.5
AstraZeneca	3.5
RELX	3.3
Total Top 10	41.1
29 other holdings	52.9
Cash & Equivalent	6.0
TOTAL	100.0

Holdings subject to change

## Fund Ratings



## 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 Income Fund is closed to new direct investments, but is still available to new investors through major fund platforms.**

<b>Structure</b> Sub-fund of Trojan Investment Funds UCITS	<b>Ongoing Charges</b> 'O' (ordinary) shares: 1.02% 'S' (charity) shares: 0.77%	<b>Dealing</b> Daily at noon Tel: 0345 608 0950
<b>Investment Manager</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> Francis Brooke <b>Assistant Fund Manager</b> Hugo Ure	<b>Dividend Pay Dates</b> 30 September (interim), 31 March (final)	<b>Auditor</b> Ernst & Young LLP <b>Depository</b> The Bank of New York Mellon (International) Limited
<b>Currency</b> £ Sterling	<b>Net Yield (historic 'O' Inc shares)</b> 4.12%	<b>Bloomberg</b> TROJINC_LN (O Acc), TROJINL_LN (O Inc)
<b>Launch Date</b> 30 September 2004	<b>Authorised Corporate Director</b> Link Fund Solutions Limited Tel: 0345 300 2110	<b>SEDOL</b> B01BP17 (O Acc), B01BNW4 (O Inc)
<b>Benchmarks</b> For more information on the benchmarks used please refer to the 'use of benchmarks' section in the fund information sheet, available from our <a href="#">website</a>	<b>ISINs</b> GB00B01BNW49 (O Inc), GB00B01BP176 (O Acc) GB00B05M9W55 (S Inc), GB00B05M9V49 (S Acc)	<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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