



# Trojan Ethical Income Fund

All data as at 30 September 2023

taml.co.uk

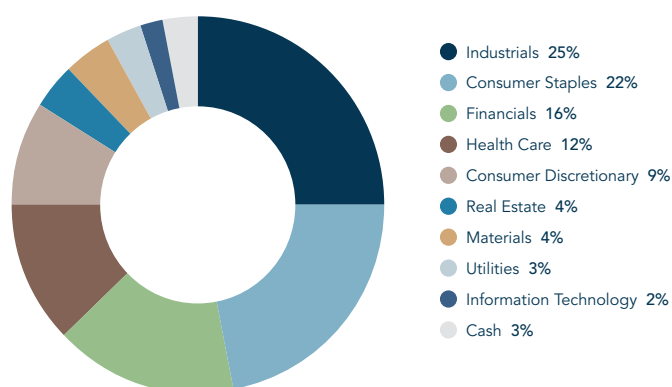
The investment objective of the Trojan Ethical Income Fund is to seek to achieve income with the potential for capital growth in the medium term (3 to 5 years). Its investment policy is to invest at least 80% of its assets in UK and overseas equities, including investment trusts and real estate investment trusts and equity-related securities. At least 60% of its assets will be invested in UK equities and equity-related securities. A maximum of 30% of its assets may also be invested in overseas equities and equity-related securities.

| PRICES   |         | YIELD*  | FUND SIZE |
|--|---------|---|-----------|
| 138.67p  | 113.12p | 2.7%  | £228m     |
| <small>'O' accumulation shares 'O' income shares</small> |         | <small>'O' income shares<br/>*historic dividend yield</small> |           |

## PERCENTAGE GROWTH FROM 06/01/2016 TO 30/09/2023



## ASSET ALLOCATION



Source: Factset, Asset Allocation subject to change.

| Total Return to 30 September 2023 | 06/01/16<br>Since Launch | 30/09/18<br>5 years | 30/09/20<br>3 years | 30/09/22<br>1 year | 31/03/23<br>6 months |
|-----------------------------------|--------------------------|---------------------|---------------------|--------------------|----------------------|
| Trojan Ethical Income Fund O Acc  | +38.7%                   | +13.6%              | +4.6%               | +9.2%              | +1.0%                |
| FTSE All-Share Index (TR)*        | +63.6%                   | +19.7%              | +39.8%              | +13.8%             | +1.4%                |

| Discrete Calendar Annual Returns | 2016* | 2017   | 2018  | 2019   | 2020  | 2021   | 2022   | 2023 YTD |
|----------------------------------|-------|--------|-------|--------|-------|--------|--------|----------|
| Trojan Ethical Income Fund O Acc | +8.0% | +10.2% | -2.9% | +23.9% | -6.0% | +12.1% | -11.2% | +3.5%    |

\*© FTSE International Limited 2023  
#from 6 January 2016

Past performance is not a guide to future performance.

Source: Lipper

## September Commentary

Your Fund returned +0.0% during the month compared to +1.8% for the FTSE All-Share Index (TR). US bond yields rose sharply during the month in the face of the 'higher for longer' rhetoric around interest rates, while oil prices spiked higher due to further production cuts by Saudi Arabia and Russia. As a result, global equities in general fell, while rare bright spots in UK banks and oil majors supported the FTSE 100.

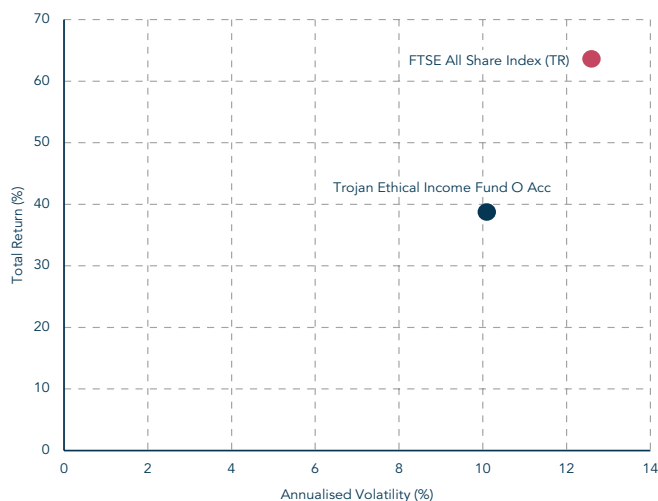
In terms of portfolio activity, we took some profits in several well-performing names. Consumer Discretionary stocks have been meaningfully strong contributors to the Fund this year. While many retailers have struggled in recent periods, Next plc (+28.3% YTD) has raised its sales and profit guidance three times since January driven by robust consumer demand and further market share gains. In the same sector, InterContinental Hotels (IHG) had a particularly strong start to the year (now +30.7% YTD) as business and consumer travel both rebounded, particularly following the reopening of

the Chinese economy. However, the strongest of the portfolio's Consumer Discretionary holdings has been Domino's Pizza (+32.4% YTD). The company has worked hard to create alignment between itself and its franchisees and this has created a permissive environment for new store openings and rising sales. The market has also responded positively to the appointment of an experienced CEO, Andrew Rennie. Following their strong performances, the holdings in IHG and Domino's were reduced in September, while the holding in Next plc was also pared back earlier in the quarter.

The proceeds of these reductions were invested in what we consider to be attractively valued industrial and consumer goods holdings. In these unsettled and rapidly moving markets, we think this tactical recycling of capital can enable us to deliver additional yield and capital return to investors.



## RETURN VS VOLATILITY SINCE LAUNCH (06/01/2016)



Source: Lipper

## TOP 10 HOLDINGS

|                     |               |
|---------------------|---------------|
| Unilever            | 7.0%          |
| RELX                | 7.0%          |
| Reckitt Benckiser   | 5.9%          |
| Compass Group       | 3.9%          |
| Bunzl               | 3.8%          |
| Experian            | 3.8%          |
| GSK                 | 3.6%          |
| Nestlé              | 3.6%          |
| Novartis            | 3.3%          |
| CME Group           | 3.1%          |
| <b>Total Top 10</b> | <b>44.9%</b>  |
| 31 Other Holdings   | 52.5%         |
| Cash & Equivalent   | 2.6%          |
| <b>TOTAL</b>        | <b>100.0%</b> |

Source: Factset. Holdings subject to change.

## RISK ANALYSIS

| Risk analysis since launch (06/01/16) | Trojan Ethical Income Fund O Acc | FTSE All-Share Index (TR) |
|---------------------------------------|----------------------------------|---------------------------|
| Total Return                          | +38.7%                           | +63.6%                    |
| Max Drawdown <sup>1</sup>             | -25.4%                           | -35.3%                    |
| Best Month                            | +6.6%                            | +12.7%                    |
| Worst Month                           | -9.1%                            | -15.1%                    |
| Positive Months                       | +62.0%                           | +62.0%                    |
| Annualised Volatility <sup>2</sup>    | +10.1%                           | +12.6%                    |

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

<sup>2</sup> Measured by standard deviation of annual returns

Source: Lipper

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

## FUND INFORMATION

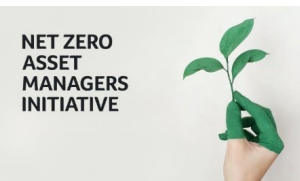
A copy of the latest Prospectus and the KIID for each class (in English) upon which you should base your investment decision is available from Link Fund Solutions Ltd, the Fund's Authorised Corporate Director and Link Fund Administrators Ltd (Authorised and Regulated by the Financial Conduct Authority)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

|   |   |  |
|---|---|--|
| <p><b>Structure</b><br/>Sub-fund of Trojan Investment Funds<br/>UK UCITS</p> <hr/> <p><b>Investment Manager</b><br/>Troy Asset Management Limited<br/>33 Davies Street<br/>London W1K 4BP<br/>Tel: 020 7499 4030<br/>Fax: 020 7491 2445<br/>email: busdev@taml.co.uk</p> <hr/> <p><b>Fund Manager</b> Hugo Ure</p> <hr/> <p><b>Currency</b> £ Sterling</p> <hr/> <p><b>Launch Date</b> 06 January 2016</p> <hr/> <p><b>Authorised Corporate Director</b><br/>Link Fund Solutions Limited<br/>Tel: 0345 300 2110</p> | <p><b>Dividend Ex Dates</b><br/>1 August (interim), 1 February (final)</p> <hr/> <p><b>Dividend Pay Dates</b><br/>30 September (interim), 31 March (final)</p> <hr/> <p><b>Historic Dividend Yield</b><br/>(‘O’ Inc shares) 2.72%</p> <hr/> <p><b>Benchmarks</b><br/>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></p> <hr/> <p><b>Registrar</b><br/>Link Fund Administrators Limited</p> <hr/> <p><b>Auditor</b><br/>Ernst &amp; Young LLP</p> <hr/> <p><b>Depository</b><br/>The Bank of New York Mellon (International) Limited</p> | <p><b>Dealing</b><br/>Daily at noon<br/>Tel: 0345 608 0950</p> <hr/> <p><b>ISIN</b><br/>GB00BYMLFL45 (O Inc), GB00BYMLFK38 (O Acc)<br/>GB00BYMLFR07 (S Inc), GB00BYMLFQ99 (S Acc)</p> <hr/> <p><b>SEDOL</b><br/>BYMLFK3 (O Acc), BYMLFL4 (O Inc)</p> <hr/> <p><b>Bloomberg</b><br/>TEIFOAC_LN (O Acc), TEIFOIN_LN (O Inc)</p> <hr/> <p><b>Ongoing Charges (capped)</b><br/>‘O’ (ordinary) shares: 1.02%<br/>‘S’ (charity) shares: 0.77%</p> <hr/> <p><b>Pricing</b><br/>“O” share class prices published daily in the FT</p> |
|---|---|--|

## RESPONSIBLE INVESTMENT



Signatory of:





## Important Information

Please refer to Troy's Glossary of Investment terms [here](#). Fund performance data provided is calculated net of fees with income reinvested unless stated otherwise. All performance and income data is in relation to the stated share class, performance of other share classes may differ. Past performance is not a guide to future performance. 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. The historic yield reflects distributions declared over the past twelve months as a percentage of the fund's price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. Any reference to benchmarks are for comparative purposes only. Tax legislation and the levels of relief from taxation can change at any time. Any change in the tax status of a Fund or in tax legislation could affect the value of the investments held by the Fund or its ability to provide returns to its investors. The tax treatment of an investment, and any dividends received, will depend on the individual circumstances of the investor and may be subject to change in the future. The yield is not guaranteed and will fluctuate. Any objective will be treated as a target only and should not be considered as an assurance or guarantee of performance of the Fund or any part of it. The fund may use currency forward derivatives for the purpose of efficient portfolio management.

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