



# Trojan Fund

All data as at 31 March 2022

www.taml.co.uk

The investment objective of the Trojan Fund is to seek to achieve growth in capital (net of fees), ahead of inflation (UK Retail Price Index), over the longer term (5 to 7 years). The policy is to invest globally in government and public securities (such as sovereign debt and treasury bills), corporate bonds, equities and equity-related securities, private equity, precious metals, cash, cash equivalents and deposits.

**Prices**

**397.07p**

'O' accumulation shares

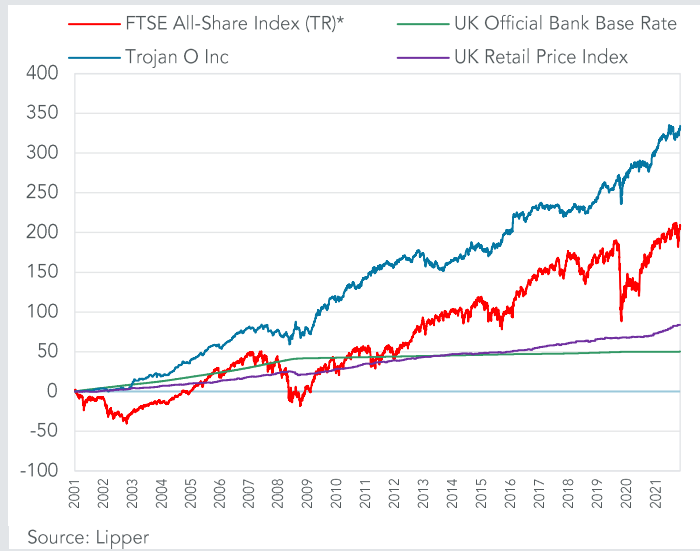
**321.40p**

'O' income shares

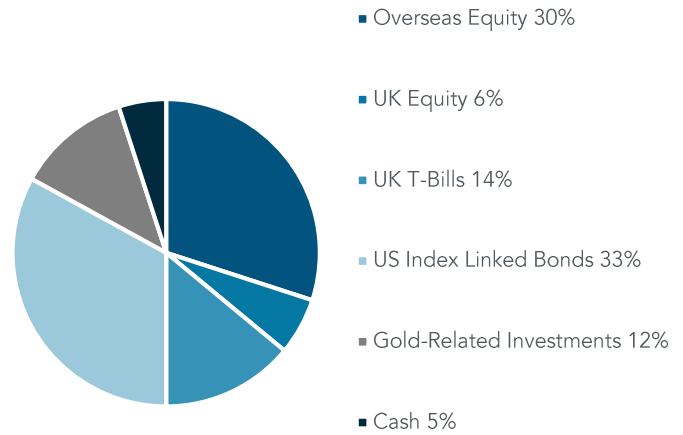
**Fund Size**

**£6,407m**

**Percentage Growth from 31/05/2001 to 31/03/2022**



**Asset Allocation**



Source: FactSet, Asset Allocation subject to change.

Total Return to 31 March 2022	31/05/01 Since launch	31/03/12 10 years	31/03/17 5 years	31/03/19 3 years	31/03/21 1 year	30/09/21 6 months
Trojan Fund O Inc	+334.4%	+67.5%	+31.1%	+29.0%	+12.7%	+3.5%
UK Official Bank Base Rate	+50.1%	+4.4%	+2.0%	+1.0%	+0.2%	+0.1%
UK Retail Price Index	+83.8%	+33.0%	+18.9%	+12.3%	+7.8%	+3.8%
FTSE All-Share Index (TR)*	+207.0%	+99.5%	+25.8%	+16.8%	+13.0%	+4.7%

Discrete Calendar Annual Returns	2001#	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Trojan Fund O Inc	+0.6%	+4.1%	+15.4%	+10.3%	+15.9%	+12.0%	+6.1%	+1.1%	+11.6	+14.4	+8.5%
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 YTD
	+2.1%	-3.1%	+8.9%	+3.2%	+12.3%	+4.1%	-3.0%	+10.7%	+7.4%	+12.1	+0.5%

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\*from 30 June 2001

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

Source: Lipper

**March Commentary**

Your Fund returned +2.1% during the month compared to +1.3% for the FTSE All-Share Index (TR).

Investing in stocks based on specific macroeconomic or geopolitical forecasts is usually a fool's errand. Even if you correctly predict the outcome, that foresight would not necessarily tell you anything about the market's response. Such was the case with both Brexit and the election of Donald Trump in 2016, when stocks were ultimately undeterred by either event, in spite of both having been heralded as resolutely bearish.

It is also true when it comes to investing for inflation, a monetary environment to which we ascribe considerable likelihood over the next few years. We are often asked which equities to own for this. Many commentators and analysts have a preferred poison- often so-called value sectors, particularly those with commodity or energy

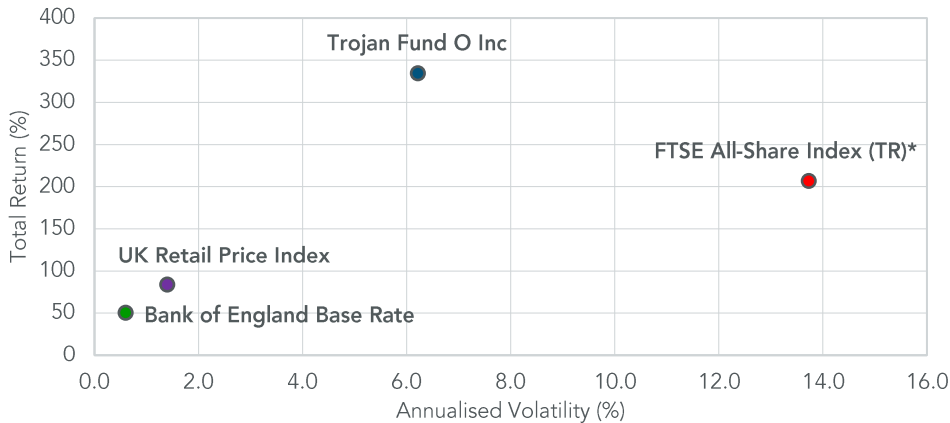
exposures. The logic is reasonably sound- inflation causes rates to rise so you don't want to be overly exposed to a rising discount rate. Stocks on low price-to-earnings multiples are by definition less vulnerable to this. Secondly, inflation is generally accompanied by rises in food and energy so these sectors should see an uplift in revenues.

The problems come on two fronts: what if your inflationary forecast turns out to be wrong? And what if the earnings growth does not pull through on any long-term basis? The issue with compromising on the quality of the companies you own, for one particular macro outcome, is that if that outcome does not materialise you're left holding a business going nowhere. Investors need to be rewarded with durable earnings growth. That was the experience with commodity-exposed sectors in the last sustained 'value' rotation during the early Noughties and this was thanks to

ongoing demand for raw materials from China. The country had entered the WTO and growth in goods manufacturing and construction was booming. The China phenomenon will not be repeated, so what exists today, beyond an initial step-up in price due to supply chain issues, to underpin demand behind a fossil fuel bull market?

Our preference is for companies equipped for all weather, with in-built inflation resilience. These are businesses with strong pricing power- think American Express or Diageo - reflected in attractive gross margins. It is also crucial not to overpay. Cognisant that a rising discount rate hurts valuation multiples, we choose equities with earthly valuations and maintain a modest exposure to the asset class, with the ability to allocate more to risk when discount rates rise.

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



Source: Lipper

Risk analysis since launch (31/05/01)	Trojan Fund O Inc	FTSE All-Share Index (TR)
Total Return	+334.4%	+207.0%
Max Drawdown <sup>1</sup>	-13.7%	-45.6%
Best Month	+8.9%	+12.7%
Worst Month	-4.7%	-15.1%
Positive Months	+67.2%	+58.8%
Annualised Volatility <sup>2</sup>	+6.2%	+13.7%

Source: Lipper <sup>1</sup>Measures the worst investment period <sup>2</sup> Measured by standard deviation of annual returns.

## 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. **The Trojan 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 UK UCITS		<b>Ongoing Charges</b> 'O' (ordinary) shares: 1.01% 'S' (charity) shares: 0.76%		<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> Sebastian Lyon <b>Assistant Fund Manager</b> Charlotte Yonge		<b>Dividend Pay Dates</b> 30 September (interim), 31 March (final)		<b>Auditor</b> Ernst & Young LLP	
<b>Currency</b> £ Sterling		<b>Authorised Corporate Director</b> Link Fund Solutions Limited Tel: 0345 608 0950		<b>Depository</b> The Bank of New York Mellon (International) Limited	
<b>Launch Date</b> 31 May 2001		<b>ISIN</b> GB0034243732 (O Inc), GB00B01BP952 (O Acc) GB00B05M9T27 (S Inc), GB00B05M9S10 (S Acc)		<b>Bloomberg</b> CFTR0JA_LN (O Acc), CFTR0JL_LN (O Inc)	
<b>Historic Dividend Yield ('O' Inc shares)</b> 0.00%		<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>SEDOL</b> B01BP95 (O Acc), 3424373 (O Inc)	
				<b>Pricing</b> "O" share class prices published daily in the FT	

## Important Information

Please refer to Troy's Glossary of Investment terms [here](#). Fund performance data provided is calculated net of fees unless stated otherwise. 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. The yield is not guaranteed and will fluctuate. The fund may use currency forward derivatives for the purpose of efficient portfolio management. 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Top 10 holdings (excluding government bonds)	% Fund
Gold Bullion	6.0
Alphabet	5.5
Microsoft	5.3
Visa	4.1
Invesco Physical Gold	3.2
Nestlé	3.0
Unilever	2.9
American Express	2.8
Diageo	2.8
Franco-Nevada	2.7
<b>Total Top 10</b>	<b>38.4</b>
8 Other Equity holdings	9.7
Index Linked Bonds	32.8
UK T-Bills	13.8
Cash	5.3
<b>TOTAL</b>	<b>100.0</b>

Source: Factset, holdings subject to change.

## Fund Manager Awards

