



# Trojan Ethical Fund

All data as at 30 June 2023

taml.co.uk

The investment objective of the Trojan Ethical Fund is to provide capital growth (net of fees), ahead of inflation (UK Retail Price Index), over the longer term (5 to 7 years). Its investment policy is to invest across a broad range of asset classes. Whilst asset allocation will vary, in general, the investment universe will comprise high-quality, developed market equities, developed market government bonds, gold related investments, cash and money market instruments (such as treasury bills). The portfolio will be constructed with input from both top-down analysis (looking at an economy as a whole) and bottom-up analysis (study of individual securities). The Fund will invest in accordance with the parameters of its Ethical Exclusion Criteria.

## PRICES

126.77p

'O' accumulation shares

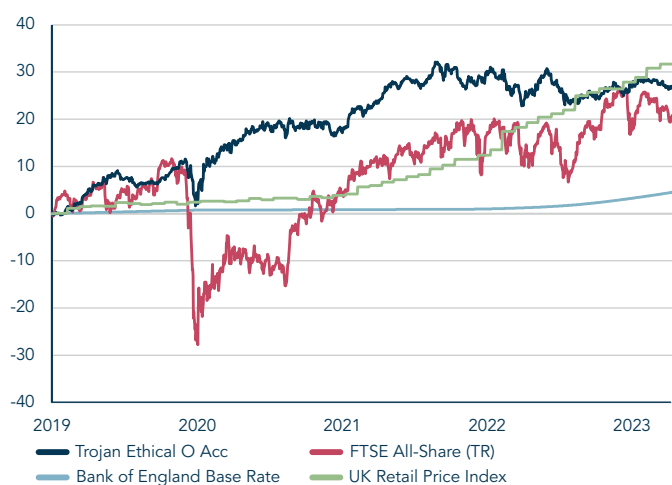
126.54p

'O' income shares

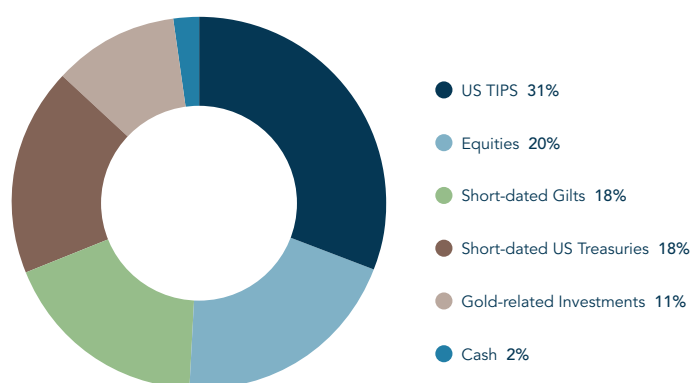
## FUND SIZE

£810m

## PERCENTAGE GROWTH FROM 22/03/2019 TO 30/06/2023



## ASSET ALLOCATION



Source: Factset. Asset Allocation is subject to change.

Total Return to 30 June 2023	22/03/19 Since Launch	30/06/20 3 years	30/06/22 1 year	31/12/22 6 months
Trojan Ethical Fund O Acc	+26.8%	+10.1%	+1.5%	+1.5%
UK Official Bank Base Rate	+4.5%	+3.7%	+3.2%	+2.1%
UK Retail Price Index	+31.7%	+28.2%	+10.4%	+4.1%
FTSE All-Share Index (TR)*	+20.8%	+33.2%	+7.9%	+2.6%

Discrete Calendar Annual Returns	2019#	2020	2021	2022	2023 YTD
Trojan Ethical Fund O Acc	+7.1%	+10.9%	+10.1%	-4.6%	+1.5%

\*© FTSE International Limited 2023  
#from 22 March 2019

Past performance is not a guide to future performance.

Source: Lipper

## June Commentary

Your Fund returned -0.7% during the month compared to +1.0% for the FTSE All-Share Index (TR).

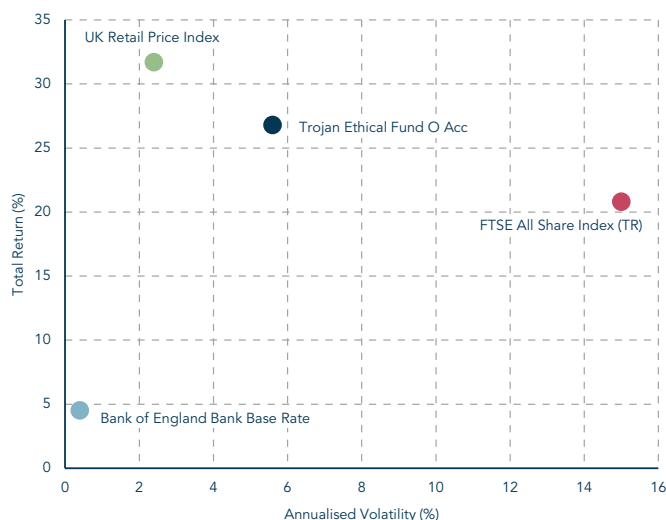
June saw another month of UK inflation remaining stickier than expected. Core Consumer Price Index, which strips out the more volatile components of energy, food alcohol and tobacco, rose +7.1% versus a year previously. This is the fastest that it has risen since March of 1992. The response in bond markets has been to price in higher interest rates as the Bank of England responds by tightening monetary policy. As a result, the so-called 'terminal rate', the expected peak for the Bank of England base rate, has now risen to above 6%. That is a dramatically different picture from 18 months ago, when the base rate was 0.25%. In response to the returns from the UK bond market now on offer, we added 4-year gilts to the portfolio. These are now offering a similar level of yield to the peak seen last September, following the mini-budget fiasco.

Bringing inflation back to more normal levels remains central banks' priority and they are likely to raise rates further. The ongoing increase in the cost of

borrowing will have ramifications down the line but we expect that policymakers do not reverse this course of tightening for as long as unemployment remains low. For now, labour markets in the UK and US remain incredibly tight but this tells us nothing of what is around the corner; US unemployment did not start to rise substantially until the second half of 2008, just before the economy entered a recession. One of the best leading indicators of recessions historically has been the bond market. Over the past three decades, each time that short-dated bond yields have exceeded longer-dated yields, the economy has entered a recession. The logic behind this so-called 'yield curve inversion' is that the bond market is looking forward and factoring in interest rate cuts to counter slower growth in the future. Today, the yield curve is more inverted than it has been in over forty years.



## RETURN VS VOLATILITY SINCE LAUNCH (22/03/2019)



Source: Lipper

## TOP 10 HOLDINGS (EXCLUDING GOVERNMENT BONDS)

Invesco Physical Gold	8.3%
WisdomTree Physical Gold	2.9%
Visa	2.7%
Microsoft	2.7%
Unilever	2.3%
Alphabet	1.9%
Becton Dickinson	1.8%
Nestlé	1.8%
Experian	1.5%
American Express	1.1%
<b>Total Top 10</b>	<b>27.2%</b>
5 Other Equity Holdings	4.2%
US TIPS	30.9%
Short-dated Gilts	18.0%
Short-dated US Treasuries	17.8%
Cash	1.9%
<b>TOTAL</b>	<b>100.0%</b>

Source: Factset. Holdings subject to change.

## RISK ANALYSIS

Risk analysis since launch (22/03/19)	Trojan Ethical Fund O Acc	FTSE All-Share Index (TR)
Total Return	+26.8%	+20.8%
Max Drawdown <sup>1</sup>	-8.9%	-35.3%
Best Month	+4.6%	+12.7%
Worst Month	-2.9%	-15.1%
Positive Months	+62.7%	+60.8%
Annualised Volatility <sup>2</sup>	+5.6%	+15.0%

<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**

## RESPONSIBLE INVESTMENT



**NET ZERO ASSET MANAGERS INITIATIVE**



## 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 at [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk).

<p><b>Structure</b> Sub-fund of Trojan Investment Funds UK UCITS</p> <hr/> <p><b>Investment Manager</b> Troy Asset Management Limited 33 Davies Street London W1K 4BP Tel: 020 7499 4030 Fax: 020 7491 2445 email: <a href="mailto:busdev@taml.co.uk">busdev@taml.co.uk</a></p> <hr/> <p><b>Fund Manager</b> Charlotte Yonge</p> <hr/> <p><b>Currency</b> £ Sterling</p> <hr/> <p><b>Launch Date</b> 22 March 2019</p> <hr/> <p><b>Authorised Corporate Director</b> Link Fund Solutions Limited Tel: 0345 300 2110</p>	<p><b>Dividend Ex Dates</b> 1 August (interim), 1 February (final)</p> <hr/> <p><b>Dividend Pay Dates</b> 30 September (interim), 31 March (final)</p> <hr/> <p><b>Dividend Yield ('O' Inc shares)</b> 0.08%</p> <hr/> <p><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></p> <hr/> <p><b>Registrar</b> Link Fund Administrators Limited</p> <hr/> <p><b>Auditor</b> Ernst &amp; Young LLP</p> <hr/> <p><b>Depository</b> The Bank of New York Mellon (International) Limited</p>	<p><b>Dealing</b> Daily at noon Tel: 0345 608 0950</p> <hr/> <p><b>ISIN</b> GB00BJP0XY24 (O Inc), GB00BJP0XX17 (O Acc) GB00BJP0Y054 (S Inc), GB00BJP0XZ31 (S Acc)</p> <hr/> <p><b>SEDOL</b> BJP0XY2 (O Inc), BJP0XX1 (O Acc) BJP0Y05 (S Inc), BJP0XZ3 (S Acc)</p> <hr/> <p><b>Bloomberg</b> TROETO LN (O Acc) TROETI LN (O Inc)</p> <hr/> <p><b>Ongoing Charges (capped)</b> 'O' (ordinary) shares: 1.02% 'S' (charity) shares: 0.77%</p> <hr/> <p><b>Pricing</b> "O" share class prices published daily in the FT</p>
---	---	--



## 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. The UK RPI figures shown are a combination of the actual rate of RPI, as calculated by the Office of National Statistics, and estimates for the previous month.

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. In line with the Fund's prospectus, the Fund is authorised to invest in transferable securities and money market instruments issued or guaranteed by an EEA state, one or more local authorities, a third country, or a public international body to which one or more EEA states belong. The Investment Manager would only consider investing more than 35% of the Fund's assets in UK or US government issued transferable securities or approved money market instruments. The fund(s) is/are registered for distribution to the public in the UK only. The fund(s) is/are available to professional investors only in Ireland. 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 documents or, as the case may be, the key information documents 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](http://www.carnegie-fund-services.ch). The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva, Switzerland. The offer or invitation to subscribe for or purchase shares in Singapore is an exempt offer made only: (i) to "institutional investors" (as defined in the Securities and Futures Act, pursuant to Section 304 of the Securities and Futures Act, Chapter 289 of Singapore, as amended or modified (the "SFA"); (ii) to "relevant persons" (as defined in Section 305(5) of the SFA) pursuant to Section 305(1) of the SFA, and where applicable, the conditions specified in Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; (iii) to persons who meet the requirements of an offer made pursuant to Section 305(2) of the SFA; or (iv) pursuant to, and in accordance with the conditions of, any other applicable exemption provisions of the SFA. All reference to FTSE indices or data used in this presentation is © FTSE International Limited ("FTSE") 2023. 'FTSE ®' is a trade mark of the London Stock Exchange Group companies and is used by FTSE under licence. Morningstar logo (© 2023 Morningstar, Inc. All rights reserved.) contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Issued by Troy Asset Management Limited, 33 Davies Street, London W1K 4BP (registered in England & Wales No. 3930846). Registered office: 33 Davies Street, London W1K 4BP. Authorised and regulated by the Financial Conduct Authority (FRN: 195764) and registered with the U.S. Securities and Exchange Commission ("SEC") as an Investment Adviser (CRD: 319174). Registration with the SEC does not imply a certain level of skill or training. The fund described in this document is neither available nor offered in the USA or to U.S. Persons. Copyright Troy Asset Management Ltd 2023.