

FP Octopus UK Multi Cap Income Fund

Data as at 30 September 2019

Fund Objective

The investment objective is to achieve income and capital growth.

Key Facts

IA Sector	UK Equity Income
Fund Launch Date	10 December 2018
Fund Domicile	United Kingdom
Dealing Frequency	Daily
Number of Holdings	49

Benchmark

FTSE All-Share Index

Fees & Codes

Minimum Investment	£1,000
Minimum Monthly Savings	£100
Minimum Top Up	n/a
Fund Initial Charge	0.00%
Ongoing Charge Figure (OCF)*	0.45%

	ISIN	Sedol
S Acc*	GB00BG47Q333	BG47Q33
S Inc	GB00BG47Q440	BG47Q44

*The S share classes, which have a discounted ongoing charges figure of 0.45%, are available if you invest within the first year and before the fund's assets approach £50m. Further details can be found in the fund Prospectus.

Dividends

XD Date	Pay Date
1 March	30 April
1 June	31 July
1 September	31 October
1 December	31 January

Targeted Yield 4.00%

The Fund

The fund aims to provide predictable, attractive dividends alongside long term capital growth. As active fund managers, we'll blend companies from across the entire UK equity market, ranging from some of the UK's largest and most established businesses, often generating significant dividends, with mid and smaller companies, with hidden potential to provide superior growth.

It's our knowledge and expertise of these under-researched smaller companies that make the fund distinctive and complementary to many of the other UK Equity Income funds which focus more on larger companies.

We'll use the same approach and the same investment process when managing this fund as we do for the FP Octopus UK Micro Cap Growth fund.

Fund Managers



Chris McVey



Richard Power

CITYWIRE / AAA



Dominic Weller

CITYWIRE / AAA

Supported by the Octopus Quoted Companies team who collectively manage over £1.7 billion in UK companies.

Source and Copyright: Citywire. Richard Power and Dominic Weller are AAA rated by Citywire for their rolling 3 year risk-adjusted performance, for the period to 31/08/2019.

Key Risks

- The value of an investment, and any income from it, can fall or rise. Investors may not get back the full amount they invest.
- Yield is not guaranteed.
- Investments in smaller and/or medium sized companies are likely to fall and rise in value more than shares listed on the main market of the London Stock Exchange. They may also be harder to sell.
- Fees will be deducted from capital which will increase the amount of income available for distribution. However, this will erode capital and may hinder capital growth.



Investment Enquiries

To speak to any of our fund managers, please call:

0800 316 2394

info@octopusinvestments.com

Investor Services

For all administration enquiries such as account enquiries and valuations, please call FundRock Partners:

0370 7070073

Top Ten Holdings (%)

Ten Entertainment Group	2.6
Future	2.5
STV Group	2.5
Strix Group	2.4
H&T Group	2.4
Gateley	2.4
MJ Gleeson	2.3
Sabre Insurance	2.2
Spirent Communications	2.2
PayPoint	2.2
Total	23.7

Top Ten Sectors (%)

Media	18.0
Support Services	10.2
Household Goods & Construction	9.1
Speciality & Other Finance	8.2
General Retailers	7.5
Financial Services	6.9
Leisure & Hotels	4.3
Real Estate	3.6
Construction & Materials	3.4
Banks	3.1
Total	74.3

Market Cap Weighting (%)

Sub £250m	39.6
£250-£500m	15.9
£500m-£1bn	10.0
£1-£3bn	15.9
Over £3bn	9.2
Cash	9.5

Asset Allocation

	Value	% of total assets
Equities	£5.80m	90.53%
Cash	£0.61m	9.47%
Fund Size	£6.41m	100.00%
No. of Holdings	49	

Monthly Commentary

September proved a more stable month for global equity markets, as fears eased about a prospective trade war, and aided by an interest rate cut by the US Federal Reserve. Political risks however continued to feature following the announcement of an impeachment inquiry into the President. In the UK, politics also continued to dominate the debate, with the government's prorogation of parliament being ruled unlawful.

Within UK equity markets, the FTSE All-Share Index delivered a solid +3% performance in the month, while the FTSE AIM All-Share Index rose by a more modest +0.2%, both on a total return basis. Takeover activity remained a feature of the UK equity market, highlighting the relative value on offer. This time it was the **London Stock Exchange** receiving an audacious bid from its Hong Kong-based rival. In October, the fund delivered another steady performance, helped by the generally positive tone from underlying holdings.

As expected, September saw a significant percentage of the fund's holdings reporting results. While macro and political uncertainty continued to dominate headlines, it was reassuring to see that the majority of holdings provided reassuring updates. The largest contributor to performance in the month was **Michelmersh Brick Holdings (+25%)**, the UK and European specialist brick producer, which saw its share price boosted following the publication of strong interim results, in which the board suggested the business will exceed previous market expectations for the full year. Elsewhere, **Sabre Insurance (+13.5)**, the specialist motor insurer, saw its shares recover following publication of a broker recommendation upgrade, which has followed a period of share price weakness. Africa-based specialist mining contractor **Capital Drilling (+14%)** also had another strong month, following on from solid recent interim results and a general improvement in sentiment toward the company. The fund also benefitted from solid updates from Scottish based businesses **STV Group plc (+10%)** and **Springfield Properties (11%)**, and strong share price performances from Workspace (+13%) and Spirent Communications (+8%).

While the fund was impacted by a relatively small number of negative performers, by far the largest detractor to monthly performance was **Next Fifteen Communications (-15%)**, the marketing specialist, saw its share price drift over the month ahead of interim results delivered in early October. While the shares reacted negatively on the morning of results, we subsequently had a reassuring update meeting with management, and have since added to our position. Elsewhere, the fund saw some share price weakness from **MJ Gleeson (-4%)**, the urban housing regeneration specialist, **Greencoat Renewables (-5.5%)**, the Irish wind farm operator, and **Secure Trust (-4%)**, the UK retail bank.

As we have written in previous updates, although the global and UK political outlook is likely to remain uncertain, at least in the short term, we continue to remain excited about prospects for portfolio positions. We look forward to updating you on further progress.

Important Information

Ratings do not constitute investment advice and should not be used as the sole basis for making any investment decision. Personal opinions may change and should not be seen as advice or a recommendation. We do not offer investment or tax advice. This factsheet does not constitute investment advice. Any mention of a specific stock is not a recommendation to buy or sell. If you are unsure of the suitability of this investment you should speak to a Financial Adviser. Before investing you should read the Prospectus, the Key Investor Information Document (KIID) and the Supplementary Information Document (SID) as they contain important information regarding the fund, including charges, tax and fund specific risk warnings and will form the basis of any investment. The Prospectus, KIID and application forms are available in English at octopusinvestments.com. The Authorised Corporate Director (ACD) of the FP Octopus UK Multi Cap Income Fund is FundRock Partners Ltd which is authorised and regulated by the Financial Conduct Authority no. 469278, Registered Office: 52-54 Gracechurch Street, London, EC3V 0EH. Issued by Octopus Investments Limited, which is authorised and regulated by the Financial Conduct Authority. Registered office: 33 Holborn, London, EC1N 2HT. Registered in England and Wales No. 03942880. Telephone calls are recorded. CAM008787. Issued: October 2019.