Investors' Chronicle | Alpha

Alpha Editor: James Norrington
Alpha Production Editor: Sameera Hai Baig

Keep buying British: 10 investment trusts for growth and value

22 February 2021

For a second month in a row, UK trusts are a major theme for our Alpha report

This report casts an eye over the trusts that make up the 10 stock portfolio selected by our value and momentum ranked investment trust screen. These stocks fit with specific rules (below) that ensure a degree of diversity in the selection of trusts but still give scope for distinct investment themes to emerge. And while this screen, like almost all screens run by the Investors' Chronicle, is considered a source of ideas for further research rather than an off-the-shelf portfolio, the back test of the 10-trust rules over the last 15 years suggest they do considerably enhance the performance of the screen.

Highlights this month:

- Continuing the run of outperformance since launching the Alpha investment trust reports in July 2020, last month's selection of 10 trusts produced solid results. The focus on UK equities turned out to be a real benefit. The same theme stands out this month with five of the 10 trusts highlighted by our data-driven Alpha strategy focused on the home market.
- A number of potentially significant events lie in wait for the UK in the days ahead, with news on plans to ease lockdown restrictions later today and a budget next week.
- The other five trusts highlighted this month make an eclectic bunch. We have a global generalist with a very distinct investment approach, a wealth preservation specialist, an Asia fund, a leading tech trust and a European small cap fund where an activist investor is building a noteworthy stake.
- Trusts held by the author are marked with an asterisk.

Analyst:

Algy Hall
algy.hall@ft.com

Another good month!

Markets have paused for breath since our last report but the UK focus of January's investment trust picks, and a leaning towards smaller companies funds, proved beneficial. All five of the reports published since we launched this addition to our Alpha service in July last year currently show better performance than both the FTSE All Share and MSCI World index. Details can be found in the tables below (note, the report takes a holiday in the summer and at Christmas which is why there are no performance figures from August or December).

Alpha IT Report 20-Jul-20			Alpha IT Report 11-Sep-20		
Name	TIDM	Total Return	Name	TIDM	Total Return
Alpha Trusts	-	37.00%	Alpha Trusts	-	36.70%
MSCI World	-	10.90%	MSCI World	-	9.20%
FTSE All Share	-	10.50%	FTSE All Share	-	12.80%
TRUST PICKS			**TRUST PICKS**		
Baillie Giff US Grth	USA	71.30%	JPMorgan Indian	JII	29.00%
TR European Grth	TRG	50.10%	Pacific Assets	PAC	30.90%
JPMorgan US Sm Co	JUSC	46.00%	Fidelity Asian Values	FAS	31.00%
Henderson Eurotrust	HNE	13.80%	JPMorgan Emg Mkt	JMG	43.60%
Henderson Eur.Focus Tst.	HEFT	12.80%	Asia Dragon Trust	DGN	39.80%
Fidelity China Spstn.	FCSS	60.50%	Schdr.An.Tor.Inv.	ATR	33.30%
Jupiter US Sm Co	JUS	31.10%	Scottish Mortgage	SMT	43.70%
AVI Global	AGT	27.60%	Herald Investment	HRI	49.00%
European Assets Trust	EAT	26.50%	European Assets Trust	EAT	22.00%
JPMorgan Eur. Sm Co	JESC	30.20%	Blackrock World Mng.	BRWM	44.80%

19-Oct-20			16-Nov-20		
Name	TIDM	Total Return	Name	TIDM	Total Return
Average	-	19.50%	Average	-	11.00%
MSCI World	-	8.60%	MSCI World	-	3.80%
FTSE All Share	-	14.50%	FTSE All Share	-	4.50%
TRUST PICKS			**TRUST PICKS**		
Standard Life Uk Sm.Cos.	SLS	6.30%	Aurora Investment	ARR	-0.80%
Pacific Assets	PAC	20.80%	Artemis Alpha Trust	ATS	9.80%
Fidelity Asian Values	FAS	25.90%	Invesco Perp.Uk Smcos.	IPU	14.90%
Independent Inv Trst	IIT	18.20%	Invesco Asia Trust	IAT	26.10%
Aurora Investment	ARR	21.30%	Strategic Equity Cap.	SEC	19.50%
AVI Global	AGT	21.20%	Std.Lf.Inv.Pr.Inc.T st.	SLI	-2.00%
JPMorgan US Sm Co	JUSC	32.10%	Brunner Investment Trust	BUT	5.70%
BMO Commercial Prop	BCPT	17.10%	CC Japan Inc&Grth	CCJI	7.00%
JPMorgan Indian	JII	22.70%	Fidelity Asian Values	FAS	17.70%
CC Japan Inc&Grth	CCJI	10.00%	Blackrock Frontiers	BRFI	12.40%

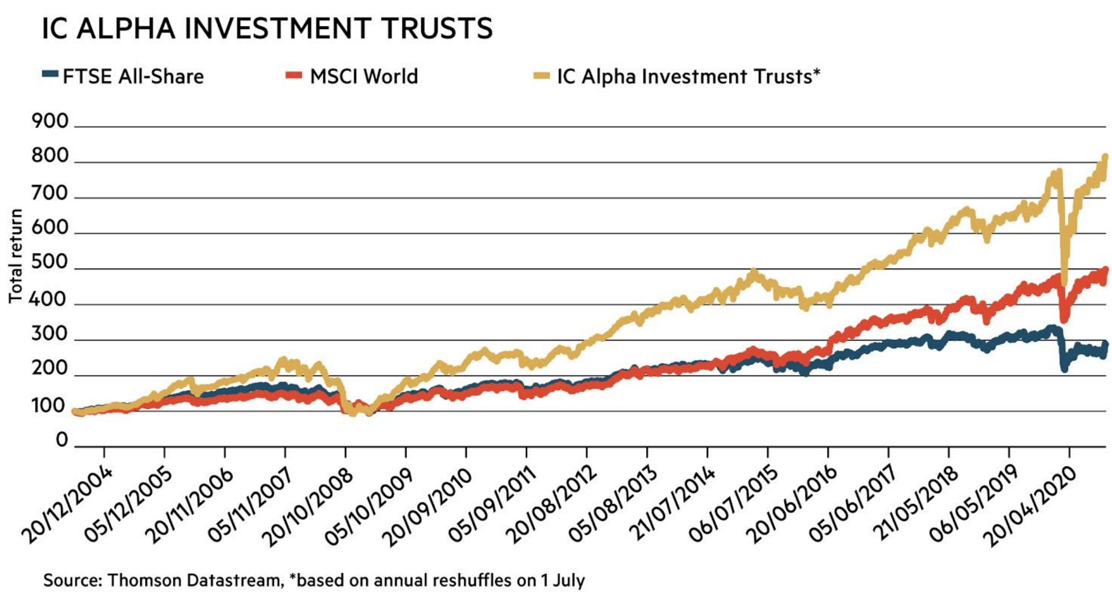
20-Jan-21		
Name	TIDM	Total Return
Average	-	3.80%
MSCI World	-	-4.60%
FTSE All Share	-	0.50%
TRUST PICKS		
Aberforth Smcos.	ASL	6.30%
Temple Bar	TMPL	3.10%
Murray Intl.	MYI	-0.90%
Merchants Trust	MRCH	1.70%

Templeton Emrg.Mkts.It.	TEM	3.90%
Blackrock Smcos.Tst.	BRSC	4.00%
Henderson Smaller Cos.	HSL	7.30%
Std.Lf.Inv.Pr.Inc.Tst.	SLI	6.40%
AVI Global	AGT	3.10%
Scottish Mortgage	SMT	2.80%

Source: Thomson Datastream

While the 10 trust portfolios presented in the Alpha reports have so far all done well, the screening process used to identify promising ideas can produce poor results, too. And the reports are intended to provide ideas rather than off-the-shelf portfolios. Any reader interested in the reasoning behind this can hear me speaking on the subject in the [Alpha podcast from 12 February].

But while the process is not infallible, over the long term it has proved itself to be valuable. Based on annual reshuffles starting from mid-2004, the strategy has produced a cumulative total return of 818 percent compared with 424 per cent from the MSCI World Index and 206 per cent from the FTSE All Share. If I factor in a notional 1.5 per cent annual charge to represent dealing costs, the total return drops to 610 per cent.



Screening rules

The central idea of the Alpha strategy is to look for trusts displaying an advantageous mix of momentum and value.

To fairly compare “value” when assessing investment trusts with different remits and capital structures, the screen assesses each trust's current premium/discount relative to its one-year range. This is done using a standardised measure called the Z-score (the number of “standard deviations” the premium/discount is from the mean average). A Z-score can be considered to be pretty cheap when it gets below -1 (the bottom 16 per cent of the range) and extremely cheap at or below -2 (the bottom 2.5 per cent).

Three-month share price momentum is used as an indicator of sentiment towards trusts and their recent investment success.

Our tables, which can be found at the end of this report, show the top 25 investment trusts based on a combined ranking of Z-score and momentum while the 10 stock portfolio, which is what this report focuses on, represents the highest ranking trusts that meet the following portfolio rules:

- Market capitalisation must be more than £100m.
- No tracker or hedge funds.
- No more than half the portfolio (five out of 10 shares) should have “niche” themes, and no more than two trusts should be from the same niche. Trusts defined as niche are those focused on non-mainstream asset classes or sub-sectors such as private equity, debt, technology and biotechnology; and those focused on single countries (excluding the UK and US) or high-risk economic regions such as emerging markets. I also regard trusts targeting smaller Asian companies as niche, but not generalist Asian equity trusts.
- No more than half the portfolio (five out of 10 shares) should be mainstream trusts of the same type. This rule does not apply to global funds, but it does to other mainstream themes such as trusts investing in the UK (large and small companies), Europe, the US or Asia.
- All trusts must trade at a discount to NAV.

Keep buying British

As with last month, there is a single theme that stands out from Feburary's 10 trust selection: Buy British.

Five of the 10 trusts have a UK focus. This includes North Atlantic Smaller Companies, which is classified as a global trust but is almost entirely focused on UK smaller companies (more on that subject later).

A few things have changed over the last month concerning the investment case for UK equities. Firstly, while hard to measure precisely, the mood towards UK stocks seems to have become more positive. While this may not have been that evident in the performance of key stock market indices, the strength of sterling has been noticeable. The mood music from professional investors also feels more positive. Of note is a very recent report from respected and influential quant firm Research Affiliates, which has branded UK value stocks (beaten up UK shares) "the trade of the decade".

Brexit and vaccines were two key causes for Research Affiliates' enthusiasm. Indeed, attitudes around Brexit feel a bit less febrile than was the case when I wrote last month's report. This has probably been helped by the relative success of the UK's vaccine efforts compared with EU peers. Hopefully, though, there is something more substantive than Covid jingoism in the air. With any luck, all sides in the Brexit debate are beginning to be able to focus on the opportunities for the UK outside the EU given, like it or not, that is where the country's future lies.

Ongoing vaccine progress has been another stand out feature of the last month, with almost a quarter of the British population now vaccinated (or at least having had a first jab) compared with about 7 per cent at the time of January's report. That's impressive. As too are hopes that by the end of April about 60 percent of the population will have been given the opportunity to get a vaccination. Importantly, this will cover groups which have accounted for 99 percent of Covid-related deaths. Preparations are also being made for a winter 2021 mass vaccination programme and the UK has been in the advanced guard in monitoring mutations.

All this means life could get back to normal (or near-normal, or new-normal or near-new-normal, or whatever) relatively soon. The prime minister is scheduled to announce plans concerning the easing of lockdown restrictions on the day this report is published.

Virus mutations and the possibility of upsets to the vaccination programme are reasons for caution, but generally there is plenty more to feel optimistic than pessimistic about.

Given the consumption-heavy UK economy saw one of the biggest global hits due to lockdown, with a 9.9 per cent GDP contraction last year, it could also have superior recovery potential. The really exciting thing for investors is that both consumers and businesses in the UK are sitting on loads of cash which should help the economy come back with a bang. Recent estimates put excess consumer savings at £125bn and corporate cash at about £100bn.

There are caveats to this back-with-a-bang narrative, though. It is the wealthy and elderly who have saved the most during lockdown and these groups generally have less propensity to increase spending (they already have "enough" stuff, thank you). Meanwhile, businesses may prove cautious about investing in growth until they see clear signs of a recovery taking hold.

The UK government meanwhile looks a lot more cash strapped. Borrowing requirements for the current fiscal year are expected to hit about £400bn. But there is still money earmarked to support the economy that is yet to be deployed. There is also an expectation that key Covid support schemes such as furlough will be extended in the budget that's due on 3rd March. There is also an expectation that despite the talk of balancing-the-book, the chancellor will take a softly-softly approach for the time being.

However, one noteworthy thing that has changed since the last Alpha investment trust report is that interest rates on 10-year government bonds have shown a relatively sharp rise (this has been the case in the US as well as the UK). This is a reminder that markets move quickly and the chancellor cannot rely on investors playing ball should he show an appetite for continued heavy borrowing. What's more, there will be a desire to get any big tax rises done well ahead of the next election, which could mean moving sooner rather than later.

All in all, though, there are reasons to think the post-pandemic recovery theme could play out particularly well for investors in the UK. What's more, high levels of takeover activity in recent months suggests there could genuinely be value in the UK market beyond the perennial talk of low CAPE ratios and high dividend yields, and research by quant investors.

Aside from the five UK trusts selected by this report's data-driven process, the other picks are an eclectic bunch. To me, there does not seem to be a clear theme binding any of these five: a global generalist; a wealth preservation fund; an Asian income trust; a tech investor; and a European small cap trust that has seen significant activist stakebuilding.

So the best way to find out more is simply to have a more detailed look at the trusts. Let's go!

Go to the next page to read about the first trust...

Rights & Issues*

Name	TIDM	Mkt Cap	Price	DY	
Rights & Issues	RIII	£171m	2,270p	1.40%	
		Discount to NAV			
Z-Score	Now	Avg.	Low	High	
0	-4.90%	-4.70%	11.60%	-12.50%	
		Share Price Performance			
1m	3m	6m	1y	3y	5y
11.60%	20.40%	22.40%	0.90%	15.60%	128.60%
Top Ten Holdings					
Name	% Port				
Treatt	18				
Hill&Smith	13				
Scapa	9.4				
Macfarlane	9.4				
Spirax-Sarco Eng.	8.6				
VP	8.5				
Electrocomp.	7.2				
Colefax	6.1				
Vitec	2.3				
Renold	2.3				
Total	85				
source: Winterflood Securities/Trust 31 Dec					

Rights & Issues investment trust (RIII) is one of those hidden gems that can sometimes be unearthed in the investment trust sector. Under long-term manager Simon Knott, who took over the trust's reins from his dad in 1984 and is also an international chess master, the trust has grown NAV by 8,127 per cent (from 29p to 2,386p). That's quite a testament to the power of compounding.

Part of the long-term success comes down to the fact that management costs are kept very low at about 0.5 per cent. A buy-and-hold philosophy also keeps a lid on dealing costs. Part of the frugality that keeps charges down involves spending the bare minimum on marketing. This is a key reason the trust is relatively obscure. The less-welcome side of obscurity for would-be investors is that the trust's shares are hard to buy and sell. Investments of any size need to be built slowly and the spread between the buying and selling price of the shares can get very wide - buyer beware! The £100m market cap limit required by the Alpha screening process is meant to minimise risks relating to "liquidity", but it is not always sufficient.

Performance over recent years at RIII has been less impressive than the long-term record, although the trust's shares have had a knockout month with a tightening of the discount and NAV fillip resulting in a 12 per cent share price gain.

The trust's portfolio is highly concentrated with a very pronounced focus on quality industrials, engineers and chemical companies. Indeed, the portfolio is so concentrated that much of the credit for the trust's performance surge last month can be attributed to one holding, which at the end of last year accounted for nearly a fifth of the portfolio: flavouring company Treatt. Treatt gained nearly a quarter in value after announcing very strong full-year results in late January.

The international nature of many of the trust's top holdings means it is less of a play on a UK recovery than one may first assume. What's more, the recent strengthening of sterling could be an issue for some of the investments. However, the portfolio has already begun to benefit from the recent flurry of takeover activity in the UK. Earlier this year, top ten holding Scapa received a knock out bid from a US company.

The trust's board has recently reviewed the trust's investment policies. It concluded the portfolio is too concentrated and that Knott should do something about this with a view to improving performance. Importantly though, the basis of his investment approach will not change.

The existence of a board is an excellent feature of investment trusts. This can be hugely beneficial when these experienced directors work constructively with a trust's fund manager. There are grounds to hope this will prove the case with the intervention on portfolio concentration. For one thing, Knott has his interests firmly aligned with shareholders given a family holding of about 13 per cent of RIII.

There are also noteworthy liquidity risks attached to some of the trust's large holdings, especially since many are duplicated in a smaller opened-ended vehicle that until recently was also run by Knott. So reducing concentration should lower risk and support the rating of the trust's shares.

What's more, previous changes overseen by the board have benefited shareholders, in particular the decision to change the trust from a split cap structure at the end of 2016. Due to technicalities around corporate structure, this move was necessary to enable the trust to buy back shares. Having purchased 16.4 per cent of the shares during the following three years, the discount narrowed from over 20 per cent to low single digits, where it has stuck. This means the discount does not look like a major opportunity with this trust pick.

While buybacks are now on hold for the foreseeable future, there is incentive to renew them if the discount blows out again as a tender offer is triggered should the discount remain above 10 per cent for too long.

Given Knott is over 60, succession is a consideration. Some comfort can be taken from the fact that he has a sizable stake in the trust. What's more, the fact that his unit trust has been taken over by another manager suggests thought may be going into the issue behind the scenes.

Go to the next page to read about the next trust...

Schroder Oriental Income

Name	TIDM	Mkt Cap	Price	DY	
Schroder Oriental Income	SOI	£739m	276p	3.70%	
Discount to NAV					
Z-Score	Now	Avg.	Low	High	
-0.5	-4.90%	-3.60%	5.20%	-18.60%	
Share Price Performance					
1m	3m	6m	1y	3y	5y
0.60%	12.20%	17.70%	15.90%	23.00%	95.90%
Top Ten Holdings					
Name	% Port				
Taiwan Semiconductor Manu.	9.8				
Samsung Electr.	9.4				
BHP	3.9				
SK Telecom	3.1				
Hon Hai Prec. Ind.	2.9				
Rio Tinto	2.8				
Sands China	2.7				
HKT Trust & HKT	2.6				
Kerry Prop.	2.1				
Delta Electr.	2				
Total	41				
source: Winterflood Securities/Trust 31 Dec					

If there was ever a year to emphasise to UK-based income investors the attractions of searching for dividends beyond the home market, 2020 was it. Asia stood out in particular. The region has dealt with the pandemic well and dividends have held up impressively. What's more, as corporate governance comes into more focus in the region, a dividend-paying culture is developing. That means many Asian companies offer strong dividend-growth stories.

Schroder Oriental Income (SOI) is a trust that has been riding this long-term trend with good results for many years. The attractive dividend was not entirely covered by income from the portfolio last year, but the fact that payouts received by the trust were down only 7 per cent suggests there's not too much to be worried about on this front.

However, while last year highlighted the attractions of Asian income stocks, it also showed the limitations of an income-hunting investment style. The trust underperformed during its financial year to the end of August because its focus on dividend payers kept it away from the "growth" zeitgeist. Growth companies tend to reinvest cash back into the business rather than pay it out to shareholders. Indeed, the trust put two thirds of its underperformance in the 12 months down to the fact that there were two non-dividend paying stocks that it chose not to own: Tencent and Alibaba.

That said, there are some signs the wind may be turning back in the trust's favour. Also, the trust has been keen to avoid areas where big dividends are available but where major industry disruption is an issue, such as fossil fuels and cars.

The trust's discount, while wider than the long-term average (prior to Covid the trust's shares typically traded in line with its NAV) does not represent a massive opportunity. Still there could be some upside here adding to the attractions of a trust that offers sensible exposure to Asia's income story.

At the end of last year the trust's respected veteran manager Matthew Dodd stepped down and handed over to his Schroder colleague Richard Sennitt. While noteworthy, this change of manager hardly looks a radical shift. Sennitt worked closely with Dodd for 13 years prior to him taking charge of the trust. He also already is the established manager of other Asian Income funds run along very similar lines to SOI. And he draws on the same well-resourced team of analysts spread across the region as Dodd always did.

AVI Global*

Name	TIDM	Mkt Cap	Price	DY	
AVI Global Trust	AGT	£941m	897p	1.80%	
		Discount to NAV			
Z-Score	Now	Avg.	Low	High	
0	-11.60%	-11.60%	-6.90%	-15.60%	
		Share Price Performance			
1m	3m	6m	1y	3y	5y
3.50%	13.50%	24.20%	19.00%	35.10%	131.70%
Top Ten Holdings					
Name	% Port				
Japan Special Situations	14.2				
Oakley Capital	7.2				
Pershing Square	6.2				
Sony	5.3				
Fondul Prop.	5.1				
Third Point	5				
EXOR	4.8				
Naspers	4.3				
VNV Global	4.6				
SoftBank	4.1				
Total	61				
source: Winterflood Securities/Trust 31 Jan					

Regular readers of these reports will be familiar with **AVI Global** (AGT) which has made several appearances in the 10 trust portfolios published since July last year thanks to strong performance and a decent discount. A notable feature of the trust is that it focuses on buying into companies which themselves trade at a discount to NAV.

Examples of this which it benefited from holding in January include a tightening of the discount of clean tech holding company Aker, which was helped by corporate action. It also did well from its holding in Naspers which it hopes will also look at corporate restructuring soon. Naspers has a crazy structure with its main asset being a large stake in Tencent which is itself held through Naspers' 88 per cent stake in another holding company. Overall, the discount on the trust's underlying holdings widened in January from an estimated 30 percent to 32 percent.

Aside from this, nothing radical has changed for AGT. These were my comments from last month's report:

"AVI Global (AGT) keeps on being highlighted by our Alpha reports. A key reason for this may be the fact that the portfolio has changed in some noteworthy ways which have gone under the radar of most investors.

The trust is well known as a value investor, but it is a value investor of a very particular bent. It specialises in buying companies that are valued at a discount to their assets; these assets are usually stakes in other companies… The change that has happened over 2020 is that the portfolio has become ever more focused on holding companies holding investments in the technology sector.

This started to become noticeable early spring last year, when the company announced it had taken a stake in Japanese tech conglomerate Softbank. The March crash was also used to build tech exposure. AGT is among investors trying to improve governance at Softbank and curb some of its more outlandish trading activity. It is hoped this will narrow the valuation gap between Softbank's shares and its stakes in other tech companies.

Another case in point was the fund's top contributors to performance in December, such as VNV. This is a Stockholm-listed company which invests in early-stage technology-enabled businesses, in particular those with strong network effects. It has a large stake in a digital healthcare company called Babylon which investors are getting very excited about.

The trust is by no means all tech. Another key theme is Japanese companies that it believes can boost valuations by improving governance.

AGT now boasts the best [one-year] NAV performance of all global trusts, bar the two runaway global trusts run by Baillie Gifford… longer-term numbers from AGT are less impressive.

If it can keep up its recent run, though, it may start to see the discount come in. There are also some noteworthy activist stakes in the trust, although no recent buying. 1067 Capital Partners and Wells Capital Management each hold about 5 per cent."

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Polar Capital Technology

Name	TIDM	Mkt Cap	Price	DY	
Polar Capital Technology	PCT	£3,192m	2,325p	-	
Discount to NAV					
Z-Score	Now	Avg.	Low	High	
-1.6	-9.30%	-3.00%	6.10%	-15.90%	
Share Price Performance					
1m	3m	6m	1y	3y	5y
2.40%	7.40%	11.80%	35.20%	104.30%	328.20%
Top Ten Holdings					
Name	% Port				
Apple	9.6				
Microsoft	8.1				
Alphabet	5.9				
Samsung	3.8				
Taiwan Semiconductors	3.5				
Tencent	2.9				
Facebook	2.5				
Amazon.com	2.4				
Alibaba	2.1				
NVIDIA	1.6				
Total	42				
source: Winterflood Securities/Trust 31 Jan					

Polar Capital Technology (PCT) looks cheap compared with its history. The rating may in part reflect the fact that a lot of people are nervous about valuations in the technology sector after the phenomenal run experienced in 2020.

What's more, recent government fury at Facebook in Australia and a major Congressional report last year on tech firms in the US means there is cause for concern that this decade will bring a major tightening in regulations for big tech players. It is easy to understand concerns about monopoly power and the negative impacts on society from certain forms of social media. Given PCT has a focus on mainstream big tech companies, this is a noteworthy consideration for investors.

However, PCT believes these companies continue to fit well with its strategy of tapping into established businesses with strong growth prospects based on mass application and integration of their technologies into everyday life. The trust has a particular focus on attempting to identify companies that have the potential to beat expectations.

The trust's well-respected and well-resourced investment team, led by Ben Rogoff, does see the potential for pull-backs in the market due to high valuations. However, the plan is to use these as opportunities to add to winners; the aim being to latch on to returns driven by strong growth in sales and cash flow, as opposed to jumping onto hot trends fuelling multiple expansion.

The fund's manager also sees little evidence that the stunning performance of tech firms during the pandemic is the result of sales being pulled forward. Instead, PCT believes the event has served as a shop window for tech solutions and increased appetite for take up.

The trust is managed with an eye to its benchmark and represents a strong core tech holding. That said, its fees, at about 1 percent, are much higher than those of passive vehicles such as the 0.3 percent charged by L&G Global Technology Trust or the 0.5 percent charged by iShares Global Technology ETF. Indeed passive funds look like clear competition given the remit.

However, the trust has managed to outperform both of the L&G and iShares passive vehicles mentioned above by a meaningful amount on an annualised basis over 10 years, 5 years and 1 year. What's more, the near 10 percent discount offered by the shares at the time of writing offers a noteworthy plus point when making comparisons with passive alternatives (that's not to suggest discounts can't widen as well as tighten).

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JPMorgan Claverhouse

Name	TIDM	Mkt Cap	Price	DY	
JPM Claverhouse	JCH	£378m	650p	4.50%	
Discount to NAV					
Z-Score	Now	Avg.	Low	High	
-0.2	-4.70%	-4.20%	10.10%	-10.80%	
Share Price Performance					
1m	3m	6m	1y	3y	5y
0.00%	11.30%	15.50%	-10.40%	3.60%	44.50%
Top Ten Holdings					
Name	% Port				
Royal Dutch Shell	6				
JPMorgan Smaller Co	5				
Rio Tinto	4.4				
AstraZeneca	4.1				
GlaxoSmithKline	3.9				
British American Tobacco	3.4				
BP	3.2				
BHP	2.6				
Unilever	2.5				
Prudential	2.4				
Total	37				
source: Winterflood Securities/Trust 31 Jan					

While **JPMorgan Claverhouse** (JCH) appears to have a fairly typical portfolio for an income fund based on the top ten holdings listed above, its actions during last year's crisis made it stand out from the crowd. The trust's managers significantly reduced gearing (borrowing used to exaggerate performance) and threw off the shackles of income investing. They sold cyclicals and bought companies likely to benefit from lockdown with little consideration of yield.

Kepler Trust Intelligence reports the biggest sells before March were National Express, Mitchells & Butler, Rank, Compass and Taylor Wimpey, all of which were pummeled by lockdown. Meanwhile big buys included lockdown winners Future, Ocado, and Dunelm along with JD Sports and Avon Rubber.

The strategy was part of the reason that the trust's first-half income from its investment portfolio was down by a third but overall performance benefited. And the trust should now be able to focus on rebuilding income levels.

The trust's focus on income investing also means it should be well positioned to benefit from a recovery in the UK market. A 5 per cent holding in JP Morgan Smaller Companies trust should play to this theme too.

The trust itself has a strong risk management framework which is designed to eke out solid outperformance from its 60 to 80 stock portfolio while limiting volatility. The long-term performance has been decent but does not stand out in the sector. What's more, UK equity income has been a poor performing sector for a number of years and it remains to be seen how quickly UK companies that cut payouts will return them to past levels.

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Investors' Chronicle | Alpha

Alpha Editor: James Norrington
Alpha Production Editor: Sameera Hai Baig

RIT Capital Partners*

Name	TIDM	Mkt Cap	Price	DY	
RIT Capital Partners	RCP	£3,370m	2,150p	1.60%	
Discount to NAV					
Z-Score	**Now**	**Avg.**	**Low**	**High**	
-0.2	-6.60%	-5.50%	7.20%	-29.60%	
Share Price Performance					
1m	**3m**	**6m**	**1y**	**3y**	**5y**
6.40%	10.90%	15.80%	5.50%	17.90%	50.10%
Top Ten Holdings					
Name	**% Port**				
Quoted Equity - Long	40				
Quoted Equity - Hedge	11				
Absolute Return & Credit	23				
Private Investments - Funds	18				
Private Investments - Direct	7				
Real Assets	2				
Other Investments	1				
source: Winterflood Securities/Trust 30 Nov					

RIT Capital Partners (RCP) is a wealth preservation trust. This means it aims to grow the value of its investments whilst avoiding major losses. The ownership of the trust is particularly interesting in this regard.

The family of Lord Rothschild owns just over a fifth of the shares and the investment philosophy can be regarded as in keeping with this major stakeholders' objectives. Indeed, Lord Rothschild both founded and managed the trust for many years before he finally stepped down from the board and the role of chairman at the end of September 2019 following a lengthy succession process. The octogenarian banking-dynasty scion remains honorary president.

Many regard an investment in RCP as being akin to buying into what is known as a family office (a private investment business set up to manage the money of the uber rich). RCP spreads its investments across equities, debt investments, hedging strategies and private equity. The trust's size and connections means it gets access to many deals that others can't.

As far as this screen is concerned, the trust primarily stands out for its share price performance, but despite the relatively modest Z-score, I feel the shares look fairly interesting based on the discount too.

Indeed, while the RCP's current discount may not look exceptional in the context of the last year (the period taken into account when calculating the Z-score), it compares with the premium rating attached to the shares for several years prior to 2020. Indeed, based on Morningstar data the average premium through 2019 was just shy of 8 percent.

I can think of two reasons why the discount has blown out and also two reasons why this may now start to reverse.

One reason for the discount to be wide - almost a philosophical one - is down the simple fact that it is allowed to exist in the first place. This needs some explanation.

The discount or premium a trust trades at to NAV represents an opportunity for investors but also a risk. At times of stress in markets that risk often becomes very apparent with trusts racking up share price falls well in excess of NAV falls. For a trust which promises to limit risk, such as RCP, this can be a very unsettling feature. That's particularly the case if the shares have been on a premium rating and therefore have a lot of scope to devalue.

For RCP shareholders in 2020, this meant seeing their "wealth preservation" holding drop by 36 per cent from the start of the year to the market's March nadir. To put that in context, the performance was significantly worse than the 22 percent drop recorded by the MSCI World Index, or even its peak-to-trough fall of 26 per cent. This may have made some think twice about the attractions of the trust, which could have caused the discount to persist. Maybe the absence of Lord Rothschild at the helm also added to anxieties.

The other reason for the persistence of the discount could simply be down to the fact that it makes less sense to hold a wealth preservation trust when markets are recovering strongly. By their nature, such trust's limit the upside in rising markets, as this goes hand in hand with protecting against downside. Indeed, during the recovery from the great financial crisis, RCP began to move to a discount in 2012. The discount got to its widest in 2013 during which it averaged 8 per cent. The valuation then crept back into line with NAV through 2014.

Interestingly, one of the reasons to be optimistic about the discount tightening again is that RCP is now doing exactly what it did during this last period of discount widening; it is buying back its own shares. For the first time since 2013, RCP bought in stock in October and it has continued to do so since. Buying back shares at a discount has the virtue of boosting a trust's NAV as well as creating demand.

The other reasons why the discount may not be too long lived is that NAV performance has actually been pretty good, especially when compared to share price performance. Based on the trust's monthly disclosures, the maximum drop in NAV in 2020 was a little less than 10 per cent. What's more, the recovery has been strong with NAV at the end of March this year almost 16 per cent higher than it was at the start of 2020 (i.e. before markets began to fall).

For most investors, RCP is best regarded as a long-term holding so it makes sense to be a buyer when the discount looks wide by historical standards. That said, given one of the reasons to hold a wealth preservation trust is to provide sanity at times of emotional stress caused by volatility, the lack of a formal discount-control policy is a noteworthy negative. The past 12 months should have reminded investors of this. Looking through to NAV is all well and good, but it doesn't quite compare to looking at big red figures on a statement from a stock broker! Some other wealth preservation trusts such as Personal Assets and Capital Gearing do offer a discount control feature. Discounts aside, RCP has a lot going for it in this corner of the investment trust sector.

North Atlantic Smaller Companies

Name	TIDM	Mkt Cap	Price	DY	
North Atlantic SmCos	NAS	£552m	3,940p	0.80%	
Discount to NAV					
Z-Score	Now	Avg.	Low	High	
0.6	-25.50%	-27.50%	-17.30%	-35.50%	
Share Price Performance					
1m	3m	6m	1y	3y	5y
1.40%	26.70%	37.80%	17.00%	43.00%	73.50%
Top Ten Holdings					
Name	% Port				
Oryx Int. Grth. Fund	13.3				
EKF Diagnostics	8.5				
US Treasury Bills	7.8				
Renalytix AI	6.1				
Polar Capital	5.9				
Augean	5.9				
MJ Gleeson	5.8				
Harwood Private Equity Fund IV	5.3				
Sherwood Holdings (Unquoted)	3.5				
Ten Entertainment	2.5				
Total	65				
source: Winterflood Securities/Trust 31 Jul					

North Atlantic Smaller Companies (NAS) boasts the combination of a wide discount and strong recent performance. What's not to like one may ask? Well, unsurprisingly there are reasons to be wary, but some encouragement can be taken from recent discount tightening at another trust that is run by the same manager, Chris Mills.

The first thing to understand about NAS is that although it is classified as a global smaller companies investment trust, it is in fact predominantly invested in British smaller companies, including unquoted ones. Given the travails of the UK stock market over recent years, its classification in the global sector has not made for very flattering comparisons. This could be a factor in its discount having gradually drifted wider over the last 5 years from about 15 per cent to the current level of 25 per cent.

Management shows little interest in promoting the trust, although unlike with Rights & Issues (see above), this does not translate into low fees. But even with little marketing pizzaz to create discount-tightening demand, some encouragement can be taken from the recent experience of Oryx Growth Fund. Oryx is another investment trust managed by Mills (this time correctly classified as a UK small cap fund), which is the top holding of NAS, accounting for 13 per cent of assets.

Oryx has had a storming run over the last year, not least due to significant investments in the life science sector. It is the top performing UK Small Cap Trust in NAV terms over five years, three years and one year. Despite the trust's seeming utter disinterest in self promotion and the relatively high fees charged by the manager (1.6 percent ongoing), the discount has narrowed significantly to mid-single digits after having spent most of the previous five years trading at a discount between the mid-teens and mid-20s.

The read across from Oryx for NAS is that if it were classified as a small cap trust - which it essentially is - then its NAV performance would rank second only to Oryx over both three years and 12 months. Based on 5-year NAV total return it would be sixth of the 14 trusts with records going back that far. One of the keys to the recent success of NAS is the significant holding in Oryx. The two trusts also share many of the same investments.

The interconnected nature of NAS with other Mills vehicles presents something of a quandry. As well as Oryx, NAS invests in private equity vehicles run by Mills' Gibraltar-based investment firm Harwood Capital - also the named management company of NAS and Oryx. This structure means fees-on-fees for NAS shareholders.

These shareholders include Mills who has a chunky 27 percent stake. Indeed this holding, which is deemed to be in concert with some others, was a recent bone of contention. A significant proportion of shareholders voted against waiving a takeover panel rule that requires a shareholder or concert party to bid for a company if its holding goes above 30 percent. The waiver was needed to allow ongoing buybacks without pushing Mills' concert party over the threshold.

Another issue with the interconnection of NAS and Mills' other interests is that he is an activist. This means he often ends up on boards of the companies that his funds amass large positions in.

The overarching presence of Mills may be off putting to some and certainly raises governance issues, as reflected by recent contention over the takeover-rule waiver. The fact that he is pushing 70 also means questions about succession loom large. And the layering of fees from various Mills vehicles is also a drawback.

But could the discount narrow if strong performance continues to rack up? Absolutely.

What's more, having been disadvantaged by the classification as a global fund for many years, if the UK recovery bull case does play out, the trust could stand to actually benefit from the mis-classification. Indeed, while NAS profited from exposure to lockdown winners, it also holds a number of UK cyclical plays.

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TR European Growth

Name	TIDM	Mkt Cap	Price	DY	
TR European Growth	TRG	£651m	1,300p	1.70%	
Discount to NAV					
Z-Score	Now	Avg.	Low	High	
0.5	-12.90%	-14.40%	-6.00%	-22.10%	
Share Price Performance					
1m	3m	6m	1y	3y	5y
1.20%	20.40%	36.60%	39.60%	16.30%	148.60%
Top Ten Holdings					
Name	% Port				
Van Lanschot Kempen	2.3				
Dfds	2.3				
TKH Group	2.1				
Westwing Group	2				
Aareal Bank	1.9				
Recticel	1.8				
Nexans	1.5				
Kindred Group	1.4				
Befesa	1.4				
Cerved Group	1.3				
Total	18				
source: Winterflood Securities/Trust 31 Jan					

TR European Growth (TRG) was one of several European trust's highlighted in my first Alpha investment trust report from back in July. The screen was conducted just as the EU grappled with putting together a Covid-recovery package. This had created a nervous mood in European markets. However, as is frequently the case in EU wrangles, a workable solution was found and TRG's shares have shot the lights out since, delivering a 50 per cent total return. Is it greedy for the Alpha screen to be back for more? An activist investor that has been persistently buying shares would appear to think there's more to go for.

In regard to the EU Recovery fund that was agreed just after TRG was highlighted in July's report, its significance could be felt long into the future. The pooling of EU resources in this way could mean the development of new fiscal tools that could support key priority areas, such as green initiatives. This is something that canny investors in the region would stand to benefit from.

The trust itself is run by respected European smaller companies specialist Ollie Beckett. His investment style is described as "valuation aware". In terms of Covid recovery hopes, any tilt towards value at the moment can be seen as a positive. That said, although the manager is keen not to overpay for shares, the trust still has holdings in a number of exciting growth companies and a 16 per cent weighting to the technology sector.

Beckett reckons his investment hunting ground is cheap and offers strong growth prospects. Measured by the price to book ratio (not everyone's favourite measure of value) at the start of the year European small cap stocks were about 15 per cent below the historical average. Earnings growth for 2021, by contrast, was forecast to be amongst the highest of any region. Indeed, the sector is very sensitive to improvements in world trade and could also benefit from a pent up need for businesses to invest in new capacity, which was evident even before the Covid crisis.

While the vaccination programme in Europe has been faltering, it seems fair to anticipate that, given its clout, the EU will soon start playing catch up. The recent fuss being made may well prove to be more an issue of damaged pride than damaged progress.

The bull case for European smaller companies aside, perhaps the most interesting development since the Alpha screen highlighted this trust in July is significant activist stakebuilding. Over that time activist Wells Capital Management has increased its stake from 8 per cent to just over 11 per cent. This is likely to focus the board's attention on the trust's reasonably chunky discount. The company's next tri-annual continuation vote is scheduled for 2022 at the time of its annual general meeting, which normally takes place in November.

Invesco Perpetual UK Smaller Companies

Name	TIDM	Mkt Cap	Price	DY	
Invesco Perpetual UK SmCos	IPU	£179m	528p	3.50%	
Discount to NAV					
Z-Score	Now	Avg.	Low	High	
0.2	-11.40%	-12.20%	3.30%	-21.80%	
Share Price Performance					
1m	3m	6m	1y	3y	5y
6.90%	13.30%	32.30%	-10.40%	19.10%	80.00%
Top Ten Holdings					
Name	% Port				
RWS	3.5				
CVS	3.5				
Future	3.3				
JTC	3				
NCC	2.6				
Johnson Service	2.4				
4imprint	2.4				
Clinigen	2.2				
Hilton Food	2				
Hill & Smith	2				
Total	27				
source: Winterflood Securities/Factset					

Invesco Perpetual UK Smaller Companies (IPU) was one of the trusts highlighted in November's Alpha report. It has delivered a very creditable 15 per cent total return since then. What stood out about the trust back in November is what stands out about it now: the discount.

True, based on the Z-score used by the screen the discount does not seem to be screaming value, however, taking a longer term perspective it does look interesting. That's because having historically traded at very close to NAV, last April the trust's discount blew out when it was announced the dividend would be reduced due to a drop in income from the investment portfolio.

It seems reasonable enough to me for a trust not to want to seriously eat into capital to support a payout (the only option to maintain a trust's dividend when the income dries up is to sell its holdings). Afterall, one of the cardinal rules of successful investors is to let investments compound.

The discount has already started to narrow. However, there could be further to go if investors begin to focus on the substantive attractions of the trust again. What's more, sentiment should benefit if recovering companies start reinstating their dividend payouts thereby boosting the income available for the trust to redistribute.

The trust itself has a good reputation and a decent performance record. It operates a diverse portfolio that balances different investment objectives - growth and value - to deliver both outperformance of its benchmark and relatively low volatility in what is often a volatile part of the market.

Historically, low volatility has meant that while the trust has tended to do better when the markets fall, it has done less well than peers during recoveries. This broadly played out last year, although IPU boasts some pretty impressive numbers over the past few months.

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Aberforth Smaller Companies*

Name	TIDM	Mkt Cap	Price	DY	
Aberforth Smaller Cos	ASL	£1,102m	1,242p	2.70%	
Discount to NAV					
Z-Score	Now	Avg.	Low	High	
-0.2	-9.60%	-8.70%	0.30%	-17.30%	
Share Price Performance					
1m	3m	6m	1y	3y	5y
3.50%	10.50%	44.90%	-9.90%	6.10%	43.20%
Top Ten Holdings					
Name	% Port				
Reach	4.2				
Morgan Advanced Materials	2.6				
Wincanton	2.5				
Brewin Dolphin Holdings	2.4				
TI Fluid Systems	2.4				
Provident Financial	2.4				
Mitchells & Butlers	2.3				
Robert Walters	2.3				
Vesuvius	2.3				
FirstGroup	2.3				
Total	26				
source: Winterflood Securities/Trust 31 Jan					

Last month's top pick from the Alpha report was Aberforth Smaller Companies and it is back again. It put in a decent performance over the month and the trust's value focus means it looks a fairly straight play on UK recovery prospects. I can't find much of substance that has changed since my last write up. This was my comment in January:

"Aberforth Smaller Companies is a dedicated follower of a value investment style. It runs a diversified portfolio of about 80 stocks. The investments are overseen by a well resourced team of 7 managers who work to try to identify companies that are valued at below their"intrinsic value". In general, this style of investment has been doing very badly for over a decade. However, it performed strongly in the final 3 months of 2020 as vaccine hopes saw money rush into the type of beaten-up, economy-sensitive plays that make up much of ASL's portfolio.

It's of note that last year the trust boosted its "gearing". Gearing refers to the ability of a trust to borrow money to get extra exposure to anticipated market upside (downside if the trust has made a bad call). At the end of December gearing stood at 6.1 per cent. Research firm Kepler Trust Intelligence makes this only the fourth time in the trust's three decade history that it has taken on noteworthy gearing. As long as recent market wobbles do not turn into something more serious, the move looks well timed.

The portfolio displays some classic "value" skews, such as its low exposure to the technology sector. Perhaps more surprisingly, it also has low exposure to commodity plays. This has meant missing out on the recent strong performance of this part of the market where many other value investors have fairly large positions.

The portfolio also includes plays on structurally challenged businesses, which the managers think have been oversold even based on their poor prospects. These are the type of investments Warren Buffett famously referred to as "cigar butts"; almost dead but with one last drag left for a committed ashtray surfer. Kepler, in its last analysis of the portfolio from November, put "structural victims" at 14 per cent of the portfolio.

All in all, the trust offers a sensible take on small cap value and the management team is respected in the industry. The gearing that has been taken on looks interesting. Should optimism about the UK's economic prospects return, the portfolio looks well placed. There is also potential for the near 9 per cent discount to narrow based on the experience of the last 3 months, during which it briefly got below 1 per cent."

*The author holds shares in these trusts marked with an asterisk

Investors' Chronicle | Alpha

Alpha Editor: James Norrington
Alpha Production Editor: Sameera Hai Baig

10-trust portfolio

							Discount to NAV				Share price performance					
Rank	Name	TIDM	Market cap	Price	DY	Z-score	Now	Avg	Low	High	1m	3m	6m	1y	3y	5y
1	Rights & Issues	RIII	£171m	2,270p	1.4%	0.0	-4.9%	-4.7%	11.6%	-12.5%	11.6%	20.4%	22.4%	0.9%	15.6%	128.6%
2	Schroder Oriental Income	SOI	£739m	276p	3.7%	-0.5	-4.9%	-3.6%	5.2%	-18.6%	0.6%	12.2%	17.7%	15.9%	23.0%	95.9%
3	AVI Global Trust	AGT	£941m	897p	1.8%	0.0	-11.6%	-11.6%	-6.9%	-15.6%	3.5%	13.5%	24.2%	19.0%	35.1%	131.7%
4	Polar Capital Technology	PCT	£3,192m	2,325p	–	-1.6	-9.3%	-3.0%	6.1%	-15.9%	2.4%	7.4%	11.8%	35.2%	104.3%	328.2%
5	JPM Claverhouse	JCH	£378m	650p	4.5%	-0.2	-4.7%	-4.2%	10.1%	-10.8%	0.0%	11.3%	15.5%	-10.4%	3.6%	44.5%
6	RIT Capital Partners	RCP	£3,370m	2,150p	1.6%	-0.2	-6.6%	-5.5%	7.2%	-29.6%	6.4%	10.9%	15.8%	5.5%	17.9%	50.1%
7	North Atlantic SmCos	NAS	£552m	3,940p	0.8%	0.6	-25.5%	-27.5%	-17.3%	-35.5%	1.4%	26.7%	37.8%	17.0%	43.0%	73.5%
7	TR European Growth	TRG	£651m	1,300p	1.7%	0.5	-12.9%	-14.4%	-6.0%	-22.1%	1.2%	20.4%	36.6%	39.6%	16.3%	148.6%
9	Invesco Perpetual UK SmCos	IPU	£179m	528p	3.5%	0.2	-11.4%	-12.2%	3.3%	-21.8%	6.9%	13.3%	32.3%	-10.4%	19.1%	80.0%
10	Aberforth Smaller Cos	ASL	£1,102m	1,242p	2.7%	-0.2	-9.6%	-8.7%	0.3%	-17.3%	3.5%	10.5%	44.9%	-9.9%	6.1%	43.2%

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Top 25

							Discount to NAV				Share price performance					
Rank	Name	TIDM	Market Cap	Price	DY	Z Score	Now	Avg	Low	High	1m	3m	6m	1y	3y	5y
1	Rights & Issues #	RIII	£171m	2,270p	1.4%	0.0	-4.9%	-4.7%	11.6%	-12.5%	11.6%	20.4%	22.4%	0.9%	15.6%	128.6%
2	Schroder Oriental Income	SOI	£739m	276p	3.7%	-0.5	-4.9%	-3.6%	5.2%	-18.6%	0.6%	12.2%	17.7%	15.9%	23.0%	95.9%
3	AVI Global Trust	AGT	£941m	897p	1.8%	0.0	-11.6%	-11.6%	-6.9%	-15.6%	3.5%	13.5%	24.2%	19.0%	35.1%	131.7%
4	Polar Capital Technology	PCT	£3,192m	2,325p	-	-1.6	-9.3%	-3.0%	6.1%	-15.9%	2.4%	7.4%	11.8%	35.2%	104.3%	328.2%
5	JPM Claverhouse	JCH	£378m	650p	4.5%	-0.2	-4.7%	-4.2%	10.1%	-10.8%	0.0%	11.3%	15.5%	-10.4%	3.6%	44.5%
6	RIT Capital Partners	RCP	£3,370m	2,150p	1.6%	-0.2	-6.6%	-5.5%	7.2%	-29.6%	6.4%	10.9%	15.8%	5.5%	17.9%	50.1%
7	North Atlantic SmCos	NAS	£552m	3,940p	0.8%	0.6	-25.5%	-27.5%	-17.3%	-35.5%	1.4%	26.7%	37.8%	17.0%	43.0%	73.5%
7	TR European Growth	TRG	£651m	1,300p	1.7%	0.5	-12.9%	-14.4%	-6.0%	-22.1%	1.2%	20.4%	36.6%	39.6%	16.3%	148.6%
9	Invesco Perpetual UK SmCos	IPU	£179m	528p	3.5%	0.2	-11.4%	-12.2%	3.3%	-21.8%	6.9%	13.3%	32.3%	-10.4%	19.1%	80.0%
10	Aberforth Smaller Cos	ASL	£1,102m	1,242p	2.7%	-0.2	-9.6%	-8.7%	0.3%	-17.3%	3.5%	10.5%	44.9%	-9.9%	6.1%	43.2%
11	BlackRock Latin American	BRLA	£149m	380p	4.7%	0.0	-9.2%	-9.1%	-1.4%	-16.2%	-5.7%	11.3%	22.4%	-16.4%	-8.8%	73.9%
12	BlackRock Smaller Cos	BRSC	£822m	1,684p	1.9%	-0.1	-6.2%	-5.9%	2.3%	-17.2%	2.7%	10.5%	32.8%	-2.8%	31.7%	118.7%
12	Odyssean Investment Trust	OIT	£114m	129p	-	-0.1	-5.9%	-5.6%	7.9%	-14.6%	-0.8%	10.7%	35.1%	13.7%	-	-
14	European Assets	EAT	£435m	121p	5.5%	0.2	-9.9%	-10.4%	-4.7%	-23.5%	2.6%	13.4%	19.0%	25.2%	14.2%	66.0%
15	Fidelity Asian Values	FAS	£323m	442p	1.9%	0.6	-4.1%	-6.1%	1.7%	-14.8%	-0.9%	18.7%	27.6%	15.9%	24.4%	106.6%
16	Murray International	MYI	£1,412m	1,100p	4.9%	-0.7	-3.2%	-1.4%	4.8%	-10.4%	-2.5%	6.2%	14.6%	-3.6%	3.3%	70.5%
17	JPM Elect - Managed Gwth	JPE	£273m	948p	1.7%	-0.4	-5.1%	-4.6%	1.6%	-8.7%	-0.5%	7.1%	18.1%	6.4%	27.4%	87.2%
18	Aberdeen Emerging Markets #	AEMC	£341m	743p	3.0%	0.6	-13.7%	-15.0%	-8.7%	-19.1%	2.8%	16.9%	32.6%	28.9%	32.5%	131.5%
19	JPM Russian Securities	JRS	£276m	643p	5.4%	-0.3	-10.8%	-10.2%	-4.6%	-20.1%	-4.9%	7.2%	-2.3%	-7.9%	42.9%	185.2%
20	Fair Oaks Income - US$	FAIR	£154m	1p	17.3%	0.3	-2.9%	-6.2%	19.4%	-52.9%	3.6%	13.2%	35.2%	-3.3%	-6.4%	59.6%
21	CC Japan Income & Growth	CCJI	£221m	137p	3.4%	-1.2	-11.9%	-8.0%	1.9%	-14.3%	-6.2%	4.2%	15.7%	-4.3%	-4.1%	59.0%
21	Vietnam Enterprise	VEIL	£1,330m	613p	-	0.8	-8.2%	-11.2%	-0.2%	-27.3%	-1.1%	20.4%	45.6%	35.3%	26.4%	-
23	F&C Investment Trust	FCIT	£4,208m	785p	1.5%	-0.6	-9.2%	-7.6%	1.1%	-19.5%	0.1%	5.0%	13.8%	2.7%	26.8%	107.3%
23	Tetragon Financial Group - US$	TFG	£477m	10p	4.8%	-0.1	-62.4%	-62.1%	-51.1%	-70.9%	3.1%	7.1%	11.1%	-13.9%	-10.0%	51.5%
25	Jupiter US Smaller Cos	JUS	£149m	1,235p	-	0.4	-11.5%	-12.6%	-5.6%	-21.2%	-3.1%	12.8%	23.5%	4.9%	46.0%	125.2%

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