



# Trojan Ethical Income Fund

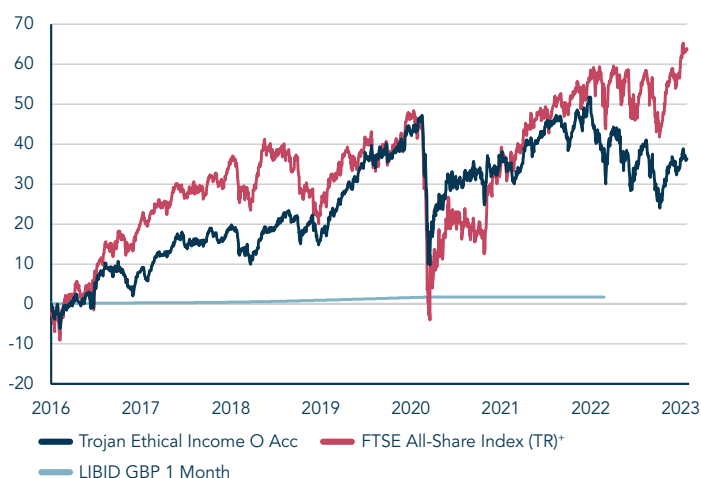
All data as at 31 January 2023

taml.co.uk

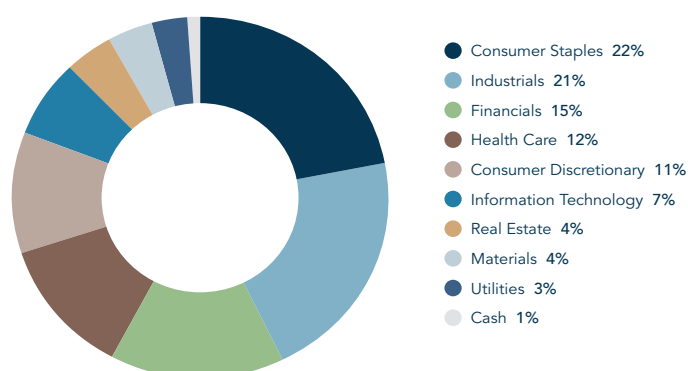
The investment objective of the Trojan Ethical Income Fund is to seek to achieve income with the potential for capital growth in the medium term (3 to 5 years). Its investment policy is to invest at least 80% of its assets in UK and overseas equities, including investment trusts and real estate investment 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
136.34p	114.25p	2.6%	£303m
<small>'O' accumulation shares 'O' income shares</small>		<small>'O' income shares</small> <small>*historic dividend yield</small>	

## PERCENTAGE GROWTH FROM 06/01/2016 TO 31/01/2023



## ASSET ALLOCATION



Source: Factset, Asset Allocation subject to change.

Total Return to 31 January 2023	06/01/16 Since launch	31/01/18 5 Years	31/01/20 3 years	31/01/22 1 year	31/07/22 6 months
Trojan Ethical Income Fund O Acc	+36.3%	+15.9%	-4.9%	-3.7%	-2.3%
FTSE All-Share Index (TR)*	+63.6%	+23.1%	+15.6%	+5.2%	+5.3%

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%	+1.7%

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

Past performance is not a guide to future performance.

Source: Lipper

## January Commentary

Your Fund delivered a total return of +1.7% during the month compared to +4.5% from the FTSE All-Share Index (TR).

Hopes of a more positive macro backdrop meant that markets started the year strongly. Whilst still elevated, the rate of CPI inflation in the UK seemingly hit a high of 11.1% in October and has started to moderate since. Investors are thus increasingly optimistic that peak interest rates for this current cycle may soon be reached. All the while, a much-anticipated recession has yet to materialise, offering the possibility of a less severe economic downturn than previously expected.

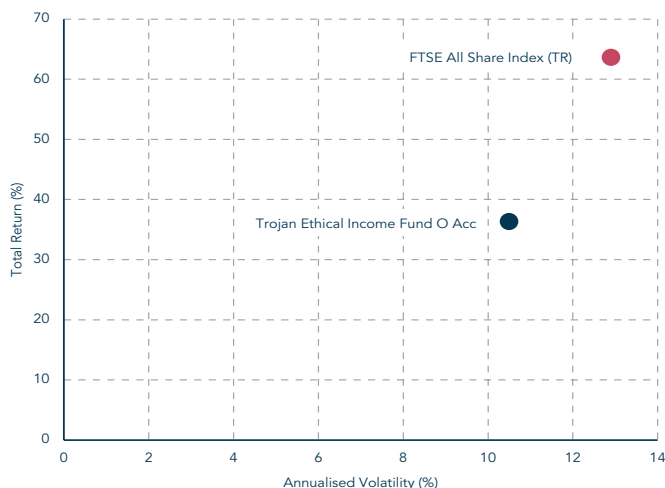
The other factor driving strong markets early in 2023 has been China's adoption of a softer stance towards COVID-19. This has resulted in a China "reopening trade", similar to that which drove cyclical companies higher across Western markets towards the end of 2020 and in 2021. China-exposed stocks therefore performed exceptionally well in the month, while more defensive equities lagged or declined in value. This pattern of returns was visible within the Fund too. For instance, leading hotel brand owner IHG, which enjoys good presence in China, rose +18% in January and was

the top contributor to the Fund's returns. At the same time, companies within the defensive pharmaceutical and consumer staples sectors detracted from performance.

As inflation starts to moderate and the path of interest rates becomes less predictable, equity markets are likely to experience more frequent changes in risk appetite. In such an environment we are inclined to more actively manage position sizes in response to share price fluctuations. With this in mind, we reduced Procter & Gamble while it traded on 24x earnings and added further to Admiral Group at a price below 16x earnings and on a 5.8% dividend yield. We expect these short run switches in sentiment to continue to throw up opportunities to bolster the income and capital return profile of the portfolio.



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



Source: Lipper

## TOP 10 HOLDINGS

RELX	7.0%
Unilever	6.8%
Reckitt Benckiser	5.4%
Compass Group	4.2%
Experian	4.2%
Nestlé	3.7%
GSK	3.4%
Bunzl	3.4%
Paychex	3.4%
National Grid	3.2%
<hr/>	
Total	44.8%
31 Other Holdings	53.9%
Cash & Equivalent	1.3%
<hr/>	
TOTAL	100.0%

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	+36.3%	+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	+61.9%	+61.9%
Annualised Volatility <sup>2</sup>	+10.4%	+12.9%

<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.

<b>Structure</b>	Sub-fund of Trojan Investment Funds UK UCITS
<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>Fund Manager</b>	Hugo Ure
<b>Currency</b>	£ Sterling
<b>Launch Date</b>	06 January 2016
<b>Authorised Corporate Director</b>	Link Fund Solutions Limited Tel: 0345 300 2110

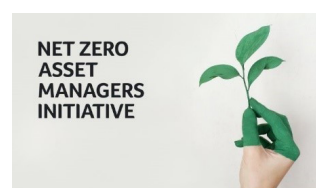
<b>Dividend Ex Dates</b>	1 August (interim), 1 February (final)
<b>Dividend Pay Dates</b>	30 September (interim), 31 March (final)
<b>Historic Dividend Yield</b>	('O' Inc shares) 2.58%
<b>Benchmarks</b>	For more information on the benchmarks used please refer to the 'use of benchmarks' section in the fund information sheet available from our <a href="#">website</a>
<b>Registrar</b>	Link Fund Administrators Limited
<b>Auditor</b>	Ernst & Young LLP
<b>Depository</b>	The Bank of New York Mellon (International) Limited

<b>Dealing</b>	Daily at noon Tel: 0345 608 0950
<b>ISIN</b>	GB00BYMLFL45 (O Inc), GB00BYMLFK38 (O Acc) GB00BYMLFR07 (S Inc), GB00BYMLFQ99 (S Acc)
<b>SEDOL</b>	BYMLFK3 (O Acc), BYMLFL4 (O Inc)
<b>Bloomberg</b>	TEIFOAC_LN (O Acc), TEIFOIN_LN (O Inc)
<b>Ongoing Charges (capped)</b>	'O' (ordinary) shares: 1.02% 'S' (charity) shares: 0.77%
<b>Pricing</b>	"O" share class prices published daily in the FT

## 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. Investments in mid and smaller cap companies are higher risk than investments in larger companies. 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.

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: Hill House, 1 Little New Street, London EC4A 3TR. 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.