

Reporting date: 30 November 2018

Investment objective and policy

The objective of the investment fund is to provide consistent long term capital and income growth. The investment policy for achieving the objective is for the Manager to invest primarily in equity securities. There is no restriction to economic securities or geographical areas, but the manager considers the objective can be achieved from investing predominantly in UK equities and seeking undervalued overseas opportunities.

Managers' commentary

Portfolio re-positioning

- The portfolio has been significantly re-positioned over March and the beginning of April with a view to improve the performance of the Unit Trust. The dividend yield has been rebased to a more sustainable level and it is now our intention to grow the income consistently from here along with capital appreciation over the long-term.
- The Unit Trust has moved from a concentrated portfolio of 23 large capitalisation investments solely listed in the UK to 48 companies offering a more diverse global exposure. The Unit Trust will invest in between 45-55 companies, primarily across UK listed equities in order to maintain close dialogue with company management teams. However up to 25% of the portfolio can be listed overseas as we believe some of the best opportunities can surface globally at different times and in different industries. Currently the portfolio has 15% invested overseas. We look to invest in companies for the long-term meaning the portfolio will have a very low turnover.
- We are bottom up investors believing some of the best opportunities lie in under-covered companies and so we will invest right across the market capitalisation spectrum.
- We aim to find high quality companies trading at appealing valuations. Intrinsically we have a value bias often looking for opportunistic and contrarian investments but also strive to find growth at a reasonable price.
- We employ a concise, simple and transparent strategy that we believe can outperform over the longterm; seeking to find companies with strong balance sheets, with little to no debt, consistent, defensive earnings streams, healthy cash generation, growing dividends and stable market positions. We maintain close dialogue with company management teams and where possible will often spend time at their facilities, meeting employees and continuing to develop our understanding of each business.

Market and Portfolio commentary

Consistent Opportunities Unit Trust rose 1.91% TR in the month of November against the FTSE All Share fall of 1.64% TR with global markets remaining volatile after an exceptionally bruising 'Red October' with all major asset classes falling. Brexit negotiations continue to dominate the wider UK market and Theresa May has much to do in order for Parliament to vote in favour of the current deal with the currency markets clearly stipulating that Parliament will reject the deal. Whilst trade wars between the US and China remain ongoing there was some positive news from the meeting in Buenos Aires with a truce agreed. However the gains seen across global markets were short lived and tensions linger between both Leaders.

Turning back to the portfolio, the shares of Electrocomponents, Evonik Industries and CVS Group fell on results. CVS Group fell 30% with EBITDA margins currently below last due to the significant cost increase of Locum rates. There are staff shortages across vets and nurses and Locums are used to cover these shortages. The market remains exceptionally competitive, however we take comfort from the fact that the sector remains in play and recent M&A has seen multiples 50% higher on an EV/EBITDA basis.

The outperformance in the month was stock specific with gains seen across Codemasters (+18%), Sanderson Group (+17%), Greggs (+17%), Focusrite PLC (+16%) and Hill & Smith (+13%) with the respective companies issuing sets of strong results. We had very upbeat meetings with the management teams of Focusrite PLC and Sanderson Group and continue to believe there are significant opportunities for growth.

Focusrite PLC, the largest position in the Fund, saw full year EBITDA rise 18% with operating profit rising 26%. The company has a large cash pile building and we expect M&A in the new year to further expand their product offering.

We secured the gain across the modest sized holding in Corning Inc to facilitate increasing our investments in Bodycote, DiscoverIE PLC, RPS Group, Victoria PLC and Volution Group which had fallen back with the market.

Finally, we continue to invest in the Fund on a personal level and remain committed to the longterm investment strategy.

Performance data*

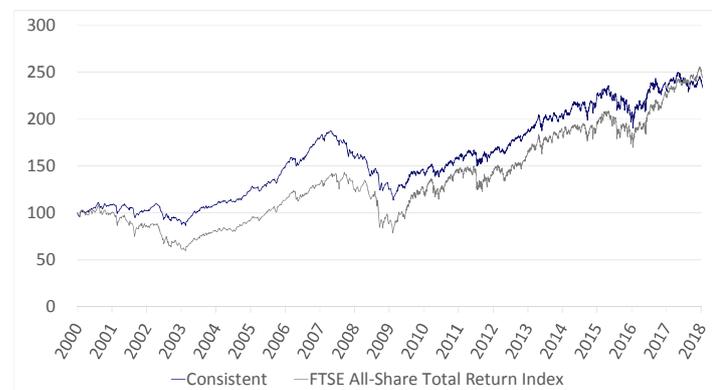
As at 30 November	3 Months	6 Months	1 Year	3 Years	5 Years
Income	-11.8%	-11.9%	-11.8%	-4.8%	3.3%
Accumulation	-11.8%	-11.9%	-11.8%	-4.9%	3.3%
FTSE All-Share TR	-6.1%	-7.7%	-1.5%	22.6%	29.2%

Annual**	2018	2017	2016	2015	2014
Income	-0.5%	4.1%	2.7%	5.6%	4.2%
Accumulation	-0.5%	4.2%	2.8%	5.6%	4.3%
FTSE All-Share TR	9.1%	14.9%	3.8%	5.4%	5.6%

*Source: Published prices.

**Annual performance as per published Report and Accounts 31 July.

Relative performance 31 January 2000 to 30 November 2018



The above graph shows the performance of Consistent Unit Trust Income Units with net income reinvested and the FTSE All-Share TR Index. The price of the units and index have been re-based to 100 as at 31 January 2000.

Market capitalisation exposure (%)

Market Capitalisation	%
£7.5bn +	6.0
£2.5bn to £7.5bn	3.6
£750m to £2.5bn	32.4
£250m to £750m	36.7
< £250m	20.8
Cash	0.5

Source: Bloomberg - Based on current market capitalisation

Top ten holdings

Rank	Company	% of Fund Size
1	Focusrite	3.56
2	Zotefoams	3.41
3	Anexo Group	3.14
4	Greggs	2.94
5	Clinigen Group	2.64
6	Macfarlane Group	2.62
7	Discoverie Group	2.50
8	RPC Group	2.50
9	Hill & Smith	2.47
10	Van Elle Holdings	2.47
Total		28.25

Source: all data sourced from Yealand Administration Limited at the reporting date, unless otherwise stated.

The above past performance data is no guide to future performance, the value of units and the income from them may fall as well as rise and is not guaranteed. Returns are shown net of annual management charge, other expenses and net income reinvested.

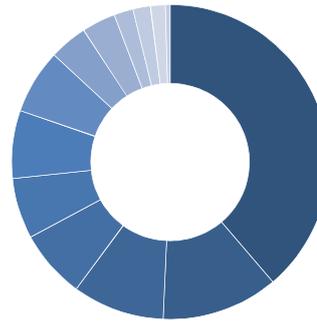
Reporting date: 30 November 2018

Key Information

Authorised Fund Manager	Consistent Unit Trust Management Company Limited	
Valuation point	30 November 2018	
Fund size	£9.4m	
No. of holdings	47	
<i>Unit class</i>	<i>Income</i>	<i>Accumulation</i>
Fund size split	£6.4m	£3.0m
Bid price	46.62p	121.6p
Offer price	47.59p	124.2p
Net yield	2.90%	2.90%
Ongoing charges*		
AFM	1.00%	1.00%
Other expenses	0.31%	0.31%
ISIN	GB0002164092	GB0002177581
Bloomberg ticker	CONUNTI LN	CONUNTA LN
KIID risk rating	5	5
Launch date	22 January 1988	
Legal status	UCITS	
Category	Unit Trust	
Domicile	United Kingdom	
Period end dates	Interim 31 January, Final 31 July	
Distribution dates	Interim 31 March, Final 30 September	
Minimum investment	£1,000	
Regular savings	£50	

*The OCF is the total expenses paid by the fund (excluding bank overdraft interest), annualised, against its average net asset value. The OCF will fluctuate as the average net assets and costs change. The OCF is updated following the publication of accounts for the periods ending 31 January and 31 July.

Sector classification of investments



How to buy units in the Fund

The Fund is available through a number of distributors including:

AJ Bell
Charles Stanley Direct
Cofunds
Fidelity Funds Network
Funds Direct
Hargreaves Lansdown
Novia Financial

Other investment information



Contacts

Authorised Fund Manager

Consistent Unit Trust Management Company Limited
Fair Lorna House
Buckingham Road
Singleborough
Milton Keynes MK17 0RB
Phone: 01296 711598
Website: www.consistentunittrust.co.uk

Administrators & Registrars

Yealand Administration Limited
Stuart House
St. John's Street
Peterborough PE1 5DD
Phone: 0345 850 8818
Fax: 01733 286870
E-mail: consistent@yealand.com

Risk Warning

The value of investments, and the income from them, may fall as well as rise, and is not guaranteed. Consequently an investor may not receive back the amount originally invested. Past performance is not a guide to future performance. Investments denominated in foreign currencies may be impacted by movements in the exchange rates and investments with fixed or floating interest rates by changes in prevailing rates or expectation of future rates.

Disclaimer and Authorisation

Whilst every effort has been made to ensure that the information contained in this document is correct, the directors of Consistent Unit Trust Management Company Limited can take no responsibility for any action taken (or not taken) as a result of the matters considered within it. These views are provided for information purposes only and should neither be construed as constituting investment advice nor be relied on in making an investment decision. The expressions, opinions and recommendations are based on our present understanding of requirements and the current products available in the market place. Any recommendations or illustrations contained herein may be subject to change without notice.

Further information regarding the Fund is available in the full Prospectus, Key Investor Information document and annual/interim report and accounts.

This document is issued and approved by Consistent Unit Trust Management Company Limited, which is authorised and regulated by the Financial Conduct Authority (FCA) a member of the Investment Association.