

Reporting date: 29 November 2019

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

Consistent Opportunities Unit Trust rose 6.1% in the month of November against a rise of 2.5% for the FTSE small cap index. The FTSE All Share delivered a total return of 2.2% so another strong outperformance in the month. The Fund has risen 20.1% in 2019 and remains invested in 45 companies across predominantly UK listed small / mid-capitalisation businesses with just under 4% of the Fund invested overseas. Over the last three months the fund has delivered strong returns and sits in the Top 50 Unit Trusts & OEIC's in the UK out of over 3600 Funds.

Turning back to the portfolio, the main detractors in the month were Victoria PLC and Portmeirion Group. Victoria announced resilient result H1 results but cited a volatile macro backdrop for their end markets. Total revenue was up 16% and net debt has reduced with exceptional items materially lower. We believe the shares remain undervalued on a 10x FY20 PE. Portmeirion Group, the manufacturer and worldwide distributor of high quality homewares under an array of brands, updated the market in the month and reported continued difficulties in South Korea. There is significant demand for the classic Botanic Garden range however this has resulted in other geographical markets re-shipping into South Korea which has resulted in overstocking in the South Korean market. The company have been quick to address these issues and with a very healthy balance sheet and strong levels of cash generation we believe the company remains well positioned in the longterm.

There were strong performances across Clipper Logistics, Bodycote, Superdry and Zotefoams. Clipper Logistics has been subject to early interest from Private equity and management to take the business private. Whilst no details on price have been outlined we believe a significant premium to the current share price would be required and we continue to monitor developments closely. Bodycote issued a set of strong results with the full year outlook unchanged and the shares have rallied strongly over the last few months.

We visited Superdry's flagship store on Regents street for a tour by founder Julian Dunkerton and came away upbeat. There is still much to do across the company but the new products we saw were of better quality and design and we believe the shares could rerate substantially in future years. Zotefoams management team updated us in the month and the shares have subsequently rallied sharply following the share price fall in October.

We secured the very healthy gain across the shares of Avon Rubber on valuation grounds whilst taking some profit across Electrocomponents, Essensys and DiscoverIE to facilitate top ups elsewhere across the portfolio. The investments in Clipper Logistics and Renalytix were added to at favourable prices whilst we started new positions in Codemasters, Euromoney Institutional Investors and Volex all of which we believe are materially undervalued following meetings with each company. Codemasters has been held in the Fund before and sold on valuation grounds for a strong profit. However the announcement of an very earnings accretive acquisition has led us to reinstate the position in this exciting gaming business.

Finally, we continue to invest in the Fund on a personal level and remain committed to the longterm investment strategy. The month of December is often a favourable one for markets, however this all boils down to an uncertain General Election on the 12th December. The market is pricing in a Conservative majority and GBP has been nudging higher to reflect this. Should the polls be correct then we would expect UK domestic and smaller companies to rally strongly, however we know how inaccurate the Polls in recent years have been and we continue to remain cautious. Notwithstanding we believe there are significant growth opportunities across the portfolio which continues to be invested in companies with strong management teams and resilient balance sheets.

Performance data*

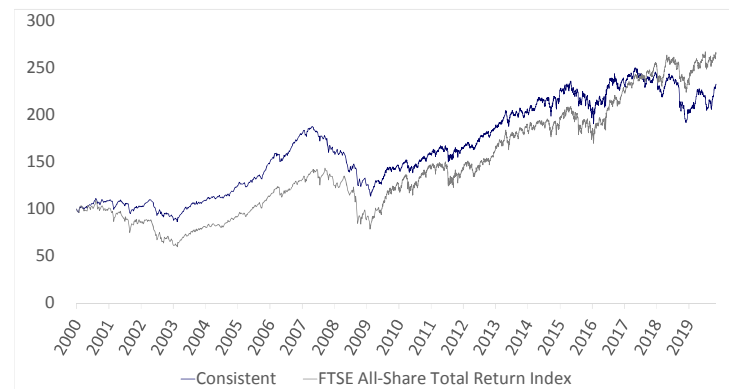
As at 29 November 2019	3 Months	6 Months	1 Year	3 Years	5 Years
Income	11.9%	4.1%	11.5%	1.2%	6.8%
Accumulation	11.9%	4.1%	11.4%	1.2%	6.7%
FTSE All-Share TR	3.8%	5.8%	11.0%	24.0%	37.0%

Annual**	2019	2018	2017	2016	2015
Income	-9.1%	-0.5%	4.1%	2.7%	5.6%
Accumulation	-9.1%	-0.5%	4.2%	2.8%	5.6%
FTSE All-Share TR	1.2%	9.1%	14.9%	3.8%	5.4%

*Source: Published prices.

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

Relative performance 31 January 2000 to 29 November 2019



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 (%)

	%
£2.5bn to £7.5bn	1.5
£750m to £2.5bn	26.3
£250m to £750m	32.8
< £250m	38.9
Cash	0.5

Based on current market capitalisation

Top ten holdings

	% of Fund Size
1 Clipper Logistics	4.67
2 Anexo Group	4.60
3 Augean	4.44
4 Discoverie Group	4.26
5 TT Electronics	3.47
6 Macfarlane Group	2.87
7 Synthomer	2.86
8 Clinigen Group	2.82
9 Bodycote	2.66
10 Hill & Smith	2.66
Total	35.31

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.

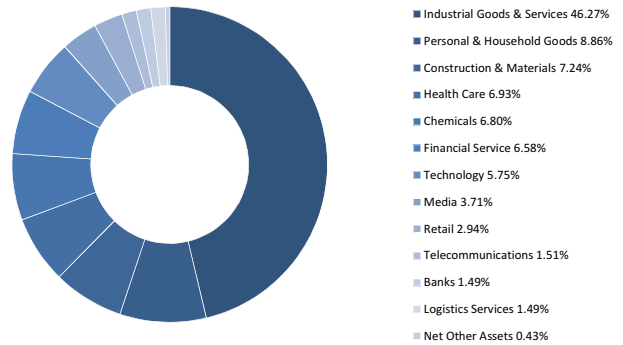
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Key Information

Authorised Fund Manager	Consistent Unit Trust Management Company Limited	
Valuation point	29 November 2019	
Fund size	£10.2m	
No. of holdings	45	
Unit class	<i>Income</i>	<i>Accumulation</i>
Fund size split	£6.9m	£3.3m
Bid price	51.09p	135.5p
Offer price	52.73p	139.9p
Net yield	2.59%	2.59%
Ongoing charges*		
AFM	1.00%	1.00%
Other expenses	0.28%	0.28%
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

Recommended minimum investment horizon:



Risk and reward profile



Contacts

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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.