

Reporting date: 31 December 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 8.3% in the month of December against a rise of 6.0% for the FTSE small cap index. The FTSE All Share delivered a total return of 3.5% so another strong outperformance in the month. The Fund delivered a total return of just under 30% in 2019 which is most pleasing and remains invested in 44 companies across predominantly UK listed small / mid-capitalisation businesses. Over the final Quarter of 2019 the fund delivered strong returns and sits in the Top 15 Unit Trusts & OEIC's in the UK out of over 3650 Funds.

Turning back to the portfolio, there were few negative performers in the month with the only disappointment the takeover price for Harwood Wealth Management by a Private equity backed vehicle. We have decided to sell in the market this rather illiquid stock as we still have no timetable on the completion of the takeover and see some interesting opportunities elsewhere in the market. The investment returned 25% in under 8 months and whilst we were somewhat disappointed with the takeover price at no premium the shares had been strong into the announcement. There were strong performances across a number of the UK small capitalisation companies after the Election result with significant rises across Van Elle (+34%), Renalytix (+28%), Augean (+25%), Volution (+25%), Portmeirion (+20%) and Balfour Beatty (+20%).

We secured the modest gain across the shares of Balfour Beatty, the relatively low margin construction business after the shares rose by a fifth in December. We see far more compelling potential returns in Strix Group after a positive meeting with management. Strix Group Plc is a company engaged in designing, manufacturing and the supply of kettle safety controls and other components and devices involving water heating and temperature control, steam management and water filtration. The Company's core products are kettle safety controls, which are responsible for disconnecting the power to the heating element whenever the water has boiled. The company has a versatile balance sheet, a strong management team and with the shares standing on an undemanding valuation, offering a yield in excess of 3.75% we believe they are very well positioned going into 2020, particularly within the Water Filtration market. We also increased our investments in Alumasc Group, Van Elle and Medica Group which we believe should continue to recover going into the New Year.

Finally, we continue to invest significantly in the Fund on a personal level and remain committed to the longterm investment strategy. It is our aim to deliver returns ahead of the UK market and are enthused for the potential opportunities for each company in the Fund going into 2020 with valuations across the portfolio continuing to look very attractive.

## Performance data\*

As at 31 December 2019	3 Months	6 Months	1 Year	3 Years	5 Years
Income	17.9%	13.2%	29.5%	6.6%	16.8%
Accumulation	17.9%	13.2%	29.5%	6.5%	16.7%
FTSE All-Share TR	4.1%	5.4%	19.1%	22.0%	43.8%

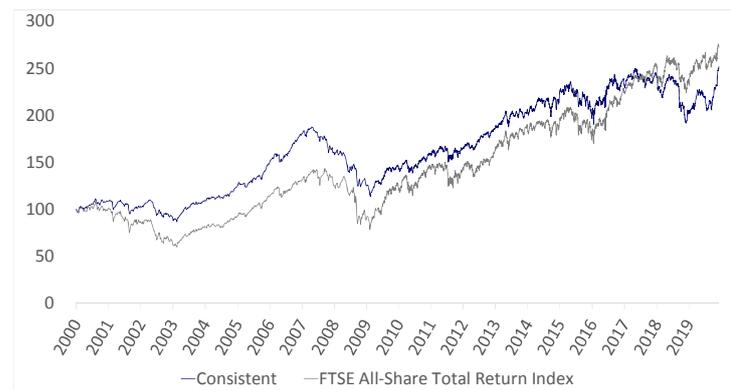
  

Annual**	2019	2018	2017	2016	2015
Income	-9.1%	-0.5%	4.1%	2.7%	5.6%
Accumulation	-9.1%	-0.5%	4.2%	2.8%	5.6%
FTSE All-Share TR	1.2%	9.1%	14.9%	3.8%	5.4%

\*Source: Published prices.

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

## Relative performance 31 January 2000 to 31 December 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.

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.

## Market capitalisation exposure (%)

	%
£2.5bn to £7.5bn	1.3
£750m to £2.5bn	24.0
£250m to £750m	34.6
< £250m	37.6
Cash	2.5

Based on current market capitalisation

## Top ten holdings

	% of Fund Size
1 Augean	5.09
2 Anexo Group	4.26
3 Clipper Logistics	4.20
4 Discoverie Group	4.13
5 TT Electronics	3.55
6 Synthomer	3.06
7 Macfarlane Group	2.91
8 Clinigen Group	2.76
9 Bodycote	2.67
10 Hill & Smith	2.67
<b>Total</b>	<b>35.30</b>

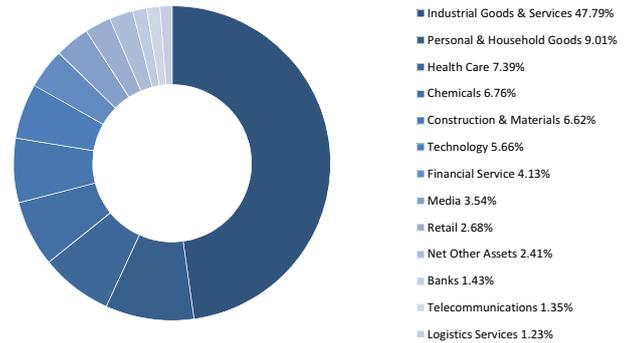
Reporting date: 31 December 2019

## Key Information

Authorised Fund Manager	Consistent Unit Trust Management Company Limited	
Valuation point	31 December 2019	
Fund size	£11.1m	
No. of holdings	44	
Unit class	<i>Income</i>	<i>Accumulation</i>
Fund size split	£7.4m	£3.7m
Bid price	55.31p	146.7p
Offer price	56.58p	150.2p
Net yield	2.43%	2.43%
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



## 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](http://www.consistentunittrust.co.uk)  
E-mail: [nick.pritchard@consistentunittrust.co.uk](mailto:nick.pritchard@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](mailto: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.