

Reporting date: 31 July 2020

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 0.7% in the month of July against a 2.2% fall in the FTSE Small Cap (exc-Inv Trusts) Index. The FTSE All Share delivered a negative total return of -3.6% and the UK markets continue to lag European and US markets. UK assets remain hugely under allocated by global money managers. The below graph outlines the significant valuation discount of the UK equity markets relative to the MSCI world. We believe this could prove to be an extremely attractive opportunity with UK markets trading at their largest discount in the last 40 years.



Across the portfolio, the negative returns were seen across Ricardo, Superdry, Kin & Carta and Centaur Media, all of which are operating in difficult sectors but we believe their valuations can recover from suppressed levels. There were strong performances from DWF (+29%), Macfarlane (+24%), DiscoverIE (+16%), Clipper Logistics (+13%) and Focusrite (+13%) on the back of very resilient results announcement across the board.

We made a full sale of our investment in Access Intelligence on valuation grounds with the share performing well throughout the pandemic. We saw a better growth opportunity for the capital across a niche turnaround story in Circassia Group, a specialty biopharmaceutical company focused on allergy and respiratory diseases. The Company is primarily focused on offering its commercialized asthma management products directly to specialist physicians in various markets. The Company's NIOX products are used to improve asthma and offers a portfolio of asthma and chronic obstructive pulmonary disease product candidates. We had a call with the new management team earlier this month and the team set out what they were trying to achieve in turning around the business into a medical device group. We believe the company can be a profitable, high margin business following this restructuring with a significant market opportunity globally. We also made some small reductions across Clipper Logistics, Focusrite and Renalytix, selling into very strong share prices. The proceeds were redeployed across Alumasc Group and Macfarlane Group which we believe remain materially undervalued.

Finally, we continue to invest in the Fund on a personal level and remain committed to the longterm investment strategy of investing in undervalued small / mid capitalisation companies.

Performance data*

As at 31 July 2020	3 Months	6 Months	1 Year	3 Years	5 Years
Income	7.2%	-20.5%	-10.9%	-19.0%	-12.7%
Accumulation	7.2%	-20.5%	-10.9%	-19.1%	-12.8%
FTSE All-Share TR	1.2%	-17.8%	-17.7%	-9.0%	8.4%

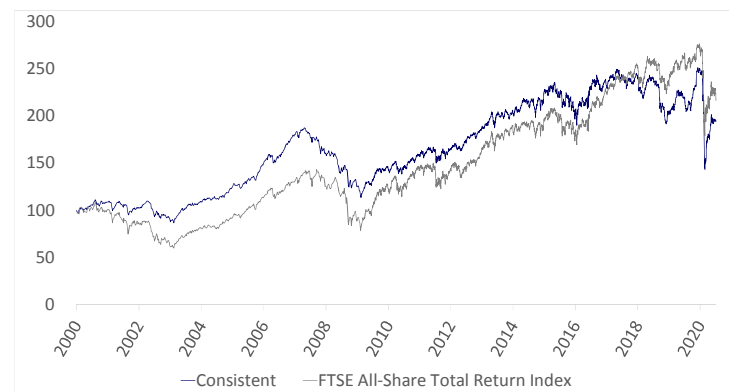
*Source: Published prices.

Market capitalisation exposure (%)

	%
£750m to £2.5bn	17.5
£250m to £750m	33.9
< £250m	49.0
Cash	-0.4

Based on current market capitalisation

Relative performance 31 January 2000 to 31 July 2020



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.

Top ten holdings

	% of Fund Size
1 Augean	4.75
2 Anexo Group	4.69
3 Discoverie Group	4.66
4 Clipper Logistics	3.90
5 Synthomer	3.85
6 Strix Group	3.83
7 Macfarlane Group	3.76
8 Codemasters Group	3.68
9 FRP Advisory	3.63
10 TT Electronics	3.26
Total	40.01

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.

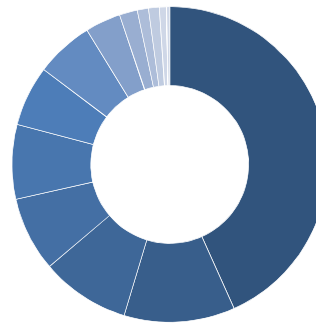
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Key Information

Authorised Fund Manager	Consistent Unit Trust Management Company Limited	
Valuation point	31 July 2020	
Fund size	£8.3m	
No. of holdings	40	
Unit class	<i>Income</i>	<i>Accumulation</i>
Fund size split	£5.5m	£2.8m
Bid price	42.55p	113.4p
Offer price	44.1p	117.6p
Net yield	1.35%	1.35%
Ongoing charges*		
AFM	1.00%	1.00%
Other expenses	0.22%	0.22%
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
E-mail: 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

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.