

## Consistent Opportunities Unit Trust Factsheet

Reporting date: 31 May 2023

### 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 fell 3.0% in the month of May against a return in the FTSE All Share Index of -4.6% with the FTSE250 fairs slightly better than the main index. We continue to wait for meaningful evidence of inflation cooling and subsequently putting a lid on interest rate hikes but the market now envisages UK interest rates to peak at near 6%. Patience is keen to investing and whilst we wait we are being rewarded with growing dividends across the portfolio along with healthy premiums when takeovers arise. In the book 'The Psychology of Money' by Morgan Housel, the author likens investing to piloting a plane and quotes Alan Diehl, a former US pilot and Government whistleblower; 'Hours and hours of boredom punctuated by moments of sheer terror!' It has certainly felt like that over the last 5 years and we must stay invested and wait for more conducive conditions for risk assets.

Across the portfolio, Synthomer and Kin & Carta continue to remain out of favour with investors. Debt is stubbornly high at Synthomer following the badly timed Eastman Adhesives acquisition for \$1bn. The company is continuing to look for further non-core disposals following the laminates sale for over \$260m. The Nitrile glut globally following the Covid boom in surgical gloves remains, however one positive is the shelf life of the gloves which is around 3 years so the vast overhang will reduce overtime. A rights issue remains a concern but would reset the balance sheet going into a new cycle. Kin & Carta issued an update with cautious guidance led by delays to new contracts. Whilst it is difficult conditions for the company and peers, they continue to win some large multi-year public sector contracts.

There were strong returns across Warpaint London (+14%), Renishaw (+11%) and Hill & Smith (+9%). Warpaint London issued a very pleasing update with FY sales rising by 28% and operating profit of £8m. Hill & Smith continued to rise on an upbeat FY profit outlook. Alan Giddins has assumed the role of executive chair for at least a year while the company remains committed to finding a permanent CEO with an internal appointment looking more likely now. The infrastructure trends in the US continue to be a significant tailwind whilst the UK business remains resilient. The shares are up over 20% this year and we continue to remain optimistic on the groups prospects.

It was a very quiet month across the fund, with a small reduction into strength at 275p in Warpaint London and the proceeds reinvested into Xaar PLC which we continue to believe remains mispriced at current levels.

Finally, I continue to invest each month in the Fund and thank you for your continued longterm support.

### Performance data\*

As at 31 May 2023	1 Month	3 Months	6 Months	1 Year	3 Year	5 Year
Income	-3.0%	-8.1%	-5.6%	-9.1%	42.5%	14.5%
Accumulation	-3.0%	-8.1%	-5.6%	-9.1%	42.5%	14.5%
FTSE All-Share TR	-4.6%	-4.2%	0.2%	0.4%	33.9%	15.2%

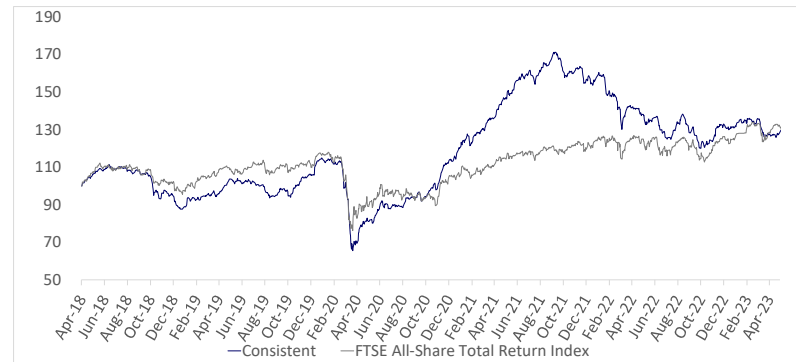
\*Source: Published prices.

### Market capitalisation exposure (%)

	%
£2.5bn to £7.5bn	3.0
£750m to £2.5bn	13.6
£250m to £750m	23.2
< £250m	59.4
Cash	0.8

Based on current market capitalisation

### Relative performance 1 April 2018 to 31 May 2023



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 1 April 2018.

### Top ten holdings

	% of Fund Size
1 Medica Group	4.04
2 Wilmington	3.38
3 Kitwave Group	3.35
4 Alumasc Group	3.32
5 Hill & Smith	3.26
6 Boku	3.16
7 DX Group	3.10
8 Ricardo	3.05
9 Renishaw	2.98
10 TP ICAP Group	2.90
<b>Total</b>	<b>32.54</b>

Source: all data sourced from Yeland Fund Services 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.

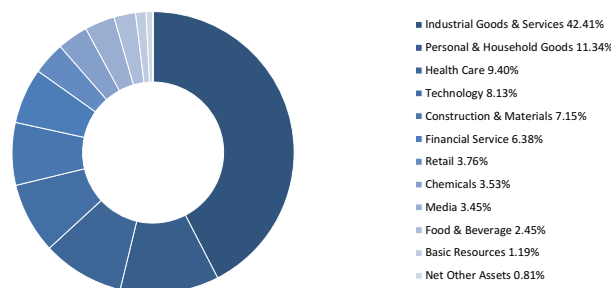
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## Key Information

Authorised Fund Manager	Nick Pritchard Consistent Unit Trust Management Company Limited	
Valuation point	31 May 2023	
Fund size	£13.9m	
No. of holdings	55	
Unit class	<i>Income</i>	<i>Accumulation</i>
Fund size split	£7.2m	£6.7m
Mid price	58.15p	158p
Net yield	2.90%	2.90%
Ongoing charges*		
AFM	1.00%	1.00%
Other expenses	0.20%	0.20%
ISIN	GB0002164092	GB0002177581
Bloomberg ticker	CONUNTI LN	CONUNTA LN
KIID risk rating	6	6
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

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### Administrators & Registrars

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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.