

# JOHCM UK Growth Fund

## Fund overview

- The Fund aims to generate long-term capital growth in excess of the FTSE All-Share Total Return Index through active management
- Fund managers Mark Costar and Vishal Bhatia seek to identify mispriced or undiscovered growth stocks with a perceived high margin of safety but significant upside potential
- A stock-picking fund that invests across the market cap range, albeit with a historic bias towards small-cap stocks
- SFDR classification: Article 8. Please click [here](#) for further details
- Benchmark: FTSE All-Share Total Return Index)
- The use of the Index does not limit the investment decisions of the fund manager therefore the shareholdings of the Fund may differ significantly from those of the Index
- Please refer to the Prospectus/KID for further information

Share class: X EUR Non-Dist  
ISIN: IE00BLLV8825

## Fund details

<b>Fund size</b>	EUR 233.83m
<b>Strategy size</b>	EUR 245.52m
<b>Launch date</b>	6 November 2001
<b>Benchmark</b>	FTSE All-Share TR (12pm adjusted)
<b>No. of holdings</b>	55
<b>Domicile</b>	Ireland
<b>Fund structure</b>	UCITS
<b>Tax status</b>	UK reporting status
<b>Denominations</b>	GBP
<b>Valuation point</b>	12pm Dublin time
<b>SFDR</b>	Article 8

Total strategy assets updated quarterly and shown as at 30 June 2024.

## Fund managers



**Mark Costar**  
Senior Fund Manager

Mark has managed the Fund since launch. He joined JOHCM in 2001 and has 32 years of industry experience.

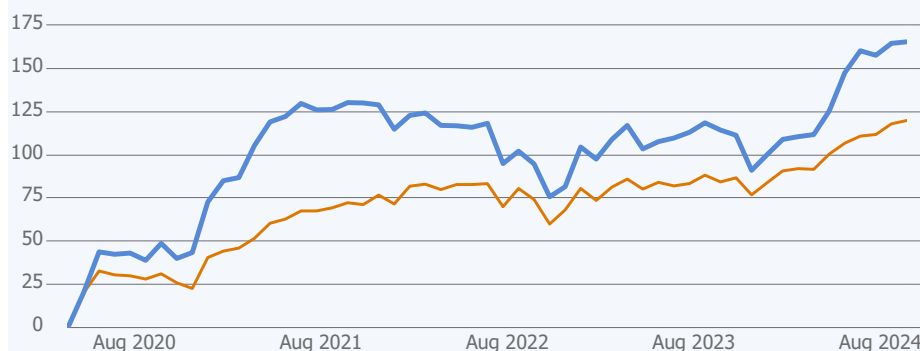


**Vishal Bhatia**  
Senior Fund Manager

Co-manager Vishal joined JOHCM in 2007 and has managed the Fund alongside Mark since 2011. He has 20 years of industry experience.

## Performance highlights

### Return since launch (%)



## Return history

	1m	3m	1yr	3yr	5yr	10yr	SL	Annualised*
X EUR Non-Dist	0.34	2.00	23.86	15.30	-	-	165.30	24.50
Benchmark	0.90	4.30	19.31	27.69	-	-	119.77	19.35

## Discrete 12 month performance to end of August

	08.24	08.23	08.22	08.21	08.20	08.19	08.18	08.17	08.16	08.15
X EUR Non-Dist	23.86	10.07	-15.43	54.85	-	-	-	-	-	-

### Past performance is no guarantee of future performance.

The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested. For further information on risks please refer to the Fund's KID and/or the Prospectus. The Fund's investment include shares in small-cap companies and these tend to be traded less frequently and in lower volumes than larger companies making them potentially less liquid and more volatile.

NAV of Share Class X in EUR, net income reinvested, net of fees. The X EUR Non-Distributing Class Class was launched on 19 March 2020. Performance of other share classes may vary and is available on request.

\*Annualised since launch.

## Contact details

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## Portfolio analysis (%)

Data as at 31 August 2024

### Active positions

Top 10	Relative
Funding Circle Holdings	3.7
Kooth	3.5
BT	2.9
Standard Chartered	2.9
NCC Group	2.8
Associated British Foods	2.8
Rank	2.7
PureTech Health	2.6
Science in Sport	2.3
BP	2.3
Bottom 10	Relative
AstraZeneca	-3.1
Unilever	-3.1
HSBC	-3.0
Shell	-2.8
GSK	-2.7
RELX	-2.7
British American Tobacco	-2.3
Diageo	-2.2
Rio Tinto	-2.1
London Stock Exchange	-2.1

### Sector breakdown

	Absolute	Relative
Technology	20.5	19.2
Telecommunications	4.4	3.2
Industrials	14.1	2.0
Energy	10.4	0.2
Financials	23.9	-0.6
Real Estate	0.0	-2.6
Basic Materials	3.1	-3.2
Utilities	0.0	-3.8
Health Care	8.2	-4.5
Consumer Discretionary	6.0	-4.8
Consumer Staples	8.7	-5.7
Cash	0.7	0.7

### Market cap breakdown

	Absolute
FTSE 100	44.5
FTSE 250	17.6
FTSE Small	37.1
Cash	0.7

FTSE Small = FTSE Small Cap, FTSE Fledgling and FTSE AIM

## Attribution & contribution (%)

### Stock attribution

Top contributors	Relative return
Just Retirement	0.36
Science in Sport	0.19
Rolls-Royce	0.19
Shell	0.15
HSBC	0.14
Top detractors	
accesso	-0.38
Ebiquity	-0.36
Aquis Exchange	-0.30
Funding Circle Holdings	-0.25
GSK	-0.25

### Sector attribution\*

	Relative return
Financials	0.23
Industrials	0.15
Basic Materials	0.14
Energy	0.07
Telecommunications	0.05
Real Estate	0.02
Utilities	0.01
Consumer Discretionary	-0.13
Consumer Staples	-0.16
Technology	-0.51
Health Care	-0.73

\*Excludes cash

Please note that due to rounding breakdowns may not add to 100.00%. All Attribution figures are as at end of day and are calculated on a gross basis.



## Fund manager's commentary

- August's market volatility, driven by a Nasdaq mini plunge and midcap weakness, highlighted fears of a US-led global slowdown, while AI investments surged without clear commercial traction, creating mispriced opportunities, especially in the UK
- Market mix effects were modestly negative, with notable underweight in healthcare. Stocks like Accesso and Aquis faced transitory setbacks, while Ebiqity's strategic concerns prompted engagement with the company for future management
- Science in Sport, NCC, and Rank Group delivered strong numbers, showcasing market leadership and impressive execution. These materially mispriced stocks present significant equity appreciation potential, leading to substantial portfolio positions

Back in the mists of time, August was a month for reflection and relaxation, a process very much aided by genteel and suitably accommodating markets. Those days have long gone. Each passing year seems to bring an increasing velocity of news flow, volatility and a frenzied rush to release results before the sunbeds get packed away for the season. It doesn't necessarily make for a more efficient market; indeed, evidence abounds of snap judgements on light volumes, but it is the practical reality, and in a hyper-connected world, it is going to stay that way. This time around, a Nasdaq mini plunge caught the eye, allied to persistent weakness in midcap & cyclical names at the expense of staples and defensives; the resurgence of the latter reflected increasing fears of a US led global slowdown. Meanwhile, AI didn't have a holiday either, with eye-watering capex cheques continuing to displace other budgets, a spend that is paradoxically leading to a soaring trajectory of breakthroughs but precious little evidence of commercial traction. Nvidia's results left the market none the wiser, leaving the debate to rumble on and sucking most of the air out of the room as it does so. Such a distortion to global allocations has its distractions, but a pleasing side effect is the plethora of mispriced opportunities it leaves elsewhere, and they are no more pronounced than in the UK.

Market mix effects, as described above, were modestly negative, with the underweight in healthcare probably being the most notable. There were three specific stock distractors: Accesso, Aquis and Ebiqity. Although undeniably irritating, we would reasonably describe the first two of these as relatively small setbacks and largely transitory. Both have clear market leadership positions in their respective niches, a strong net cash position and a broad array of exciting medium-term growth optionality. In the fullness of time, we fully expect to make a strong return from both and continue to hold our positions. Indeed, we have added where appropriate. Ebiqity, on the other hand, was a bit more concerning and we are engaging with the company on the path forward. It is not a big position, but strategically, we have to accept our thesis here has been somewhat impaired and ensure that we manage this accordingly going forward.

Elsewhere, though, there were some very strong positives. The long-standing holding Just Group was particularly pleasing, and it produced barnstorming results that were substantially ahead of market forecasts. The release was characterised by strong progress across each of its key growth verticals, harvesting the benefits of its sustained investment in data and technology. Management has done an excellent job here, and the share price has started to respond accordingly. We have made some profit, but prospects continue to look very strong. Rolls Royce was another one to trounce estimates, with the cashflow particularly impressive and growth opportunities around datacentres in power systems and small module nuclear reactors (SMRs) coming increasingly into view. Others in the portfolio with strong numbers were Science in Sport, NCC and Rank Group. All three are yet more market leaders, executing impressively on their respective opportunities and looking increasingly (and very materially) mispriced; we have significant positions in each of these and see exciting scope for substantial equity appreciation.

Performance over 1 month	%
Fund - X EUR Non-Dist	0.34
Benchmark	0.90

## Statistics

	Annualised since launch
Active share* (%)	75.78
Fund volatility (%)	19.43
Benchmark volatility (%)	19.87
Alpha	9.04
R squared	0.61
Correlation	0.78
Tracking error (%)	13.25
Information ratio	0.39
Sharpe ratio	1.15

Data calculated weekly.

\*The proportion of stock holdings in a fund's composition is different from the composition found in its benchmark. The greater the difference between the composition of the fund and its benchmark, the greater the active share.

## Fund awards & ratings



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## Country registration

X EUR Non-Dist	
Austria	✓
Belgium	✓
Denmark	✓
Finland	✓
France	✓
Germany	✓
Ireland	✓
Italy	✓
Jersey	✓
Luxembourg	✓
Netherlands	✓
Norway	✓
Singapore	✓
Spain	✓
Sweden	✓
Switzerland	✓
UK	✓

### Swiss representative and paying agent

Copies of the fund's current prospectus, key investor information document (KID) and financial statements can be obtained free of charge from the Swiss Representative, 1741 Fund Solutions Ltd., Burggraben 16, 9000 St. Gallen, Switzerland.

## Share class details (Further details on additional share classes are available on request)

	ISIN	SEDOL	Bloomberg	WKN	Initial charge	Annual charge	Ongoing charge	Minimum investment*
X EUR Non-Dist	IE00BLLV8825	BLLV882	JOUKGXG ID	A2P1YM	Up to 5%	0.60%	0.68%	£100,000,000

Ongoing Charge is as at 30 August 2024. \*Other currency equivalents apply.

## Important information

### Professional investors only.

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This is a marketing communication. Please refer to the fund prospectus and to the KIID / KID before making any final investment decisions.

These documents are available in English at [www.johcm.com](http://www.johcm.com), and available from JOHCM, or (for UK investors) JOHCM, at the addresses set out above.

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The investment promoted concerns the acquisition of shares in a fund and not the underlying assets.

Past performance is no guarantee of future performance. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations and you may not get back the amount originally invested.

Investments may include shares in small cap companies and these tend to be traded less frequently and in lower volumes than larger companies making them potentially less liquid and more volatile.

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