

Castlefield B.E.S.T Sustainable Portfolio Fund

Factsheet - September 2019



Fund Information



Sector:	IA Mixed Investment 40-85
Number of Holdings:	25-35
Historic Yield:	2.29%*

Fund Manager:	Fund Size:
Simon Holman	£25.31m
Launch Date:	
1st February 2018	
ACD:	
Castlefield Fund Partners Limited	
Platform Availability:	
AJ Bell, Aviva, Elevate, FNZ, Novia, Hargreaves Lansdown	

Share Class Information

Share Class	General
Min. Investment	£500
Initial Charge	0%
Investment Adviser Fee	0.50%
Ongoing Charge	1.53%
Payment Dates	Quarterly
ISA Eligible	Yes
ISIN	GB00BYXG3H04

Source: Financial Express, as at 31/08/2019

Past performance is not a guide to future performance.
Investment in the fund carries the risk of potential loss of capital.

Fund Objective and Strategy

The Fund aims to achieve growth in capital and income over the long term. Long term means over a minimum investment horizon of five years.

The Fund will invest mainly in collective investment schemes with exposure to both UK and non-UK equities and fixed income securities. The Fund may also invest in transferable securities (both quoted and unquoted), money market instruments, deposits, warrants, cash and near cash.

In seeking to achieve the stated investment objective, the Investment Adviser uses a responsible investment research process to identify the universe of securities from which the Fund may invest. The four criteria that need to be evidenced by each investment are reflected in the name of the Fund where "B.E.S.T" indicates Business & financial, Environmental & ecological, Social and Transparency & governance, however equal weighting may not be given to each element of these criteria when screening potential investments. The Investment Adviser then supplements this research process by selecting only those investments which, by their nature, are considered to be sustainable in order to meet the investment objective. Sustainable activities are considered to be those necessary to ensure the long term continuity of an activity, system, society or enterprise. Further information on the "B.E.S.T" criteria and the sustainability element may be obtained from the Investment Adviser upon request.

The Fund may invest in shares or units of collective investment schemes which are managed or operated by the ACD or an associate of the ACD. When investing in collective investment schemes, some of the underlying investments of that collective investment scheme may not meet all four elements of the "B.E.S.T." criteria.

The Fund may also use derivatives and forward transactions for investment purposes or efficient portfolio management (including hedging). The use of derivatives for these purposes is expected to be limited however it may affect the volatility or risk profile of the Fund although this is not the ACD's intention.



■ A - Castlefield B.E.S.T Sustainable Portfolio Gen TR in GB [6.70%]
■ B - IA Mixed Investment 40-85% Shares TR in GB [5.55%]

01/02/2018 - 31/08/2019 Data From FE 2019

Cumulative Performance (%)

	1 Mth	3 Mths	6 Mths	1 Yr	Since Launch
Portfolio Fund	-1.05	3.19	6.88	1.04	6.70
Sector	-1.85	4.02	7.02	2.85	5.55
Quartile	1	3	2	3	2

Discrete Performance (%)

	2019 YTD	2018	2017	2016	2015
Portfolio Fund	11.71	-	-	-	-
Sector	12.10	-	-	-	-
Quartile	3	-	-	-	-

Discrete Year to Quarter End Performance (%)

	Q2 2018	Q2 2017	Q2 2016	Q2 2015	Q2 2014
	Q2 2019	Q2 2018	Q2 2017	Q2 2016	Q2 2015
Portfolio Fund	2.04	-	-	-	-

Fund Commentary

The Castlefield B.E.S.T Sustainable Portfolio Fund returned -1.05% in August, versus -1.85% for its peers in the Investment Association's 40-85% sector.

August proved to be a volatile month for financial markets with global equities declining and bonds continuing to rally. The month began with President Trump surprising the market by announcing an intention to impose a 10% tariff on the remaining \$300bn of Chinese imports that are not yet subject to tariffs. This led to China announcing three weeks later that it would also increase tariffs on approximately \$75bn of US imports. US economic data also showed signs of weakness with the flash manufacturing purchasing managers index (PMI) giving its lowest reading since September 2009.

Economic data was weak in Europe, with Germany on the verge of a recession after its economy contracted by 0.1% in the second quarter. This economic slowdown had fuelled stimulus hopes and the European Central Bank (ECB) is expected to unveil new measures in September. In the UK, Boris Johnson has been unable to solve the Brexit impasse. Amidst growing uncertainty, sterling continued its slide and Gilts rallied.

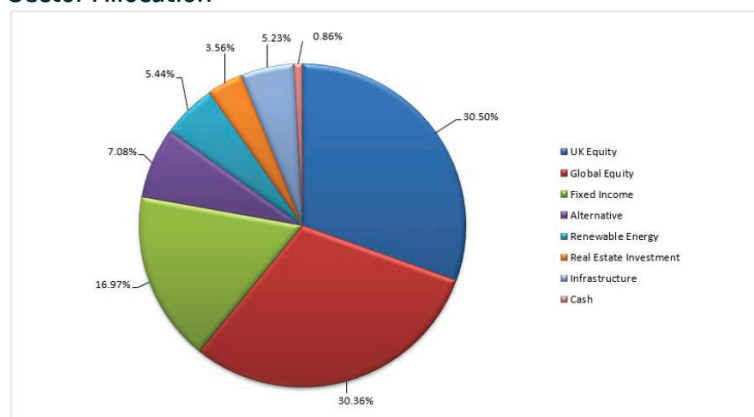
Greencoat Renewables, the euro-denominated renewable infrastructure fund, was the top contributor to performance (+8.7%) despite no news flow. The weakening of sterling against the euro and the continued compression in bond yields may help to explain the move as investors hunt for yield. The shares closed the month at a 13% premium to its last reported NAV announced at the end of July.

Triple Point Social Housing (+6.6%) was the second largest contributor to performance. This was pleasing to see given that Triple Point has been one of the biggest detractors to performance in recent months. We have previously highlighted our belief that negative sentiment towards this specialist investment trust is overdone and continue to believe in the investment case.

The biggest detractor to performance was WHEB Sustainability Fund. Having been the top contributor to performance in July, the Fund suffered during August's volatility.

During the month a new position was initiated in The Renewables Infrastructure Group (TRIG). TRIG has over 1.5GW of net generating capacity across the UK, France, Ireland, Germany and Sweden. There are 71 investments in TRIG's portfolio, comprised of 42 wind projects, 28 solar projects, and one battery storage project. We were attracted to TRIG by the diversification of its portfolio across technologies, regulatory markets and geographies. This helps to further increase the diversity of the infrastructure exposure in the Fund.

Sector Allocation



Top Ten Holdings

1.	Castlefield B.E.S.T Sustainable Income Fund	17.36%
2.	First State Stewart Investments Worldwide Fund	9.24%
3.	Castlefield B.E.S.T Sustainable UK Smaller Co.	7.45%
4.	Castlefield B.E.S.T Sustainable European Fund	7.03%
5.	FP Wheb Asset Management Sustainability Fund	6.74%
6.	Rathbone Ethical Bond Fund	6.06%
7.	Castlefield Real Return Fund	5.46%
8.	Sarasin Responsible Global Equity Fund	4.90%
9.	Royal London Ethical Bond	4.03%
10.	Edentree Amity Sterling Bond Fund	3.75%

Fund Manager

Simon Holman, Partner, MA Hons, MSc, CFA

Simon Holman is a graduate of Spanish from Edinburgh University and has also completed a Post-graduate Masters qualification in Investment Analysis at Stirling University. He spent several years as an equity analyst and then fund manager at Aegon Asset Management (now known as Kames Capital) before returning home to Cheshire to join Castlefield. Simon combines an investment role (that includes being the lead manager of the Castlefield B.E.S.T Sustainable Portfolio Fund and co-manager of the Castlefield Real Return Fund) with analysing developments in the ethical investment world. Simon is also a charter holder (Chartered Financial Analyst) of the CFA Institute and has over 10 years industry experience.

Important Information

This document provides information about the Castlefield B.E.S.T Sustainable Portfolio Fund. Castlefield Fund Partners Limited (CFP) is the Authorised Corporate Director (ACD) of the Fund and Castlefield Investment Partners LLP (CIP) is the appointed Investment Adviser. Both CFP and CIP are authorised and regulated by the Financial Conduct Authority. This document does not constitute or form part of, and should not be construed as, an initiation to buy or sell units and neither this document nor anything contained or referred to in it shall form the basis of, or be relied on in connection with, any offer or commitment whatsoever. The value of units and the income generated from them can fall as well as rise and are not guaranteed; investors may not get back the amount originally subscribed. Equity investments should always be considered as long term. Investors should not purchase the Fund referred to in this document except on the basis of information contained in the Fund's prospectus. We recommend that investors who are not professional investors should contact their professional adviser. The Fund's Prospectus and Key Investor Information Document (KIID) are available from www.castlefield.com or direct from Castlefield.

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