


Castlefield B.E.S.T UK Opportunities Fund

Factsheet - September 2019

Fund Information

	Fund Manager:
	Mark Elliott
Historic Yield:	Sector:
3.05%*	IA UK All Companies
Fund Size	Number of Holdings:
£27.74m	35-40
ACD:	
Castlefield Fund Partners Limited	
Launch Date:	
1st June 2007	
Platform Availability	
Aegon, AJ Bell, Aviva, Elevate, Fidelity, FNZ, Hargreaves Lansdown, James Hay, Novia, Old Mutual, Zurich	
Active Share Calculation**	84.56%

**Active Share calculation measures how much the portfolio holdings differ to the benchmark. i.e. A portfolio identical to benchmark would have a 0% active share. Source : FactSet

Share Class Information

Share Class	General
Min. Investment	£500
Initial Charge	0%
Investment Adviser Fee	0.75%
Ongoing Charge	1.12%
Payment Dates	Quarterly
ISA Eligible	Yes
ISIN	GB00B8J7Y492
CITI CODE	G74X
Bloomberg	CONBRU0:LN

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.

*Historic Yield reflects the historic dividend income paid from the fund in the preceding 12 months as at 31/08/2019.

Fund Objective and Strategy

The investment objective of the Fund is to invest primarily for long term capital growth from a portfolio of investments which is superior to the median performance of all of the funds forming the official peer group of which the Fund is a part. 'Peer group' is defined as being the Investment Association sector to which the Fund has been allocated (currently being the UK All Companies Sector) or to which it may be allocated in future, as determined by that body. The ACD's investment policy is actively to invest in those companies, primarily within the UK, where the Investment Adviser believes there are above average opportunities for growth. Long term means over a minimum investment horizon of five years.

B	Business & financial	S	Social
E	Environmental & ecological	T	Transparency & governance

The investment adviser uses a responsible investment process to identify securities in 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.

*Further information on the 'B.E.S.T' criteria may be obtained from the Investment Adviser upon request.



Cumulative Performance (%)

	1 Mth	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs
UK Opps	-2.70	-0.30	2.94	-3.17	15.72	29.20
Sector	-3.30	0.79	3.89	-3.20	17.32	29.65
Quartile	2	3	3	3	3	3

Discrete Performance (%)

	2019 YTD	2018	2017	2016	2015
UK Opps	6.95	-0.80	9.79	3.82	7.44
Sector	11.17	-11.19	13.99	10.82	4.86
Quartile	4	1	4	4	2

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
UK Opps	1.43	10.44	12.78	-2.70	6.84

Holdings within other share classes of the Fund previously active were converted to the 'General Income Class' reflected within the document as of 1st July 2019.

Fund Commentary

The Castlefield B.E.S.T UK Opportunities Fund outperformed the sector during the month of August, returning -2.70% against -3.28 for the UK All Companies sector.

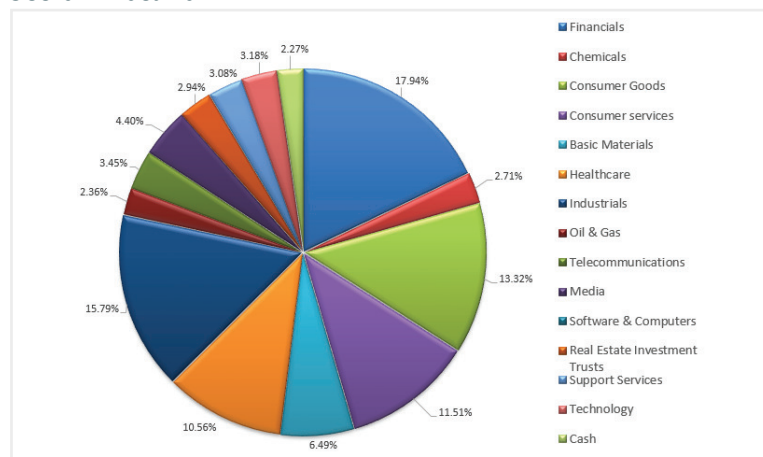
It was a difficult period for UK equities more broadly, and they were down by -3.6% by the end of the month. The first day of the month saw US President Donald Trump announce a fresh round of tariffs which impacted markets globally. The UK could not escape continued political turmoil and we anticipate much more to come. Boris Johnson's controversial decision to request a suspension of parliament for five weeks saw the likelihood of a no-deal Brexit increase and fierce backlash from politicians and the public. Having recovered slightly at the beginning of the month, sterling fell 1% on the day and shares in UK companies exposed to Brexit risk pulled markets lower, led by housebuilders.

Positive contribution came from exposure to the healthcare industry within the portfolio by way of Smith & Nephew and Hikma Pharmaceuticals. Smith & Nephew was the fund's top contributor to returns last month following strong results and the positive momentum continued into August with shares up over 5%. Hikma Pharmaceuticals had a strong month with shares up over 9% following positive half-year results that saw management upgrading full-year expectations. The company has launch over 37 new products during the period and positively surprised analysts with the performance of its generics division.

Further positive contribution came from recent fund entrant, Avast, which was up 13% after positive half-year results. Avast is one of the largest global cyber security companies, with over 400 million users and 30 offices worldwide, offering best in class security products. The results saw revenue beating analysts' expectations and led to the company upping its guidance for the full year from high single-digit to low double-digit growth. The company's continued ability to convert 'freemium' members into paying subscribers combined with customer retention saw its billings grow c.12.5% over the period and saw cash generation improve further. New product launches and cross-selling opportunities continue to support the company's long-term prospects.

The main negative contributor was life insurer and financial services company Prudential. Shares closed the month down 19% despite publishing half-year numbers which saw operating profit growth and progress in the Asian business which is an area where competitors are experiencing difficulty. The share price has seen downward pressure over the last year, in part due to the ongoing demerger of the low growth but cash-generating UK and Europe segments of the business into M&G Prudential. Until investors have more certainty over this progress, this is likely to weigh on the stock. The US-China trade war has also fed through into the share price as Prudential invests heavily in these markets which have been negatively affected by the back and forth.

Sector Allocation



Top Ten Holdings

1.	Hikma Pharmaceuticals	5.78%
2.	RWS Holdings	5.71%
3.	Smith & Nephew	4.78%
4.	Unilever	4.55%
5.	Relx	4.40%
6.	Whitbread	3.82%
7.	Cineworld Group	3.72%
8.	IG Holdings Group	3.47%
9.	Rio Tinto	3.22%
10.	Avast	3.18%

Fund Manager

Mark Elliott, Partner, MChem (Hons), CFA, Chartered MCSI

Mark was one of the founding members of the Castlefield investment management business, having previously worked with the other co-founders within the institutional investment and fund management division of private bank, Brown Shipley. In addition to being the lead manager of the Castlefield B.E.S.T UK Opportunities Fund, Castlefield B.E.S.T Sustainable Income Fund and the Castlefield Real Return Fund, Mark is also responsible for managing segregated accounts for the firm's discretionary clients. A charter holder (Chartered Financial Analyst) of the CFA Institute as well as an individually Chartered Member of the Chartered Institute for Securities & Investment (CISI), Mark has over 15 years industry experience.

Important Information

This document provides information about the Castlefield B.E.S.T UK Opportunities 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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