

WS Opie Street Income Fund

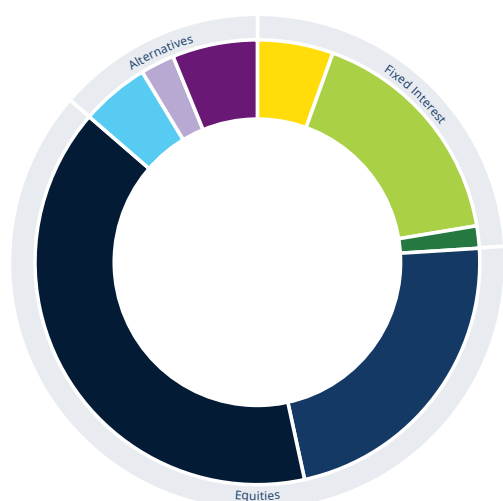
Fund Commentary

Financial markets have, in the main, performed positively in recent months. Indeed, many stockmarkets are at or close to record highs, with the US (S&P 500 Index) and UK (FTSE 100 Index) cases in point. However, as has been well documented before, the strength of the headline indices is in many instances distorted by the outperformance of a small number of companies and sectors, masking more pedestrian performance elsewhere. Economic newsflow continues to highlight remarkable resilience in key geographies, though it must be noted that we live in an era where good economic news can act as bad stockmarket news, at least in the short term (i.e. if economic growth remains resilient, interest rates are likely to remain higher for longer, providing greater competition for investors' capital). Geopolitical risk remains elevated, not least with regard to escalating tensions in the Middle East, whilst significant leadership elections approach the world over.

In the period, we initiated a new holding in the Heriot Global Fund, managed by Dundas Global Investors. The team's investment philosophy is centred on the power of sustainable dividend growth (as opposed to necessarily a high starting dividend yield) in driving attractive returns to shareholders over the long term. The fund is therefore invested in a portfolio of high quality companies with potential to deliver sustainable dividend growth, typically with established positions in industries benefitting from structural growth trends. Key holdings include investments in ASML (a Dutch company and the world's sole producer of equipment needed to make the most advanced computer chips), Microsoft (which needs little introduction but is at the forefront of key technological advancements including cloud computing and artificial intelligence) and Novo Nordisk (a Danish company and global leader in diabetes medication and, increasingly, obesity medications).

We are pleased to note encouraging growth in the fund's dividend payments in recent months, which has relevance to investors in both the income share class (who receive their dividends) and the accumulation share class (who reinvest their dividends). Indeed, over the past 12 months, the quarterly dividend payments have increased, in aggregate, by 7% (when compared to the dividend payments over previous 12 months). This growth in dividends is explained, to a large extent, by the underlying focus of the portfolio on equities. The potential for long term growth in dividends and capital are of course key benefits of the equity asset class, not least in times of higher inflation.

Current Asset Allocation



Fixed Interest	24.0%
Sovereigns	5.5%
Corporate Bonds	16.9%
Cash	1.6%
Equities	62.3%
UK Equities	22.6%
Global Equities	39.7%
Alternatives	13.7%
Real Estate / Assets	5.0%
Private Equity	2.5%
Infrastructure	6.2%

Performance

	3 months	6 months	1 year	2 year	Since launch ³
Income Fund ¹	0.6%	6.4%	5.5%	1.0%	0.2%
PIMFA Income Index ²	4.2%	10.0%	10.9%	6.6%	7.0%

¹ R Accumulation Shares (net of fees). ² MSCI PIMFA Private Investor Income Index (Total Return).

³ Fund launch date 2nd August 2021. Past performance is not a guide to future performance.

Source: MSCI and Iress.

April 2024

Fund Objective & Policy

The investment objective of the Fund is to provide an annual income yield in excess of the MSCI ACWI Index (a proxy for global equity markets) whilst also aiming for growth in both income and capital over the longer term (5 – 10 years).

The fund adopts a global investment approach, with a diversified exposure to a range of asset classes including equities (both UK and global), fixed interest (gilts and corporate bonds) and alternatives (including infrastructure, real estate and private equity).

Typically no more than 75% of the fund will be exposed to equities.

Investment Approach

The Fund's exposure is primarily achieved by investing in collective investments (including investment trusts, OEICs and ETFs).

The blend of active and passive strategies seeks to maximise returns, whilst minimising costs.

The funds are invested on a long-term basis, with low expected portfolio turnover.

Strategic asset allocation is a core focus given the associated contribution to long term returns and risk mitigation. Tactical asset allocation enables flexibility to adjust to changing market conditions.

Portfolio Positioning

Sovereigns		Henderson International Income I/T	3.5%
Vanguard UK Gilt ETF	5.5%	Heriot Global Fund	5.6%
Corporate Bonds		JPM Global Emerging Mkts Inc. I/T	3.4%
Aegon High Yield Bond Fund	2.6%	JPM Global Growth & Income I/T	5.0%
Premier Miton Corp. Bond Fund	4.9%	North American Income I/T	3.6%
Royal London Short Dur. IG Bd Fund	4.6%	STS Global Growth & Income I/T	4.2%
Schroder All Mat. Corp. Bond Fund	4.7%	Trojan Global Income Fund	1.9%
UK Equities		Infrastructure	
Finsbury Growth & Income I/T	3.9%	3i Infrastructure I/T	2.3%
M. Currie UK Equity Income Fund	6.3%	Cordiant Digital Infrastructure I/T	1.7%
Mercantile I/T	4.3%	Renewables Infrastructure Group I/T	2.1%
Murray Income I/T	4.8%	Private Equity	
Unicorn UK Income Fund	3.2%	Apax Global Alpha I/T	2.5%
Global Equities		Real Estate / Assets	
B.Gifford Global Inc. Growth Fund	6.2%	JPM Global Core Real Assets I/T	2.0%
Guinness Global Equity Income Fund	6.3%	TR Property I/T	3.0%
		Cash	1.6%

Income

Fund Income Yield	3.8%	MSCI ACWI Index Income Yield	1.9%
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(Source: MSCI)

Underlying Investment Classes

Investment Trusts	46.5%	ETFs	5.5%
OEICs	46.4%	Cash	1.6%

Fund Managers



Sam Matthews FCSI

Sam is a Chartered Fellow of the CISI and a graduate of Exeter University. Sam joined Barratt & Cooke in 2006 and is an Associate Director.



Edward Sidgwick CFA FCSI

Edward is a CFA Charterholder, a Chartered Fellow of the CISI and a graduate of Durham University. Edward joined Barratt & Cooke in 2011 and is an Associate Director.

Important Information

Market and exchange rate movements can cause the value of an investment and any income from it to fall as well as rise, and you may get back less than originally invested. The information contained within this document does not constitute investment advice and should not be used as the basis of any investment decision. References to specific securities are included for the purposes of illustration only and should not be considered as an investment recommendation. Although Barratt & Cooke considers the information in this document to be reliable, no warranty is given to its accuracy or completeness. The opinions expressed are expressed at the date of this document and may be subject to change without notice. All references to benchmarks are for comparative purposes only. The Fund is registered for distribution to the public in the UK. Investors should carefully read the Prospectus, Key Investor Information Document (KIID) and Supplementary Information Document (SID) for the Fund before making an investment decision. If you are in any doubt as to the suitability of the fund for you, please consult a professional advisor. Factsheet issued by Barratt & Cooke. Barratt & Cooke is the trading name of Barratt & Cooke Ltd (registered in England, No. 5378036), authorised and regulated by the Financial Conduct Authority (No. 428789). Waystone Fund Services (UK) Ltd is authorised and regulated by the Financial Conduct Authority (No. 190293).

Key Fund Details

Launch Date	2nd August 2021
Fund Size	£20.1m
Investment Manager	Barratt & Cooke
Fund Managers	Sam Matthews & Edward Sidgwick
ACD	Waystone Management (UK) Ltd.
Depository	The Bank of New York Mellon (International) Ltd
Auditor	Cooper Parry
Regulator	FCA
Structure	UK OEIC UCITS
Comparator Benchmark	MSCI PIMFA Income Index
IA Sector	Mixed Investment 40-85% Shares
Dealing	Daily (12 Noon)

Key Share Details

R Income Shares	
Price (31/03/24)	366.74p
Distribution Yield	3.8%
Distribution Dates	31st March, 30th June, 30th Sept., 31st Dec.
ISIN	GB00BNXH3M16
R Accumulation Shares	
Price (31/03/24)	400.97p
ISIN	GB00BNXH3L09
Cost Details (R Share Class)	
Annual Management Fee	0.75%
Underlying Fund Costs	0.68%*
Administration Costs	0.27%*
Ongoing Charges Figure	1.70%*

*Ex-ante figures.

All data as at 31st March 2024.