

March 2019

Winners and losers in February

Best performing funds in price terms in February

	(%)
JPMorgan Chinese	12.0
Fidelity China Special Situations	11.5
Pacific Horizon	9.8
Pershing Square Holdings	9.1
BB Healthcare	9.1
Atlantis Japan Growth	8.9
Dunedin Enterprise	8.3
JPMorgan US Smaller Companies	8.2
Baillie Gifford US Growth	7.9
Symphony International Holding	7.7

Source: Morningstar, Marten & Co

Best performing funds in NAV terms in February

	(%)
JPMorgan Chinese	9.1
Pershing Square Holdings	8.2
Fidelity China Special Situations	7.8
Edinburgh Worldwide	7.3
Baillie Gifford US Growth	6.6
Fidelity Japan Trust	6.5
Africa Opportunity	6.4
Pacific Horizon	6.1
BB Healthcare	5.5
Renewables Infrastructure Group	5.5

Source: Morningstar, Marten & Co

JPMorgan Chinese, Fidelity China and Pacific Horizon benefited from a booming Chinese market in February. This was mainly due to increased investor optimism in US-China trade relations. Pershing Square's price rose after it announced it would pay dividends. Healthcare stocks are more buoyant following a few takeovers in the sector, benefitting funds such as BB Healthcare. Japan had a better month with strong performance from Fidelity Japan and Atlantis Japan Growth. The latter fund's manager says that the portfolio's growth bias and its overweight in small and medium cap stocks helped it in February. Dunedin Enterprise was tipped in the Telegraph. US-focused funds like JPMorgan US Smaller Companies and Baillie Gifford US Growth rose as investors became less nervous that rates would rise.

Worst performing funds in price terms in February

	(%)
Doric Nimrod Air Three	(11.6)
Doric Nimrod Air One	(11.5)
Doric Nimrod Two	(10.6)
Amedeo Air Four Plus	(9.8)
CIP Merchant Capital	(6.2)
Ceiba Investments	(5.5)
F&C Commercial Property	(5.3)
Ground Rents Income Fund	(5.0)
Civitas Social Housing	(5.0)
Chelverton UK Dividend Trust	(4.7)

Source: Morningstar, Marten & Co

Worst performing funds in NAV in February

	(%)
BlackRock Latin American	(5.9)
Crystal Amber	(5.6)
JPMorgan Brazil	(4.8)
Baker Steel Resources	(3.9)
Aberdeen Latin American Income	(3.8)
Downing Strategic Micro-Cap Investment Trust	(3.6)
RDL Realisation	(2.5)
Boussard & Gavaudan EUR	(2.5)
Ruffer Investment Company	(2.4)
Baring Emerging Europe	(2.3)

Source: Morningstar, Marten & Co

The main underperformers in price terms in February struggled significantly due to Airbus' announcement that it will be halting A380 production in 2021. Those funds that own and lease A380s to Emirates – the three Doric Nimrod funds and Amedeo Air Four – have all seen sharp falls in their share prices. Civitas Social Housing encountered issues around grading under review notices, increasing the nervousness of investors. Ground Rent's share price fell five percent following the loss of a court hearing, rendering them at fault for a failure of a structural sealant at Beetham Tower in Manchester. Brazil gave back some of the gains that it made in January, knocking JPMorgan Brazil, Aberdeen Latin American and BlackRock Latin American. Hurricane Energy's share price weakened, hitting Crystal Amber.

Significant moves in discounts and premiums

More expensive relative to NAV (notable changes)

	% discount (-ve) or premium (+ve)	
	28 Feb (%)	31 Jan (%)
Lindsell Train	64.9	56.7
Baker Steel Resources	(17.2)	(24.6)
MedicX	18.4	11.3
Blackstone/GSO Loan Financing	(5.7)	(12.7)
BMO Private Equity Trust	(1.3)	(8.2)

Source: Morningstar, Marten & Co

Lindsell Train has performed quite well over time. However, the high premium indicates that the fund is overvalued compared to NAV. **MedicX** saw an increase in premium in February because shares in **Primary Healthcare Properties**, which is bidding for the company, increased. **Blackstone/GSO Loan Financing** became more expensive due to weaker loan pricing, and the earnings of the loans fell in February.

Cheaper relative to NAV (notable changes)

	% discount (-ve) or premium (+ve)	
	28 Feb (%)	31 Jan (%)
Doric Nimrod Air Three	37.2	55.2
Doric Nimrod Air Two	14.8	28.3
Doric Nimrod Air One	(4.2)	8.3
Amedeo Air Four Plus	9.3	21.2
CIP Merchant Capital	(23.3)	(17.0)

Source: Morningstar, Marten & Co

Amedeo Air Four Plus, along with the three **Doric Nimrod** funds, lost value and became cheaper relative to NAV as a result of Airbus announcing its discontinuation of production of the A380 airplane.

Money raised and returned in February

Money raised in February

	(£m)
Tritax Big Box	331.2*
Tufton Oceanic Assets	\$50.0
Smithson Investment Trust	26.8
M&G Credit Income Investment	25.2
Finsbury Growth & Income	24.9

Source: Morningstar, Marten & Co* approximate value of shares at 28/02/19

Tritax Big Box issued shares worth £331.2m in February, £250m was raised from investors and 40.5m shares were also issued to satisfy its purchase of db Symmetry acquisition. **Tufton Oceanic** raised US\$50m to capitalise on the investment manager's finding of a pipeline of secondhand vessels. **Smithson** and **Finsbury** both raised money via a constant issuing of stock to investors throughout February. **M&G Credit Income** had a successful placement, raising £25.25m for the issue of 25 million ordinary shares. Other companies that raised at least £5m last month were **Scottish Mortgage**, **Primary Health Properties**, **Capital Gearing**, **Worldwide Healthcare**, **Personal Assets**, **CC Japan Income & Growth**, **City of London**, and **Axiom European Financial Debt**.

Money returned in February

	(£m)
Lazard World Trust Fund	(70.0)
Carador Income Fund USD	(\$32.5)
NB Global Floating Rate Income GDP	(17.9)
Templeton Emerging Markets	(8.6)
Witan	(6.0)

Source: Morningstar, Marten & Co, * approximate value of shares at 28/02/19

The £70m returned by **Lazard World Trust** in February comes as a result of the preapproved winding down of the company. There is another £40m on its way in March. **Carador Income** repurchased US dollar shares totalling \$32.5m during the month. Throughout the month of February, **NB Global** had been repurchasing its own shares, returning capital to the shareholders, totalling £17.9m. **Templeton** and **Witan** both were subject to a buying back of stock taking place over the course of last month. As for other companies that returned more than £5m in February, there was just one – **Third Point Offshore USD**.

Baillie Gifford has been managing investments since 1908. As a wholly independent partnership, with no external shareholders demanding short-term gains, we can focus on what we do best, seeking out long-term investment returns for our clients.

We are the largest manager of investment trusts in the UK with a range of nine trusts. We have an extensive range of OEIC sub-funds and manage investments globally for pension funds, institutions and charities.



ADVERTISEMENT

February's major news stories – from our website

Portfolio developments

- **Tetragon Financial** hit target despite market climate
- **Unite** confident in focus on high quality universities
- **Riverstone Energy** hurt by Hammerhead and Centennial
- **Law Debenture** protected against 40% of market decline
- **Bluefield Solar** announced a great start to the year
- **Hammerson** portfolio returned negative
- **Herald** benefited from defensive positioning
- **Renewables Infrastructure's** saw NAV TR of 11.6%
- **Aberdeen Standard European** expanded in France
- **BB Healthcare** had another successful year
- **BlackRock Throgmorton** outperformed challenging 2018
- **3i Infrastructure** made plans to sell Cross-London trains

Corporate news

- **Tufton Oceanic Assets** invested fully, raising capital
- **Airbus** announced end of A380 production
- **Witan Pacific** announced outperform benchmark or bust
- **Alternative Liquidity** made plans to expand
- **Little Athelney Trust** beefed up board again
- **Pershing Square** to pay modest dividend

Property news

- **RDI REIT** shopping centre loan breached covenant
- **LXB Retail Properties** announced imminent de-listing
- **AEW UK Long Lease** bought YMCA Woolston Nursery
- **Aberdeen Standard European** invested in Krakow
- **Civitas Social Housing** purchased nine properties
- **AEW UK REIT** acquired Lockwood Court Warehouse
- **Primary Health** bought primary care centre
- **Regional REIT** bought Norfolk House in Birmingham
- **Warehouse REIT** acquired Glasgow air cargo centre
- **Ediston** restructured lease at Prestatyn shopping park
- **Tritax Big Box** fundraised £250m for db Symmetry buy
- **Ground Rents Income** lost court case to Blue Manchester
- **Ediston Property** increased exposure to B&M Retail
- Judgement issued on **Inclusion Housing CIC**

Managers and fees

- **Temple Bar** made Peter Lowery deputy manager
- **Ranger Direct Lending** changed management
- **Schroder Japan** acquired new manager
- **Aberdeen Emerging's** underlying managers struggled

Visit www.quoteddata.com for more on these and other stories plus in-depth analysis on some funds, the tools to compare similar funds and basic information, key documents and regulatory news announcements on every investment company quoted in London



COSTS MAKE A REAL DIFFERENCE TO PERFORMANCE – OUR ONGOING CHARGES ARE JUST 0.37%*

SCOTTISH MORTGAGE INVESTMENT TRUST

SOME OPPORTUNITIES ARE MORE EXCLUSIVE THAN OTHERS.

A company's ability to exhibit exponential growth lies at the heart of the **Scottish Mortgage Investment Trust**, managed by Baillie Gifford.

Our portfolio consists of around 80 of what we believe are the most exciting companies in the world today. Our vision is long term and we invest with no limits on geographical or sector exposure.

Baillie Gifford's track record as long-term, supportive shareholders makes us attractive to a new breed of capital-light businesses. And our committed approach means we can enjoy a better quality of dialogue with management teams at transformational organisations such as Alibaba, Dropbox and Airbnb. So it is a case of who you know as well as what you know. Over the last five years the **Scottish Mortgage Investment Trust** has delivered a total return of 136.5% compared to 74.9% for the sector**.

Standardised past performance to 31 December**:

	2014	2015	2016	2017	2018
Scottish Mortgage	21.4%	13.3%	16.5%	41.1%	4.6%
AIC Global Sector Average	8.8%	10.9%	22.6%	24.1%	-4.9%

Past performance is not a guide to future returns. Please remember that changing stock market conditions and currency exchange rates will affect the value of the investment in the fund and any income from it. Investors may not get back the amount invested. The Trust's risk could be increased by its investment in unlisted investments. These assets may be more difficult to buy or sell, so changes in their prices may be greater.

For some very exclusive opportunities, call us on **0800 027 0132** or visit us at www.scottishmortgageit.com

A Key Information Document is available by contacting us.



Long-term investment partners

*Ongoing charges as at 31.03.18. **Source: Morningstar, share price, total return as at 31.12.18. Your call may be recorded for training or monitoring purposes. Issued and approved by Baillie Gifford & Co Limited, whose registered address is at Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN, United Kingdom. Baillie Gifford & Co Limited is the authorised Alternative Investment Fund Manager and Company Secretary of the Company. Baillie Gifford & Co Limited is authorised and regulated by the Financial Conduct Authority (FCA). The investment trusts managed by Baillie Gifford & Co Limited are listed UK companies and are not authorised and regulated by the Financial Conduct Authority.

Income

Investment companies announcing their full year dividends in February

Fund	Year ended	Dividend (pence)*	Change over year (%)	Revenue / earnings (pence)*	Cover
Law Debenture	31/12/18	18.9	+9.2	21.25	1.12x
Greencoat UK Wind	31/12/18	6.76 ^a	+4.2	18.54 ^b	2.74x
Tetragon Financial	31/12/18	\$0.72	+2.9	\$2.65 ^b	3.68x
Unite Group	31/12/18	29.0	+28.0	34.1	1.18x
Temple Bar	31/12/18	46.72	+10	49.5	1.06x
Renewables Infrastructure	31/12/18	6.5 ^c	+1.6	11.7	1.8x
Brunner	30/11/18	18.15	+10	19.7	1.09x
BB Biotech AG	31/12/18	CHF3.05	(7.6)	CHF(8.51)	(2.79x)
BB Healthcare	30/11/18	4	+14.29	(0.07)	(.02x)
BlackRock Throgmorton	30/11/18	7.5	+7.1	11.02	1.47x
Polar Capital Global	30/11/18	4.15	+6.4	4.71	1.13x
Independent	30/11/18	7	+16.67	10.53	1.50x
Scottish American	31/12/18	11.5	+3.6	11.75	1.02x

* unless otherwise specified

- a) Forecast 6.94p for 2019 (increased in line with December 2018 RPI).
- b) The company does not separate its revenue and capital items
- c) Forecast 6.64p for 2019, a 2.2% increase.

Publications

QuotedData
Annual overview | Investment companies
12 February 2019

Herald Investment Trust

Shifting sentiment
Herald Investment Trust (HIT) is approaching its 25th birthday. HIT's manager, Katherine Potts, has been at the helm since launch, delivering considerable outperformance of equity markets. She has seen significant swings in sentiment towards the technology sector over that time.

Growth stocks and the technology sector fell out of favour with investors towards the end of 2018. HIT held up better than the broader UK small cap market, but trading weakness and across the board UK's future relationship with the EU weighed on returns relative to the US and large-cap dominated technology index. While there was a negative sentiment toward the sector at the end of 2018, it was not reflected in early and the recovery in stock prices in 2019, to date, suggests that investors are returning.

Small-cap technology, telecommunications and multi-media
HIT's objective is to achieve capital appreciation through investments in smaller quoted companies in the areas of telecommunications, multi-media and technology. Investments may be made across the world, although the portfolio has a strong bias towards the UK.

The business activities of investee companies include information technology, broadcasting, printing and publishing and the supply of equipment and services to these companies.

Year ended	Share price return (%)	NAV return (%)	MSCI World return (%)	ESG rating	MSCI ESG score
31/03/16	10.1	10.6	10.6	2.0	17.1
31/03/15	3.0	2.7	3.0	1.2	0.5
31/03/14	21.8	20.6	20.9	4.0	20.0
31/03/13	23.4	24.2	23.2	2.5	11.2
31/03/12	(1.7)	(1.8)	(0.6)	6.4	1.0

Source: Morningstar, M&Co

Share price and discount
Time period 31/03/2014 to 31/03/2019

Performance over five years
Time period 31/03/2014 to 31/03/2019

Click here for the most recent update note

Herald Investment Trust is 25 years old and going strong but, in the short-term, its performance has been affected by shifting sentiment toward the technology sector.

Our update on International Biotechnology Trust indicates some of the measures it has taken to beat its benchmark, as well as the manager's direction with the trust.

QuotedData
Update | Investment companies
8 March 2019

International Biotechnology Trust

Beating the odds
Strategic positioning in mid-2018 helped International Biotechnology Trust (IBT) beat its benchmark over the past six months and close its discount to net asset value (NAV). This continued its outperformance of the US Nasdaq Biotechnology Index (NBI) over three and five years. Active management of the portfolio and an increased focus on larger mid-caps played out well in terms of IBT's performance versus its peers.

IBT's manager is maintaining its established policy of active risk mitigation, designed to avoid exposure to binary events that can cause large swings in the share price (operating the results of Phase III trials that provide the final confirmation of safety and efficacy before the UK approves a treatment for marketing). This should be seen as another attraction to investors in the trust. IBT's share has recently moved to a premium to NAV and it has been issuing stock, expanding the fund.

Access to the fast-growing biotech sector
IBT is the longest-established of the London-listed funds specialising in the biotech/healthcare sector. It aims to achieve long-term capital growth by investing in biotechnology and other life sciences companies, and offers investors the highest yield in the sector while keeping its day-to-day running costs low. The portfolio is invested primarily in quoted companies, but IBT also has some exposure to unlisted companies.

Year ended	Share price return (%)	NAV return (%)	NASDAQ Biotech Index return (%)	MSCI World return (%)	MSCI World ESG score
2018/19	30.2	28.7	24.6	19.0	19.0
2017/18	(14.1)	(15.0)	(15.1)	(9.2)	(1.3)
2016/17	(8.8)	(8.8)	(8.8)	(24.1)	(26.0)
2015/16	3.4	(4.4)	(3.0)	3.1	6.0
2014/15	10.9	8.1	8.6	2.1	4.0

Source: Morningstar, M&Co

Share price and discount
Time period 31/03/2014 to 31/03/2019

Performance over five years
Time period 31/03/2014 to 31/03/2019

Click here for QuotedData's initiation note

QuotedData
Initiation | Investment companies
7 February 2019

Bluefield Solar Income Fund

Walking on sunshine
Faced with rising prices for secondary solar power projects, Bluefield Solar Income Fund (BSIF) has taken a strategic decision not to focus on growing its portfolio during the last couple of years. Instead, a focus on increasing operational efficiency, coupled with a 32.5% increase in the power price, has helped deliver a 16.2% year-on-year uplift in BSIF's underlying earnings for the year ended 30 June 2018 (from 8.22p per share to 9.67p per share).

BSIF has an annual dividend target that, after the repayment of debt, is linked to the related power price, which is 7.10p to the year ending 30 June 2019, a 6.0% yield on the current share price. BSIF offers one of the highest yields in the sector.

Pure play large-scale UK solar photovoltaic assets
BSIF's aims to pay shareholders an attractive return, principally in the form of regular income distributions, by investing in a portfolio of large-scale UK-based solar energy infrastructure assets. BSIF is targeting long-life assets that are expected to generate stable renewable energy output over at least a 20-year life. Individual solar or photovoltaic assets, or part of special purpose vehicles (SPVs). BSIF can invest in these using both equity and debt.

Dividends are paid quarterly and, should the dividend fall short of its RPI-linked target, the manager's fee is subject to a clawback if performance fee is also earned or the dividend beats the target.

Year ended	Share price return (%)	NAV return (%)	ESG rating	ESG score	Dividend yield (%)
30/06/14	1.6	5.1	6.99	4.0	4.0
30/06/15	12.5	7.0	7.71	7.25	7.0
30/06/16	(2.6)	3.9	7.55	7.25	7.07
30/06/17	23.5	19.2	7.50	7.20	7.18
30/06/18	11.4	8.8	8.67	7.43	7.43

Source: Morningstar, M&Co. Note: ESG figures are for the accounting period: 30 March 2019 to 30 June 2019.

Share price and discount
Time period 31/03/2014 to 31/03/2019

Performance over five years
Time period 31/03/2014 to 31/03/2019

Click here for QuotedData's initiation note

Our initiation note on Bluefield Solar Fund explains the workings of the fund and the steps the manager has been taking to boost earnings.

Civitas Social Housing has seen some slight weakness in its share price in recent weeks which could be related to actions being taken by the regulator to strengthen the social housing sector. Civitas welcomes higher standards, however.

QuotedData
Update | REITs
19 February 2019

Civitas Social Housing

Regulatory action is positive
Civitas Social Housing (CSH) has met its dividend targets, grown its NAV and invested over £674m into 557 properties (housing almost 3.750 tenants) since its launch in November 2016. It has opted to target a 4% share and ordinary share portfolios and is focused on making best use of its capital structure. It plans to borrow more money so that its loan to value ratio rises to 35%, which should further strengthen its revenue account (as the income it generates on the properties it buys should be meaningfully higher than the interest it pays on its loans).

Over the past few months, a number of the Registered Providers that are non-compliant CSRs have been issued with grading under review notices by the Regulator for Social Housing. This note takes a look at the issue and offers some thoughts as to why the regulator's actions should have minimal direct impact on CSH but, in the medium-term, should serve to enhance the quality of its earnings.

Income and capital growth from social housing
CSH aims to provide its shareholders with an attractive level of income and capital growth, primarily through its investment in a portfolio of social homes. The company expects that these will support its revenue account, which is supported by long-term or occupancy agreements with Registered Providers (see page 2) and provides a fully-funded and guaranteed rental stream. CSH intends to increase the dividend to 4.5p per share in 2019.

Year ended	Share price return (%)	NAV return (%)	ESG rating	ESG score	Dividend yield (%)
2018/19	29.7	30.2	28.7	24.6	19.0
2017/18	(15.1)	(15.0)	(15.1)	(9.2)	(1.3)
2016/17	(8.8)	(8.8)	(8.8)	(24.1)	(26.0)
2015/16	3.4	(4.4)	(3.0)	3.1	6.0
2014/15	10.9	8.1	8.6	2.1	4.0

Source: Morningstar, M&Co. Tenants on 1 November 2018

Share price and discount
Time period 31/03/2014 to 31/03/2019

Performance since launch
Time period 18/11/2016 to 31/03/2019

Click here for QuotedData's initiation note

QuotedData
IPO note | Investment companies
5 March 2019

US Solar Fund Plc

Making hay
US Solar Fund Plc (USF) is a newly established closed end investment company that is focused on the large and growing solar market in the US. It invests in utility scale solar farms and sells the electricity generated to creditworthy counterparties through long-term power purchase agreements (PPAs).

From 31 March 2020 or when its assets are operational, USF is targeting a yield of at least 5.5% per annum (post-quarterly), prior to this, it is targeting an initial annualised yield of 2.5%. It is also targeting a total return in excess of 7.5% per annum after fees and taxes to cover the life of its assets.

USF's shares will be listed on the main market of the London Stock Exchange. The investment manager has an active pipeline of USF-scale solar assets and it expects to have fully completed the proceeds of the IPO within six to nine months of admission, to be fully operational within a further 12 months, and pay its first dividend in November 2019.

Income from utility scale solar farms in the US
USF's investment objective is to provide investors with attractive and sustainable dividends, with an element of capital growth, by investing in a diversified portfolio of solar power assets in North America and other OECD countries in the Americas. USF will predominantly generate revenue by selling the electricity generated through long-term PPAs (a target weighted average of 15 years) to creditworthy (predominantly investment grade) counterparties. It may also invest in battery storage and will derive revenue from this as well.

The company will target construction-ready, in-construction or operational solar power assets that are designed and constructed to have an asset life of at least 30 years and are expected to generate stable electricity output and revenue over the lifespan of the asset.

The details of the share issue, including the risk factors that investors should take into consideration, are more fully described in the prospectus published on 20 February 2019 and we urge readers to read this before making any investment decision.

USF is an unlisted company and is not a member of the London Stock Exchange. It is not intended to be listed on the main market of the London Stock Exchange. It is not intended to be listed on the main market of the London Stock Exchange. It is not intended to be listed on the main market of the London Stock Exchange.

March's IPO note on US Solar Fund describes the fund in detail, specifically its plans for growth and the portfolio of assets the company will be investing in.

Our initiation research note on Montanaro discusses the measures the group has taken to be the best-performing European smaller companies trust by some margin.

QuotedData
Initiation | Investment companies
11 March 2019

Montanaro European Smaller Companies Trust

Quality businesses at sensible prices
Montanaro European Smaller Companies Trust (MET) is an investment trust that has a focused portfolio of growing companies selected for the quality of their business, franchise, management, earnings and corporate structure. Over time, this emphasis on quality has stood it in good stead, especially in periods where investors become increasingly nervous, as has been the case recently. The result is that MET is the best-performing European smaller companies trust by some margin (see page 13).

European smaller companies lagged large ones in the second half of 2018, despite a long-term trend. There may be good reasons for investors' unease with the European equity, but the structural growth themes that MET's investors is exposed to should persist regardless.

Continental European smaller companies
MET aims to achieve capital growth by investing primarily in Continental European quoted smaller companies. The benchmark index is the MSCI Europe UK Small Cap Index (see starting terms).

Year ended	Share price return (%)	NAV return (%)	MSCI Europe UK Small Cap Index return (%)	MSCI World return (%)	MSCI World ESG score
2018/19	29.7	30.2	28.7	24.6	19.0
2017/18	(15.1)	(15.0)	(15.1)	(9.2)	(1.3)
2016/17	(8.8)	(8.8)	(8.8)	(24.1)	(26.0)
2015/16	3.4	(4.4)	(3.0)	3.1	6.0
2014/15	10.9	8.1	8.6	2.1	4.0

Source: Morningstar, M&Co

Share price and discount
Time period 31/03/2014 to 31/03/2019

Performance over five years
Time period 31/03/2014 to 31/03/2019

Click here for QuotedData's initiation note

Initiation | Property
12 March 2019

Aberdeen Standard European Logistics Income

Poised to expand?

Aberdeen Standard European Logistics Income (ASLI) has built a portfolio of 10 assets, invested all the money it raised at IPO and has declared dividends totaling \$0 per share in respect of its first accounting period (in-line with its target). Borrowing facilities are being arranged that will fund the purchase of one more asset and meet share payments for construction projects that it has agreed to finance.

The growth of online shopping in Europe is transforming the logistics infrastructure that supports the retail market, which includes warehousing. Investors are drawn to the attractive prospective returns available from this sector and this has pushed up the prices of these assets, depressing their yields (which are income divided by value) in the process. In response, the ASLI board and manager have taken the commendable step of cutting the management fee, but have also trimmed the target dividend from 5.5% of the IPO price to 5.0% for ASLI's second accounting year.

The manager and board are confident that the European logistics sector will continue to offer many attractive investment opportunities, and their intention is to seek to expand the company in due course.

Big box logistics and last mile urban warehouses in Europe.

ASLI invests in a diversified portfolio of big box logistics (large regional/ national warehouses) and last mile urban warehouses (smaller warehouses located closer to the end customer) assets in Europe (this includes both the UK and the Nordic countries but in practice the UK is unlikely to figure in the portfolio with the aim of providing its shareholders with a regular and attractive level of income when targeting a 3% yield on the IPO price in its first accounting period and a 5% yield in its second accounting year, both in real terms) together with the potential for long-term income and capital growth (target total return of 7.5% a year in euros).

Sector	European property
Ticker	ASLI.LN
Base currency	GBP
Price	181.0p
NAV	95.7p
Premium/discount	1.2%
Yield	3.1%

Share price and discount
Time period 15/12/2017 to 03/03/2019

Performance since launch
Time period 15/12/2017 to 03/03/2019

Aberdeen Standard's initiation note brings up the strong likelihood that the fund will expand. This comes from the growth of online retail, and the resulting need for large logistics warehouses, which Aberdeen has a diverse portfolio of.

Our update note on John Laing Environmental details its investment strategy and what is currently going on with the company, including the positive progress as of late.

Update | Investment companies
15 March 2019

John Laing Environmental Assets Group

Life extensions to boost NAV?

John Laing Environmental Assets Group (JLEN) says its NAV per share at the end of December 2018 was 102.8p, up 2.4p over three months. The quarterly dividend payments remain on track to reach the target of 6.51p for the year. The company's revenue generation was on budget, reflecting above-budget power generation from JLEN's anaerobic digestion and solar power assets. This offset the negative impact on generation from low wind speeds on its wind farms.

In January of its 31 March year end, JLEN is examining the possibility of extending the assumptions around the economic lives of its wind and solar assets that are used in the calculation of its NAV. It suggests that this could have a positive impact. In addition, JLEN is engaged in refranchising activity across its portfolio (including new fleet facilities) which could help improve returns. Also, the regulator, Ofgem, is engaged in a consultation on Tipped Charging Review, allowing the embedded spenders (investors) that make a small contribution to JLEN's return (see page 7 of QuotedData's last note for an explanation).

Progressive dividend from investment in environmental infrastructure assets

JLEN aims to provide its shareholders with a sustainable dividend, and quarterly, that increases progressively in line with inflation. It also aims to preserve the capital value of its portfolio, when adjusted for inflation, over the long term. It invests in environmental infrastructure assets with predictable, wholly or partially index-linked cash flows, supported by long term contracts or stable regulatory frameworks.

Year	Share price total return	NAV total return	Dividend	Dividend yield
2013/2014	22.6%	8.4%	3.56p	6.03%
2014/2015	27.0%	3.1%	3.31p	6.05%
2015/2016	19.6%	19.2%	3.31p	6.14%
2016/2017	11.5%	6.0%	3.70p	6.31%

Share price and discount
Time period 15/12/2017 to 03/03/2019

Performance since launch
Time period 15/12/2017 to 03/03/2019

Our independent guide to quoted investment companies is an invaluable tool for anyone who wants to brush up on their knowledge of the investment companies' sector. Please register on www.quoteddata.com if you would like it emailed to you directly.

QUOTEDDATA

AN INDEPENDENT GUIDE TO QUOTED INVESTMENT COMPANIES

SPONSORED BY

Aberdeen
Simply smart management

Fidelity
Investment

JUPITER
Asset Management

POLAR
CAPITAL

© COPYRIGHT 2018

QuotedData

QuotedData is a trading name of Marten & Co which is authorised and regulated by the Financial Conduct Authority

123a Kings Road, London SW3 4PL

020 3691 9430

www.quoteddata.com

Registered in England & Wales number 07981621

2nd Floor Heathmans House

19 Heathmans Road, London SW6 4TJ

Edward Marten
(em@martenandco.com)

Alistair Harkness
(ah@martenandco.com)

David McFadyen
(dm@martenandco.com)

James Carthew
(jc@martenandco.com)

Matthew Read
(mr@martenandco.com)

Shonil Chande
(sc@martenandco.com)

IMPORTANT INFORMATION

This note was prepared by Marten & Co (which is authorised and regulated by the Financial Conduct Authority).

This note is for information purposes only and is not intended to encourage the reader to deal in the security or securities mentioned within it.

Marten & Co is not authorised to give advice to retail clients. The note does not have regard to the specific investment objectives, financial situation and needs of any specific person who may receive it.

This note has been compiled from publicly

available information. This note is not directed at any person in any jurisdiction where (by reason of that person's nationality, residence or otherwise) the publication or availability of this note is prohibited.

Accuracy of Content: Whilst Marten & Co uses reasonable efforts to obtain information from sources which we believe to be reliable and to ensure that the information in this note is up to date and accurate, we make no representation or warranty that the information contained in this note is accurate, reliable or complete. The information contained in this note is provided by Marten & Co for personal use and information purposes generally. You are solely liable for any use you may make of this information. The information is inherently subject to change without notice and may become outdated. You, therefore, should verify any information obtained from this note before you use it.

No Advice: Nothing contained in this note constitutes or should be construed to constitute investment, legal, tax or other advice.

No Representation or Warranty: No representation, warranty or guarantee of any kind, express or implied is given by Marten & Co in respect of any information contained on this note.

Exclusion of Liability: To the fullest extent allowed by law, Marten & Co shall not be liable for any direct or indirect losses, damages, costs or expenses incurred or suffered by you arising out of or in connection with the access to, use of or reliance on any information contained on this note. In no circumstance shall Marten & Co and its employees have any liability for consequential or special damages.

Governing Law and Jurisdiction: These terms and conditions and all matters connected with them, are governed by the laws of England and Wales and shall be subject to the exclusive jurisdiction of the English courts. If you access this note from outside the UK, you are responsible for ensuring compliance with any local laws relating to access.

No information contained in this note shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction.

Investment Performance Information: Please remember that past performance is not necessarily a guide to the future and that the value of shares and the income from them can go down as well as up. Exchange rates may also cause the value of underlying overseas investments to go down as well as up. Marten & Co may write on companies that use gearing in a number of forms that can increase volatility and, in some cases, to a complete loss of an investment.