QuotedData

Monthly roundup | Investment companies

October 2019

Kindly sponsored by Baillie Gifford

Winners and losers in September

Best performing funds in NAV terms in September

	(%)
Oakley Capital	14.1
HgCapital	14.1
Baillie Gifford Japan	9.6
Weiss Korea Opportunity	9.5
Aurora	9.4
Aberdeen Standard Equity Income	7.8
Temple Bar	7.5
Gresham House Strategic	7.4
Fidelity Japan	7.3
Perpetual Income & Growth	7.3

Source: Morningstar, Marten & Co

Worst performing funds in NAV terms in September

	(%)
Woodford Patient Capital	(13.5)
Biotech Growth	(12.3)
Marwyn Value Investors	(11.5)
Golden Prospect Precious Metal	(10.1)
Carador Income USD	(9.4)
Baillie Gifford US Growth	(8.0)
Marble Point Loan Financing	(7.2)
Blue Planet	(6.7)
Worldwide Healthcare	(6.2)
Allianz Technology	(5.7)

Source: Morningstar, Marten & Co

Best performing funds in price terms in September

	(%)
CATCo Reinsurance Opportunities	29.4
Leaf Clean Energy	20.8
CIP Merchant Capital	16.7
Triple Point Social Housing REIT	11.7
Ashoka India	10.3
UIL Finance	9.7
Woodford Patient Capital	9.2
EPE Special Opportunities	8.6
BMO Commercial Property	8.6
Schroder UK Mid Cap	8.4

Source: Morningstar, Marten & Co

Worst performing funds in price terms in September

	(%)
Riverstone Energy	(15.5)
Better Capital PCC 2012	(12.8)
BH Macro USD	(11.7)
Baillie Gifford US Growth	(10.3)
Golden Prospect Precious Metal	(10.1)
Biotech Growth	(9.8)
ScotGems	(9.2)
RDL Realisation	(8.8)
Reconstruction Capital II	(8.1)
DP Aircraft I	(8.0)

Source: Morningstar, Marten & Co

CATCo Reinsurance Opportunities has been returning capital to shareholders as part of a wind down of the fund, following extreme hurricane claims. Asian country specialist funds, including Baillie Gifford Japan, Fidelity Japan and Weiss Korea Opportunity, had good months on the back of easing trade tensions and monetary stimulus. Ashoka India's price increase reflected much-improved sentiment towards Indian assets after the government announced a cut in corporation tax. UK equity funds, led by Aberdeen Standard Equity Income, Schroder UK Mid Cap, Aurora, and Perpetual Income & Growth make a rare appearance, as no-deal Brexit concerns abated somewhat. BMO Commercial Property also benefited from this sentiment while Triple Point Social Housing's share increase reflects a tempering in concerns over the Regulator of Social Housing's take on the lease-based business model. UK stocks have since sold-off heavily in early October, following poor economic data.

Woodford Patient Capital was the worst performer in NAV terms after it wrote down values for some of its holdings. Golden Prospect Precious Metal sold-off after a very strong run over the past few months. The gold price was down 3.1% in September. Biotech Growth's shares followed the NAV down. They are up about 7% over the year-to-date. It was a rare month of underperformance for US equities, affecting Baillie Gifford US Growth, Blue Planet, Carador Income and Allianz Technology. Riverstone Energy followed commodity prices lower over the second half of the month.

Significant moves in discounts and premiums

More expensive relative to NAV (notable changes)

	% discount (-ve) or premium (+ve)	
	30 Sep (%)	30 Aug (%)
Leaf Clean Energy	(4.7)	(21.1)
CATCo Reinsurance Opportunities	(35.9)	(50.3)
Woodford Patient Capital	(31.2)	(45.4)
Lindsell Train	28.4	18.4
EPE Special Opportunities	(28.1)	(37.6)

Source: Morningstar, Marten & Co

Cheaper relative to NAV (notable changes)

	% discount (-ve) or premium (+ve)	
	30 Sep (%)	30 Aug (%)
Oakley Capital	(28.6)	(15.0)
RDL Realisation	39.3	52.8
Riverstone Energy	(43.1)	(32.7)
Merian Chrysalis	11.6	21.8
Doric Nimrod Air Three	20.9	31.0

Source: Morningstar, Marten & Co

Leaf Clean Energy's move was price led. Its NAV was revised up enormously in late-May following a positive court case ruling. CATCo's discount narrowed after peaking at around 50% - the shares traded at a 20+% premium as recently as December 2017. Woodford Patient Capital's discount narrowed as the shares ticked up in spite of write downs to some holdings. Lindsell Train benefitted from the flows into UK stocks – the shares traded at a 100% premium to NAV as recently as June. EPE Special Opportunities benefitted from a strong set of results.

Shares in the private equity companies, Oakley Capital and Merian Chrysalis, were down, perhaps reflecting concerns over the economic cycle and the amount of 'dry powder' the industry is holding, increasing valuations. Merian has since come back somewhat, following a £175m placing. The widening in Riverstone Energy's discount was price-led, reflecting sentiment towards the sector. Doric Nimrod Air Three's share price has been quite volatile recently, much more so than its sister funds. It might be that a large shareholder is looking to exit.

Money raised and returned in September

Money raised in September

	(£m)
Merian Chrysalis	175.0
JPMorgan Global Core Real Assets	148.9
Sequoia Economic Infrastructure	138.8
Target Healthcare REIT	80.0
Tufton Oceanic	$31.0

Source: Morningstar, Marten & Co

Money returned in September

	(£m)
Edinburgh Investment	(25.5)*
TwentyFour Income	(19.9)
Pershing Square	(17.6)
NB Global Floating Rate Income GBP	(14.2)
Perpetual Income & Growth	(12.6)

Source: Morningstar, Marten & Co, * based on approximate value of shares at 31/08/19

JPMorgan raised £148.9m for its new Global Core Real Assets trust, targeting the infrastructure, transport and real estate sectors. It represents the fifth sector-IPO of the year and is aiming for total annual returns in the 7-9% range. Elsewhere, fundraising picked up following the summer recess. Merian Chrysalis led the way with a £175m placing. The infrastructure debt fund, Sequoia Economic Infrastructure, raised £138.8m through a placing of its own, lifting the shares on the back of some of the firmest trading volumes the shares have seen. Target Healthcare REIT also came to market with a placing, raising £80m.

Edinburgh Investment led the way in buying shares back, leading to its discount narrowing. The discount had been widening since April. Pershing Square's buybacks helped narrow its discount in what was generally a subdued month for growth stocks. The other funds to shrink in size by returning more than £10m were TwentyFour Income, NB Global, Perpetual Income & Growth and CATCo.

September's major news stories – from our website

Portfolio developments

- Tufton Oceanic bulked up its fleet with $19.9m crude oil vessel
- Woodford Patient Capital reported results. Earlier in the month, WPCT slashed its NAV on write downs
- Exposure to Pakistan undermined Aberdeen Frontier Markets
- We had inaugural results from Ashoka India Equity and US Solar
- SDCL Energy Efficiency Income announced a EUR64m Spain deal
- One of Middlefield Canadian Income REIT's holdings was subject to a $4.7bn Blackstone bid
- Symphony invested in eye health
- Adamas Finance Asia provided an update on its largest holding, Future Metal
- Hipgnosis said it was considering a £300m C share issuance as it neared a main market application
- BioPharma Credit said would spend its $600m cash pile by year end and made a $150m loan to OptiNose

Corporate news

- Renewables Infrastructure looked to raise capital to expand in Europe
- Hedge fund Third Point said it wanted to narrow its discount with a US$200m buyback programme
- QuotedData took a closer look at outperforming Vietnam
- We had fundraising news from JPMorgan Global Core Real Assets and Merian Chrysalis
- City of London increased its dividend for the 53rd consecutive year
- Witan tweaked its benchmark
- P2P Global Investments changed its name to Pollen Street Secured Lending
- A Gabelli Value Plus shareholder requisitioned a continuation vote meeting

Property news

- Hammerson exceeded its £500m disposal target with the sale of a retail park
- Tritax EuroBox increased its bank facility by EUR125m. The company also bought two facilities in Germany
- Results from Ceiba showed Trump's impact on Cuba
- Standard Life Investments Property Income completed three deals
- Phoenix Spree Deutschland agreed a new €240m loan facility
- Triple Point Social Housing announced 36 acquisitions and options on a further four

Managers and fees

- ScotGems's manager resigned
- CQS New City High Yield adjusted its fee calculation

Visit www.quoteddata.com or 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

Income

Investment companies announcing their full year dividends in September

Fund	Year ended	Dividend (pence)*	Change over year (%)	Revenue / earnings (pence)*	Cover
BMO Real Estate Investments	30/06/19	5.0	Nil	n/a[a]	0.89x
Aberdeen Frontier Markets	30/06/19	$2.0	Nil	$(1.30)	Nil
AEW UK Long Lease	30/06/19	5.5	+69.2	5.26[b]	0.96x
Ashoka India Equity	30/06/19	N/A	N/A	(0.41)	N/A
Bluefield Solar	30/06/19	8.3	+11.8	11.01[c]	1.33x
City of London	30/06/19	18.6	+5.1	19.8	1.06x
Crystal Amber	30/06/19	5.0	Nil	0.05[d]	0.01x[d]
FastForward Innovations	31/03/19	N/A	N/A	0.93[b]	N/A
GCP Student Living	30/06/19	6.15	+3.4	5.23[e]	0.85x[e]
Genesis Emerging Markets	30/06/19	$19.0[f]	Nil	$19.00[b]	1.0x
Gulf Investment Fund	30/06/19	$3.0	Nil	$18.22[b]	6.07x
Infrastructure India	31/03/19	N/A	N/A	(12.19)	N/A
Investment Company	30/06/19	16.3	(21.3)	15.77	0.96x
JPEL Private Equity	30/06/19	N/A	N/A	$(0.11)	N/A
JPMorgan Global Growth & Income	30/06/19	12.5	+2.9	4.87[g]	0.39x[g]
JPMorgan Mid Capital	30/06/19	29.5	+5.4	35.0	1.19x

Fund	Year ended	Dividend (pence)*	Change over year (%)	Revenue / earnings (pence)*	Cover
Jupiter European Opportunities	31/05/19	5.5	(15.4)	5.55	1.00x
Mid-Wynd International	30/06/19	5.8	+3.6	6.79	1.17x
Murray Income	30/06/19	10.0	+8.1	34.90	3.49x
New Star	30/06/19	1.4	+40%	1.81	1.8x
PRS REIT	30/06/19	5.0	Nil	2.9[g]	0.58x
SQN Asset Income	30/06/19	7.3	Nil	4.06	0.56x
Supermarket Income REIT`	30/06/19	5.6	+1.8	5.0[j]	0.89x
Target Healthcare REIT	30/06/19	6.6	+2.0	5.45[j]	0.83x
Tufton Oceanic	30/06/19	$0.07	+250	$0.10	2.43x
UIL Finance	30/06/19	7.5	Nil	7.63	1.02x

* Unless otherwise specific

a) Based on profit before investment gains and losses of £10,755k and dividends of £12,036k
b) Basic and diluted earnings per share
c) Underlying earnings per share, pre amortisation of debt
d) Total basic and diluted earnings per share: £9.54 pence
e) Earnings based on group specific adjusted earnings per share
f) Dividend per Participating Preference Share
g) Including the capital account, total return per share was £26.78 pence
h) IFRS earnings per share (basic and diluted)
i) Basic and diluted earnings per 2016 C Share: 6.75 pence
j) EPRA Adjusted Earnings Per Share

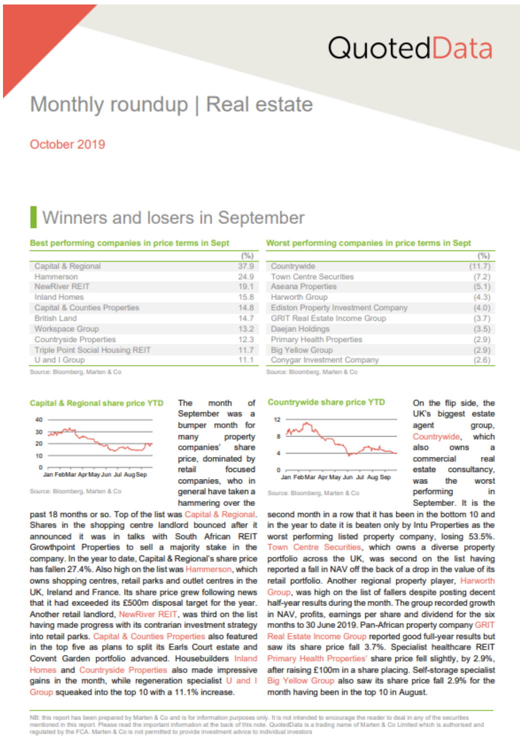
Upcoming events

Have you checked out the Events section of our website? Here is a selection of what's coming up.

- Diverse Income AGM 2019, 9 October 2019
- Pimfa Annual Summit 2019, 16 October 2019
- Renewables Infrastructure EGM 2019, 17 October 2019
- Scottish Mortgage Investor Forum, 22 October 2019
- Personal Investment Live – Festival of Enterprise, 23 October 2019
- Standard Life UK Smaller Companies AGM 2019, 23 October 2019
- City of London Investment Trust AGM 2019, 24 October 2019
- The London Investor Show, 25 October 2019
- Tufton Oceanic Assets AGM 2019, 25 October 2019
- Ashoka India Equity AGM 2019, 30 October 2019
- JPMorgan Mid Cap AGM 2019, 30 October 2019
- Murray Income Trust AGM 2019, 5 November 2019
- AEW UK Long Lease AGM 2019, 5 November 2019
- GCP Student Living AGM 2019, 6 November 2019
- Gulf Investment Fund AGM 2019, 8 November 2019
- Pacific Horizon AGM 2019, 12 November 2019
- Mid Wynd International AGM 2019, 12 November 2019
- JPMorgan Global Growth & Income AGM 2019, 12 November 2019
- JPMorgan Emerging Markets AGM 2019, 13 November 2019
- Investing in the Age of Longevity, 13 November 2019
- New Star Investment Trust AGM 2019, 14 November 2019
- Jupiter European Opportunities AGM 2019, 14 November 2019
- Standard Life UK Smaller Companies presentation, 20 November 2019
- Investment Company AGM 2019, 21 November 2019
- Crystal Amber AGM 2019, 22 November 2019
- Money Week Wealth Summit, 22 November 2019
- TR European AGM 2019, 25 November 2019
- Personal Finance Society Annual Conference, 28 November 2019
- Ruffer Investment Company AGM 2019, 5 December 2019
- Aberdeen Frontier Markets AGM 2019, 10 December 2019

Master Investor – the UKs largest private investor show, 28 March 2020

Publications

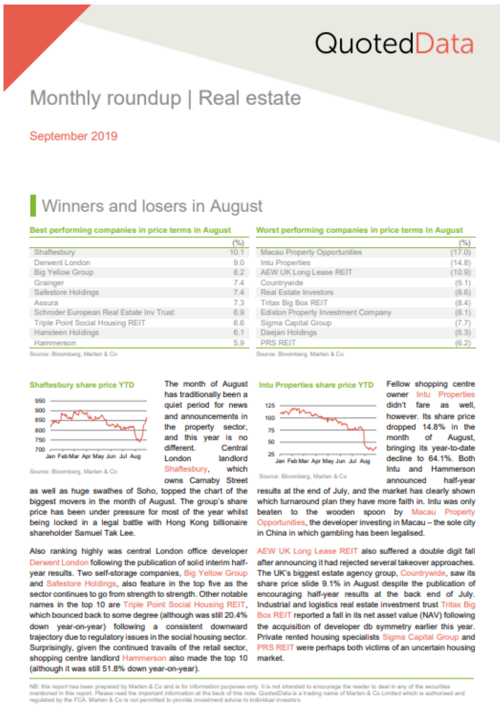

QuotedData

Monthly roundup | Real estate

October 2019

Winners and losers in September

We launched a monthly roundup on the real estate sector over September. It includes sections on performance data, valuation moves, corporate activity and comments from chairmen and managers. Click on the links on the left and right to access the first two iterations.


QuotedData

Monthly roundup | Real estate

September 2019

Winners and losers in August


QuotedData

Annual overview | Investment companies

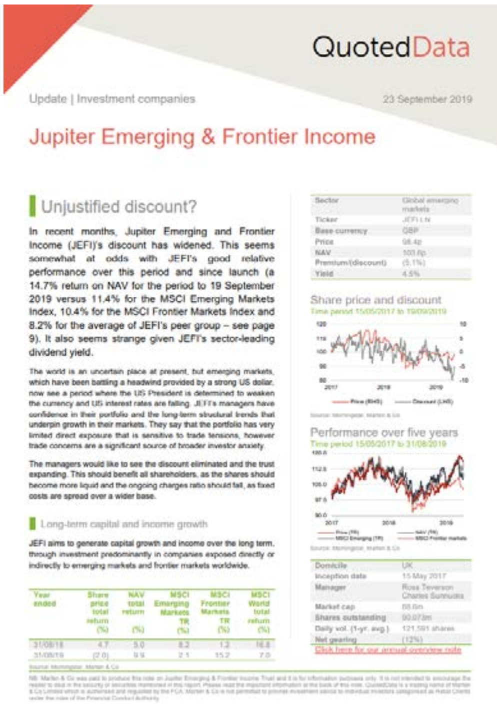
1 October 2019

India Capital Growth

Discounted value

Our note on India Capital Growth looks at the fund's small and mid-cap focused strategy in the context of the recently re-elected BJP government taking decisive action to rejuvenate the economy.

Our update note on Jupiter Emerging & Frontier Income analyses what appears to have been an unjustified widening in the discount over recent months. Relative performance has been good over this period and frontier markets have outperformed emerging and developed markets over the year-to-date.


QuotedData

Update | Investment companies

23 September 2019

Jupiter Emerging & Frontier Income

Unjustified discount?


QuotedData

Annual overview | Investment companies — 19 September 2019

International Biotechnology Trust

Healthy yield attracts investors

We published an annual overview note on International Biotechnology Trust. The managers have focused its portfolio in oncology (cancer), diseases of the central nervous system and rare diseases – areas where pricing pressure on drugs and other therapies is less of an issue. This should cushion IBT as we approach election year in the US.


QuotedData

Annual overview | Investment companies — 13 September 2019

JPMorgan Russian Securities

Outperforming and attractively valued

Russia has been among the best performing equity markets globally, despite being out of favour with international investors. We discuss this in our note on JPMorgan Russian Securities.


QuotedData

Annual overview | Real estate — 12 September 2019

Civitas Social Housing

Targeting full dividend cover

In our note on Civitas Social Housing, we take a look at the company's acquisition pipeline, worth more than £200m. We also discuss our estimate that if the company moves to a fully invested position, which it expects to by the end of March 2020, it should comfortably be able to fully cover its dividend from operations.


QuotedData

Update | Investment companies — 12 September 2019

Montanaro European Smaller Companies Trust

Focus on the small picture

Strong, sector-leading NAV growth) is attracting new investors to the fund and this is helping to drive down its discount to NAV. The fund offers an alternative solution. Its managers see little reward in trying to game the swings in macroeconomic sentiment. They have expertise in less-researched markets around Europe.

QuotedData

Annual overview | Investment companies

9 September 2019

JLEN Environmental Assets

Battery storage potential

JLEN Environmental Assets (JLEN) recently added two new revenue streams, hydropower and battery storage, to its already-diverse portfolio. It's clear from the 16.5% premium to NAV, that investors are drawn to JLEN and its asset mix. In an environment where interest rates are falling, JLEN's dividend yield (which is well-covered by cash flow) and the relative predictability of its earnings are attractive. Premiums in the sector may look high, but the advisers highlight the conservative nature of JLEN's NAV.

Opportunities to add to hydroelectric exposure are limited, but battery storage facilities could be applied across much of JLEN's portfolio. Sensibly, the advisers will be using their experience with the new Thrybergh battery unit (see page 16) to evaluate the potential benefit to JLEN before committing to a more significant investment in this area.

Progressive dividend from investment in environmental infrastructure assets

JLEN aims to provide its shareholders with a sustainable dividend, paid quarterly, that increases progressively in line with inflation. It also aims to preserve the capital value of its portfolio on a real basis 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 ended	Share price total return (%)	NAV total return (%)	Earnings per share (pence)	Adjusted[1] earnings per share (pence)	Dividend per share (pence)
31/03/15[2]	12.6	6.4	5.8	4.5	6.00
31/03/16	(2.5)	3.1	3.0	7.1	6.054
31/03/17	16.5	10.2	9.3	6.3	6.14
31/03/18	(1.8)	6.0	5.7	6.5	6.31
31/03/19	16.3	13.7	12.2	5.8	6.51

Source: Morningstar, Marten & Co. Notes: 1) excluding change in fair value of assets 2) period from launch 31 March 2014

Sector	Renewable infrastructure
Ticker	JLEN LN
Base currency	GBP
Price	118.0p
NAV	101.3p
Premium/(discount)	16.5%
Yield (prospective)	5.6%

* Morningstar estimate based on 30 June 2019 NAV

Share price and discount
Time period 31/08/2014 to 05/09/2019

Price (LHS) Premium (RHS)

Source: Morningstar, Marten & Co

Performance over five years
Time period 31/08/2014 to 31/08/2019

Price (TR) NAV (TR)

Source: Morningstar, Marten & Co

Domicile	Guernsey
Inception date	31 March 2014
Adviser	Foresight Group CI Limited
Market cap	586.5m
Shares outstanding	497.0m
Daily vol. (1-yr. avg.)	1,082,567 shares
Gearing	36%

Click here for our most recent update note

NB: Marten & Co was paid to produce this note on JLEN Environmental Assets Group and it is for information purposes only. It is not intended to encourage the reader to deal in the security or securities mentioned in this report. Please read the important information at the back of this note. QuotedData is a trading name of Marten & Co Limited which is authorised and regulated by the FCA. Marten & Co is not permitted to provide investment advice to individual investors categorised as Retail Clients under the rules of the Financial Conduct Authority.

In our annual overview note on JLEN Environmental Assets we discuss its recent move to add two new revenue streams, hydropower and battery storage, to its already-diverse portfolio. It's clear from the 16.5% premium to NAV, that investors are drawn to JLEN and its asset mix. In an environment where interest rates are falling, JLEN's dividend yield (which is well-covered by cash flow) and the relative predictability of its earnings are attractive.

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

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)
Nick Potts
(np@martenandco.com)
James Carthew
(jc@martenandco.com)
Matthew Read
(mr@martenandco.com)
Shonil Chande
(sc@martenandco.com)
Richard Williams
(rw@martenandco.com)

IMPORTANT INFORMATION