

May 2020

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Winners and losers in April

Markets turned the tide after sentiment completely collapsed for a brief period over March. Despite the global economy facing its most severe downturn in a generation, unprecedented fiscal and monetary support has been providing enough confidence for investors to buy into sectors that were perceived to have been heavily oversold. The median total share price return from investment companies was 8.5%, following a (19.1%) decline over March.

We have included sector specific performance this month, shown in the tables below. Please refer to the 'appendix' section for a comprehensive list. Readers interested in the most recent briefings from the industry can click [here](#) to access our economic and political roundup.

Best performing sectors in April by total price return

	Median share price total return (%)	Median NAV total return (%)	Change in median discount (%)	Median discount (%), 30/04/20	Median discount (%), 31/03/20	Number of companies in the sector	Median sector market cap. (£m)
European Smaller Companies	22.0	12.8	7.4	(10.0)	(17.4)	4	350
Infrastructure Securities	19.3	9.4	6.8	(0.4)	(7.2)	2	83
Global Smaller Companies	18.5	13.0	10.2	(7.1)	(17.3)	5	671
Environmental	15.9	7.2	7.6	0.2	(7.4)	4	67
North America	14.9	9.7	3.8	(2.3)	(6.0)	6	246

Source: Morningstar, Marten & Co. Note: Taking into account sectors with at least two companies and a median market capitalisation above £15m at 30/04/20. *Note: Many alternative asset sector funds release NAV performance on a quarterly basis

Worst performing sectors in April by total price return

	Median share price total return (%)	Median NAV total return (%)	Change in median discount (%)	Median discount (%), 30/04/20	Median discount (%), 31/03/20	Number of companies in the sector	Median sector market cap. (£m)
Financials	(10.7)	0.0	(10.1)	(12.1)	(2.0)	4	103
Property - UK Commercial	(4.5)	0.0	(5.0)	(30.3)	(25.2)	16	313
Property - Rest of World	(4.0)	(1.7)	(0.8)	(50.5)	(49.7)	7	37
Property - Europe	(2.7)	0.0	(2.1)	(28.4)	(26.3)	8	149
Property - Debt	0.0	0.0	4.8	(20.9)	(25.7)	5	93

Source: Morningstar, Marten & Co. Note: Taking into account sectors with at least two companies and a median market capitalisation above £15m at 30/04/20. *Note: Many alternative asset sector funds release NAV performance on a quarterly basis

Small-cap stocks had the best month, with Europe leading the way. Compared to the UK, a number of European countries are either further along in their lockdowns (and therefore closer to easing restrictions) or have been less affected (Germany notably). The US had a particularly good month, though much of this was driven by technology. Secured regulated income flows found in infrastructure benefitted the Infrastructure Securities sector. At the other end of the scale, the relative uncertainty of income across the property spectrum, led to further share price falls.

Winners and losers continued...

Best performing funds in NAV terms in April

	(%)
Golden Prospect Precious Metal	48.4
Chelverton UK Dividend	27.5
CQS Natural Resources G&I	24.6
Miton UK Microcap	23.9
Baillie Gifford US Growth	21.0
Edinburgh Worldwide	19.5
BB Healthcare	18.8
Vietnam Enterprise	18.6
River and Mercantile UK Micro Cap	18.4
BlackRock World Mining	18.2

Source: Morningstar, Marten & Co

Best performing funds in price terms in April

	(%)
Miton UK Microcap	44.5
Golden Prospect Precious Metal	42.3
Gabelli Merger Plus+	41.7
Menhaden	39.6
LMS Capital	37.4
Chelverton UK Dividend	34.5
Augmentum Fintech	33.9
CQS Natural Resources G&I	30.9
Riverstone Credit Opportunities	30.2
BMO Private Equity	27.8

Source: Morningstar, Marten & Co

Gold resumed its resurgence, propelling **Golden Prospect Precious Metal** to the top of the monthly NAV table. **CQS Natural Resources Growth and Income** also benefitted, with gold and silver exposure accounting for about 20% of the portfolio. **Augmentum Fintech's** portfolio of 'disruptive' companies is seen as relatively resilient, particularly if covid-19 leaves a lasting imprint on how people conduct their lives. One of Augmentum's holdings, Onfido (it focuses on identity verification and authentication), raised \$100m over April. The turnaround in sentiment benefitted growth strategies almost across the board. **Baillie Gifford US Growth**, **River and Mercantile UK Micro Cap** and **Miton UK Microcap** rallied strongly as a result of this. **Vietnam Enterprise** had a good month too. Already amongst the fastest growing economies before the pandemic, Vietnam is increasingly being recognised as a long-term beneficiary from a likely drive by companies and countries to reduce their reliance on Chinese manufacturing. **Menhaden's** large allocation to Google's parent company, Alphabet (about 18% of its portfolio), was well rewarded, with tech driving the wider US market. Investors saw value in **BMO Private Equity** and **LMS Capital**, after their discounts widened sharply over March.

Worst performing funds in NAV terms in April

	(%)
Ceiba	(3.1)
Aquila European Renewables	(2.6)
NB Distressed Debt Extended Life	(2.0)
NB Distressed Debt New Glb	(1.9)
Tritax EuroBox Euro	(1.9)
Greencoat Renewables	(1.9)
Globalworth Real Estate	(1.9)
Chenavari Toro	(1.9)
Aseana Properties	(1.7)
BioPharma Credit	(1.7)

Source: Morningstar, Marten & Co

Worst performing funds in price terms in April

	(%)
Marble Point Loan Financing	(44.5)
SQN Asset Finance	(35.9)
JZ Capital Partners	(29.4)
Electra Private Equity	(25.4)
BMO Real Estate	(24.9)
Adamas Finance Asia	(18.8)
Amedeo Air Four Plus	(17.9)
EJF	(16.7)
Globalworth Real Estate	(15.9)
Standard Life Investments Property	(15.0)

Source: Morningstar, Marten & Co

A number of companies within alternatives, that report NAVs periodically, are likely to see declines over time, following asset appraisals. **JZ Capital Partners** said it would make no new investments and a great deal of the existing portfolio needs to be sold to meet debt repayments. Direct lending company, Leasing company **SQN Asset Finance**, has been the worst performing investment company this year (counting those with market caps above £15m). Its portfolio of anaerobic digestion plants was revalued down and after the suspension of its dividend over March, there are concerns over the impact of the crisis on lease payments. US-focused **Marble Point Loan Financing** was the worst performing company in share price terms – it is heavily exposed to the CLO market, which has been handicapped by a series of credit ratings downgrades on the underlying loan collateral. **Aquila European Renewables** and **Greencoat Renewables** reported lower NAVs, likely reflecting the valuation impact of lower power price forecasts. **BMO Real Estate's** exposure to the lockdown's impact on trading saw its shares decline by nearly 25%.

Significant moves in discounts and premiums

More expensive relative to NAV (notable changes)

	% discount (-ve) or premium (+ve)	
	30 Apr (%)	31 Mar (%)
Menhaden	(16.7)	(40.3)
Gabelli Merger Plus+	(17.4)	(39.5)
BMO Private Equity	(10.3)	(29.8)
Augmentum Fintech	(24.2)	(43.4)
LMS Capital	(36.5)	(53.8)
Starwood European Real Estate	(10.4)	(26.4)
Crystal Amber	(15.7)	(31.4)
GCP Asset Backed	(12.9)	(25.9)
Riverstone Credit Opportunities	(47.9)	(60.7)
CQS New City High Yield	6.4	(6.1)

Source: Morningstar, Marten & Co

We discussed **Menhaden**, **BMO Private Equity** and **LMS Capital** in the 'winners and losers' section above. US-focused **Gabelli Merger Plus+**'s main two sector exposures are technology and healthcare, both of which have been among the best performers. **Starwood European Real Estate** says that though hospitality accounts for more than 30% of invested assets, the loan book has been structured defensively with significant collateral in place to protect its exposure. Activist fund, **Crystal Amber**, also benefitted from the bounce in small and medium-sized companies.

Cheaper relative to NAV (notable changes)

	% discount (-ve) or premium (+ve)	
	30 Apr (%)	31 Mar (%)
SQN Asset Finance	(66.5)	(47.7)
BMO Real Estate	(47.8)	(30.6)
EJF investments	(14.6)	2.5
Standard Life Investments Property	(18.9)	(4.6)
CVC Credit Partners European Opps.	(22.9)	(9.7)
Globalworth Real Estate	(30.0)	(18.3)
HWSI Realisation	(53.0)	(41.8)
Pollen Street Secured	(37.9)	(27.3)
Custodian REIT	(12.9)	(2.6)
Chenavari Toro	(33.9)	(23.8)

Source: Morningstar, Marten & Co

BMO Real Estate and **SQN Asset Finance** were discussed earlier. **Standard Life Investments Property** also finds itself exposed to non-rent payments, though it did recently re-affirm its first quarter dividend. **EJF Investments** posted its worst monthly return since launch and took off its currency hedging. **CVC Credit Partners European Opportunities** cut its dividend target, though it stopped short of suspending dividends, like other debt funds. Direct lending company, **HWSI Realisation**, formerly **Hadrian's Wall Secured**, began a managed wind-down prior to the pandemic.

Money raised and returned in April

Money raised in April

	(£m)
Supermarket Income REIT	139.9
Worldwide Healthcare*	32.6
Allianz Technology*	29.9
Finsbury Growth & Income*	29.4
Smithson*	25.7

Source: Morningstar, Marten & Co. *Note: based on approximate value of shares at 30/04/20

Supermarket Income REIT raised £139.9m, a remarkable figure in the current climate – the original target was £75m. Such a heavy oversubscription demonstrated investors' need for certainty of income at this time. Supermarkets should have far fewer problems meeting rent obligations. Elsewhere, **Worldwide Healthcare**, **Allianz Technology**, **Finsbury Growth & Income** and **Smithson** took advantage of their premiums to grow the funds. Nick Train's **Finsbury Growth & Income** holds a number of relatively resilient consumer staples companies such as Unilever and the food company, Mondelez

Money returned in April

	(£m)
Polar Capital Global Financials	(80.8)
Pershing Square*	(39.0)
JPEL Private Equity*	(18.7)
SME Credit Realisation*	(9.8)
Fidelity China Special Situations*	(9.2)

Source: Morningstar, Marten & Co. *Note: based on approximate value of shares at 30/04/20

International (owner of brands such as Cadbury and Toblerone).

Polar Capital Global Financials offered all its investors a chance to exit the trust at NAV. Shareholders have voted to extend its life indefinitely and the trust still has 123m shares in issue. **Pershing Square** has made significant commitments to narrow its discount through buybacks. Elsewhere, buybacks were led by **JPEL Private Equity**, **SME Credit Realisation** and **Fidelity China Special Situations**.

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Major news stories over April – from our website

Portfolio developments

- QuotedData spoke to SV Health Partners, managers of **International Biotechnology**'s unquoted investments, about covid-19.
- **Vietnam Enterprise** said the country was coming off its best economic growth year in a decade
- **BlackRock Frontiers** reflected on its performance over March, with Indonesia, Egypt and Vietnam hard-hit
- **BlackRock Throgmorton**'s short book provided some cushion to March decline
- Equity and bond-income fund **Acorn** discussed its outlook
- Hedge fund company, **Third Point Offshore Investors**, whose manager's origins was in distressed debt, shared its outlook
- **Marble Point Loan Financing** suspended its dividend
- **US Solar** said there had been no material impact on its construction timeline or operating cashflows
- We had inaugural annual results from **Gresham House Energy Storage**
- **Greencoat UK Wind** struck a £320m subsidy-free deal
- **Riverstone Energy** reported a steep decline in its NAV
- Fintech company **Augmentum** said two portfolio companies had closed fundraisings worth a combined \$111m
- We had final results and a gold outlook from **Golden Prospect Precious Metals**

Corporate news

- **ICG Enterprise** said it would be dipping into its debt facility
- **Polar Capital Global Financial**'s life was extended indefinitely following a shareholder vote
- **JZ Capital** will not be making new investments
- **SQN Secured Income** said its continuation vote had been pushed back to June as a result of the pandemic

Property news

- **Aberdeen Standard European Logistics Income** committed to its quarterly dividend
- **Custodian REIT** reported a fall in property values
- Cuba-focused **Ceiba** suspended its dividend
- QuotedData published a thought-piece, arguing it was not all doom and gloom for retail property
- **Secure Income REIT** discussed its exposure to Travelodge

Managers and fees

- There was a management reshuffle at **SQN Asset Finance**
- **Perpetual Income and Growth** served notice to Invesco and Mark Barnett
- **Temple Bar** served protective notice to manager Ninety One UK

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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.

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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.

We strive to explore further.

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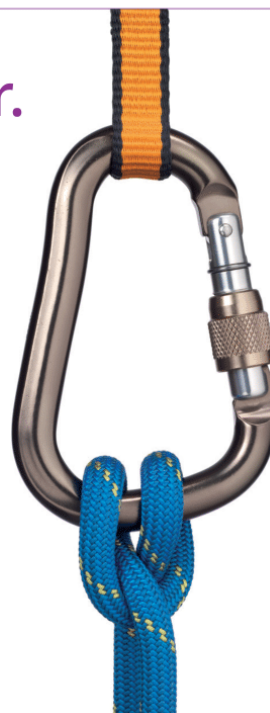
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Income

Investment companies announcing their full year dividends in April

Fund	Year ended	Dividend (pence)*	Change over year (%)	Revenue / earnings (pence)*	Cover
Aquila European Renewables	31/12/2019	€1.5c	N/A ^a	(€0.04c)	N/A ^a
Axiom European Financial Debt	31/12/2019	6.0	Nil	15.2	2.53x
BlackRock Latin American	31/12/2019	34.9	+48.2	18.1	0.52x ^c
BMO Private Equity	31/12/2019	15.3	+6.3	3.5	0.23x ^d
Dunedin Income Growth	31/01/2020	12.7	+1.6	12.1	0.95x
EJF Investments	31/12/2019	10.7	+4.9	20.8 ^e	1.94x
Gresham House Energy Storage	31/12/2019	4.5	N/A ^f	3.1	0.69x
Henderson High Income	31/12/2019	9.8	+2.1	10.6	1.08x
ICG Enterprise	31/01/2020	23.0	+4.5	116.6 ^e	5.07x
Impax Environmental	31/12/2019	3.0	Nil	3.6	1.2x
International Public Partnerships	31/12/2019	7.2	+2.6	9.2 ^e	1.28x
JPMorgan American	31/12/2019	6.5	Nil	7.5	1.15x
JPMorgan US Smaller	31/12/2019	2.5	Nil	2.8	1.12x
LMS Capital	31/12/2019	4.3 ^g	N/A	(5.5) ^e	N/A
Martin Currie Global	31/01/2020	4.2	Nil	2.5	0.59x ^h
Mercantile	31/01/2020	6.6	+4.8	7.6	1.15x
Merchants	31/01/2020	27.1	+4.2	27.7	1.02x
NB Global Floating Rate Income GBP	31/12/2019	4.8	+20.0	N/A	N/A
North American Income	31/01/2020	9.5	+11.7	11.4	1.2x
Pacific Assets	31/01/2020	3.0	Nil	3.3	1.1x
Schroder Asian Total Return	31/12/2019	6.5	+4.8	8.1	1.25x
Trian Investors 1	31/12/2019	0.5	N/A	23.0 ^e	46x

* Unless otherwise specific

- a) AERI launched in 2019
- b) No dividends were declared over the year
- c) Earnings from the capital account were 97.8p
- d) Earnings from the capital account were 36.5p
- e) Basic and diluted earnings per share
- f) GRID launched in November 2018
- g) LMS declared a special dividend of 4.25p in December 2019
- h) Earnings from the capital account were 57.8p
- i) AERI launched in 2019
- j) Trian Investors 1 launched in September 2018

Upcoming events

Here is a selection of what's coming up. Please refer to the [Events](#) section of our website for updates between now and when they are scheduled:

- Schroder UK Public Private Trust Plc webcast, [14 May 2020](#)
- Mello 2020, [20 May \(update to follow\)](#)
- Riverstone Credit Opportunities Income AGM 2020, [21 May 2020](#)
- Secure Income REIT AGM 2020, [21 May 2020](#)
- JPMorgan US Smaller Companies AGM 2020, [26 May 2020](#)
- Polar Capital Technology AGM 2020, [2 September 2020](#)
- NB Distressed Debt AGM 2020, [25 June 2020](#)
- Dunedin Income Growth AGM 2020, [16 July 2020](#)
- UK Investor Show, [26 September 2020](#)
- The London Investor Show, [30 October](#)
- Sustainable & Social Investing Conference, [3 December](#)

Master Investor – the UK's largest private investor show – [5 December 2020](#)



Publications

Update | Investment companies
24 April 2020

Seneca Global Income & Growth

Triple whammy but standing by the dividend

The outbreak of covid-19 has taken the wind out of global markets and Seneca Global Income & Growth Trust (SIGT) has not been immune to this. Its **net asset value (NAV)** has fallen 30.4% during the first quarter of 2020 (23.6% in March – all in total return terms). It has suffered a triple whammy from its UK-biased **value** **style**, its mid cap exposure and the correlation of alternative asset fund prices to equity markets, but its board has said that it intends to maintain the quarterly dividend rate at 1.66p per share for the time being.

We cannot be sure how long the crisis will last, but SIGT's manager believes that a very negative scenario is currently priced in and that under a less negative outcome, many positions will see material re-ratings. If true, the current market malaise may well be a good entry point for the longer-term investor, who can afford to be patient.

Multi-asset, low volatility, with yield focus

Over a typical investment cycle, SIGT seeks to achieve a total return of at least the Consumer Price Index (CPI) plus 6% per annum, after costs, with the volatility and with the aim of growing aggregate annual dividends at least in line with inflation. To achieve this, SIGT invests in a multi-asset portfolio that includes both developed economies (mainly UK equities) and commitments to open- and closed-end funds (increasing equities, fixed income and specialist assets).

Year ended	Share price	NAV	SEC's net asset value	SEC's UK total return
31/03/16	4.4	1.7	3.6	0.3
31/03/17	23.3	19.4	23.7	23.8
31/03/18	4.0	3.6	7.3	1.8
31/03/19	6.7	7.5	8.3	2.2
31/03/20	10.8	10.7	7.8	19.0

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Seneca Global Income & Growth Trust (SIGT)'s manager believes that a very negative scenario is currently priced in and that under a less negative outcome, many positions will see material re-ratings. If true, the current market malaise may well be a good entry point for the longer-term investor, who can afford to be patient. We explore this in our latest update note.



Strategic Equity Capital (SEC)'s shares were at all-time highs two months ago. Its NAV has been relatively resilient compared to many smaller companies funds of late and However, we believe that SEC's managers will see current market weakness as an opportunity to add to positions in companies that they know and like at attractive valuations.

Update | Investment companies
16 April 2020

Strategic Equity Capital

Focused on fundamentals

Just a couple of months ago, Strategic Equity Capital (SEC)'s net asset value (NAV) and share price were at all-time highs. However, since then, the covid-19-related sell-off in markets has led to a flight to safety. NAVs of smaller companies funds have fallen and discounts have widened. Against this backdrop, SEC has proved relatively resilient, however.

Jeff Harris and Adam Marshall, SEC's managers, were confident in their portfolio ahead of the outbreak. The long-term economic effect of the measures being taken to stem the spread of the virus is hard to predict, and the effect on individual companies will vary greatly. However, we believe that SEC's managers will see current market weakness as an opportunity to add to positions in companies that they know and like at attractive valuations. The private equity industry may also see a chance. A takeover bid for one of SEC's holdings at the start of March might be the first of many.

The managers and the management contract see on the move. Jeff and Adam will boost the strategic public equity team at Grosvenor House and the firm will eventually be Aberdeen Standard Grosvenor House Investment Management Limited. Significantly increasing the Resource returns available to support SEC.

Focused UK small companies portfolio

SEC aims to achieve absolute returns over a medium-term period, principally through capital growth. SEC is managed with a focused portfolio of investments selected on the same basis that a private equity investor would use to appraise its investments.

Year ended	Share price	NAV	SEC's UK total return	SEC's UK total return
31/03/16	9.5	8.1	5.1	5.9
31/03/17	2.2	2.8	14.4	23.1
31/03/18	8.0	9.3	8.4	19.2
31/03/19	17.0	15.9	0.3	7.6
31/03/20	11.7	15.1	11.4	116.1

[Click here for our annual overview note](#)

Update | Real estate
15 April 2020

Civitas Social Housing

Proved its mettle

Some market commentators appear to have overstated the impact of regulatory concerns on Civitas Social Housing's (CSH) performance. Regulatory notices served on some of its tenants knocked CSH's share price over 2019/2020. However, during the whole of this period, it collected its rents, paid its dividends and increased its net asset value (NAV).

Recognition of this fact, and the supply and demand fundamentals that support growth in the supported living sector, saw its share price recover and its discount to NAV narrow. That reputation, as has been the case in all global markets, has been somewhat curtailed by the coronavirus outbreak. However, owing to the strong characteristics of the supported living sector, CSH has been one of the best performing REITs and property companies since the covid-19 pandemic escalated.

The company is keen to expand but it has delayed taking on new debt facilities until the markets return to normality. Following the acquisition of a portfolio of properties in March 2020, CSH's dividend is fully covered by earnings on a run rate basis.

Income and capital growth from social housing

CSH aims to provide its shareholders with an attractive level of income, together with the potential for capital growth from investing in a portfolio of social homes. The company expects that these will benefit from inflation-adjusted long-term leases and that they will deliver a targeted dividend yield of 3.2% per annum on the issue price, with further growth expected. CSH intends to increase the dividend biennially in line with inflation.

Year ended	Share price	NAV	CSH's total return	CSH's total return
31/03/18	0.6	10.7	1.4	4.2
31/03/19	2.2	8.2	3.0	5.3
31/03/20	1.6	8.3	3.0	5.3

[Click here for our most recent update note](#)



In our latest update note on Civitas Social Housing (CSH), we make the point that some market commentators appear to have overstated the impact of regulatory concerns on CSH. During the whole of this period, it collected its rents, paid its dividends and increased its NAV.



It was the most eventful quarter in living memory. The collapse in asset prices over the latter part of March, brought the curtain down on an up-market that lasted more than ten years. In amongst this, there were pockets, such as the technology sector, that held up well. These themes are all explored in our review of the first quarter of 2020.

Quarterly report | Investment companies
April 2020

First Quarter of 2020

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Unprecedented times

We have knitted together the impact on the investment companies from what is now widely considered to be the most severe pandemic in a century. The collapse in asset prices over the latter part of March, brought the curtain down on an up-market that lasted more than ten years. In amongst this, there were pockets, such as the technology sector, that held up well. For many industries, the worst is still to come, as we brace ourselves for the sharpest contraction to global growth since the US great depression.

For a comprehensive collation of commentary from fund managers and chairman in response to covid-19, you can access our most recent economic and political roundup [here](#).

New research

Over the quarter, we published notes on **International Biotechnology** Trust, **Health**, **Midstream**, **UK Smaller Companies**, **Aberdeen Emerging Markets**, **CG Asset Management**, **Polar Capital Global Frontiers**, **Aberdeen New Cities**, **Global Income**, **GEF Infrastructure** and annual overviews of the **investment companies** and **real estate** sectors. You can read all these notes by clicking on the links above or by visiting research.quotedata.com.

In this issue

Performance Data – The Breven Howard hedge funds, **BH Macro** and **BH Global**, fared well while technology held up well too. The worst affected sectors were aircraft leasing, energy, structured finance, small and mid-cap growth and equity income funds.

Major news stories – We have updates and responses from a raft of funds across the investment trust industry. [Click here](#) to access the news section.

Money in and out – We welcomed **Nippon Active Value**, which raised £10bn in February. **Procedia**, is otherwise very quiet.

All investment companies

median discount

Time period 31/03/2019 to 31/03/2020

Cyclicality reigns supreme

Time period 01/04/2019 to 31/03/2020

Publications continued...



Within real estate, companies focused on the retail, leisure and hospitality property sectors were particularly badly affected over the first quarter, as the country was put on lockdown. Later in the quarter, the extent of the problem for property companies was revealed with rent collection announcements. Some retail-focused companies had.

There were a handful of companies that did emerge from the quarter unscathed. Healthcare property companies, whose income is backed by the government, all saw a slight increase in their share prices over the period.

Guide

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.



Appendix 1 – April performance by sector

	Share price total return (%)	NAV total return (%)	Share price return YTD (%)*	Change in discount (%)	Discount (%), 30/04/20	Discount (%), 31/03/2020
Insurance & Reinsurance Strat.	52.3	(1.7)	19.3	13.9	(12.6)	(26.5)
European Smaller Companies	22.0	12.8	(18.0)	7.4	(10.0)	(17.4)
Infrastructure Securities	19.3	9.4	(7.2)	6.8	(0.4)	(7.2)
Global Smaller Companies	18.5	13.0	(7.4)	10.2	(7.1)	(17.3)
Environmental	15.9	7.2	(12.2)	7.6	0.2	(7.4)
European Emerging Markets	15.3	7.4	(33.5)	6.0	(13.4)	(19.4)
North America	14.9	9.7	(14.1)	3.8	(2.3)	(6.0)
Country Specialist: Asia Pac. ex Japan	13.3	12.5	(17.4)	2.4	(13.9)	(16.3)
Biotechnology & Healthcare	13.1	12.1	3.1	(1.5)	(0.3)	1.2
Japanese Smaller Companies	13.1	10.8	(10.8)	0.8	(3.1)	(3.9)
Commodities & Natural Resources	12.4	7.3	(21.0)	(1.1)	(16.3)	(15.2)
Country Specialist: Europe ex UK	12.0	9.2	(23.3)	2.5	(10.6)	(13.1)
Europe	12.0	6.8	(10.7)	5.2	(7.0)	(12.2)
Asia Pacific Smaller Companies	11.9	11.3	(22.5)	0.6	(16.6)	(17.2)
Technology & Media	11.7	12.2	12.7	(0.6)	2.5	3.1
Global	11.5	9.4	(9.7)	2.9	(2.3)	(5.2)
UK Equity & Bond Income	11.4	9.9	(27.6)	1.3	(6.6)	(7.9)
Asia Pacific Income	11.3	9.1	(14.0)	1.0	(2.9)	(3.9)
UK Smaller Companies	11.2	10.1	(26.1)	(0.3)	(14.0)	(13.7)
Global Equity Income	10.8	7.9	(15.0)	1.8	1.0	(0.9)
UK All Companies	10.4	12.5	(30.9)	3.4	(6.8)	(10.2)
Leasing	10.1	0.0	(48.3)	(3.4)	(66.5)	(63.1)
Japan	8.9	8.5	(17.1)	1.6	(9.1)	(10.7)
Flexible Investment	8.7	3.0	(13.7)	4.3	(7.5)	(11.9)
UK Equity Income	8.0	6.6	(23.2)	2.0	(3.9)	(5.9)
Hedge Funds	8.0	1.6	(1.4)	9.4	(17.4)	(26.8)
Asia Pacific	7.6	8.1	(10.6)	0.5	(9.8)	(10.3)
Private Equity	7.6	0.0	(22.5)	6.2	(36.2)	(42.4)
Debt - Direct Lending	5.9	0.0	(18.6)	(0.8)	(27.3)	(26.5)
Property Securities	5.5	1.8	(31.2)	3.1	(8.2)	(11.3)
Debt - Structured Finance	5.2	(1.7)	(32.2)	(11.7)	(26.8)	(15.1)
Country Specialists: Latin America	4.8	3.4	(40.3)	1.1	(17.1)	(18.2)
Global Emerging Markets	4.7	7.4	(18.5)	(1.1)	(13.5)	(12.4)
Debt - Loans & Bonds	3.4	4.9	(17.1)	1.0	(8.1)	(9.1)
Growth Capital	2.6	0.0	(10.5)	5.2	(34.7)	(39.9)
Infrastructure	2.3	0.0	(11.4)	2.4	6.0	3.6
Renewable Energy Infrastructure	1.8	0.0	(6.6)	1.0	8.2	7.1
Property - UK Residential	1.4	0.0	(14.2)	6.5	(12.1)	(18.6)
Property - UK Healthcare	1.2	0.0	(9.2)	1.1	(5.9)	(7.0)
Liquidity Funds	0.9	0.8	(0.6)	0.4	(1.6)	(2.0)
Latin America	0.2	3.5	(38.9)	(2.8)	(11.3)	(8.5)
Property - Debt	0.0	0.0	(18.2)	4.8	(20.9)	(25.7)
Royalties	0.0	0.0	(5.3)	0.0	5.6	5.6
Property - Europe	(2.7)	0.0	(12.7)	(2.1)	(28.4)	(26.3)
Property - Rest of World	(4.0)	(1.7)	(24.7)	(0.8)	(50.5)	(49.7)
Property - UK Commercial	(4.5)	0.0	(26.6)	(5.0)	(30.3)	(25.2)
Global High Income	(7.7)	7.9	(32.4)	(13.1)	(17.8)	(4.8)
Financials	(10.7)	0.0	(20.7)	(10.1)	(12.1)	(2.0)

Source: Morningstar, Marten & Co. *Note: to 30/04/20

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