

WS Gresham House UK Multi Cap Income Fund

January 2025



Gresham House
Specialist investment

Fund objective

To achieve income with the potential for capital growth, over any five-year period, after all costs and charges have been taken. **Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.**

Fund rank

Financial Express (FE) rank 51/68 over 5 years to 31 January 2025

Fund performance

Source: FE Analytics based on the returns of the C share class, net of charges, since launch to 31 January 2025



● A - WS Gresham House UK Multi Cap Income C Acc in GB (72.4%) ● B - IA UK Equity Income TR in GB (40.2%)

Cumulative performance

Source: FE Analytics net of charges, as at 31 January 2025

Cumulative returns month ending 31 January 2025	1 month	3 months	YTD	1 year	3 years	5 years	Since launch (30 June 2017)
WS Gresham House UK Multi Cap Income Fund	-2.2%	-4.3%	-2.2%	3.8%	8.2%	22.9%	72.4%
IA UK Equity Income	3.6%	4.5%	3.6%	14.3%	19.0%	28.6%	40.2%
Quartile	4	4	4	4	4	3	1

Discrete performance

Source: FE Analytics net of charges, as at 31 January 2025

Discrete annual returns	YTD	2024	2023	2022	2021	2020
WS Gresham House UK Multi Cap Income Fund	-2.2%	8.7%	12.5%	-7.2%	26.3%	-5.6%
IA UK Equity Income	3.6%	6.7%	7.0%	-1.7%	18.4%	-10.7%

Performance

Performance in the WS Gresham House UK Multi Cap Income Fund decreased by 2.2% during January, underperforming the IA UK Equity Income sector which increased by 3.6%.¹

Key positive contributions came from **Intermediate Capital (+0.5% Contribution to Total Return ("CTR"))** following a third-quarter trading update which demonstrated strong fundraising across private equity and credit strategies ahead of market expectations as well as positive balance sheet investment returns; **Inspired (+0.3% CTR)** following a £22m equity raise (including the retail offer), cornerstoned by a number of Gresham House Public Equity funds, which has materially reduced balance sheet risk; and **Schroders (+0.3% CTR)** as various news articles reported a planned 3,000 headcount reduction, although this was not publicly announced by the company.

The largest detractors to performance were **Ricardo (-1.4% CTR)** following a profit warning driven by delayed project mobilisations across the E&E, Rail, and Automotive & Industrial divisions, combined with lower-than-expected cash generation due to working capital headwinds; **Greggs (-0.6% CTR)** following a fourth-quarter trading update which despite confirming full-year expectations in-line with previous market guidance, showed 'like-for-like' (LFL) company-managed store sales growth below market expectations and marginally negative year-on-year volume growth, prompting an analyst 'sell' rating from Panmure Liberum. While the market appears to have characterised lower-than-expected quarterly LFLs as a deeper strategic issue, we retain conviction that Greggs is a quality growth compounder with various levers within management control to drive sustainable growth across its core and new company-managed store estate; and **RWS Holdings (-0.5% CTR)** on no specific newsflow.

1. The IA UK Equity Income sector and FTSE All-Share Index comparator are used for illustrative purposes only.

Capital at risk. Past performance is not a reliable indicator of future performance. Portfolio investments in smaller companies typically involve a higher degree of risk. Charts and graphs are provided for illustrative purposes only as there is no official benchmark for this fund.

Fund managers



Co-Manager
Ken Wotton

25 years' experience



Co-Manager
Brendan Gulston

14 years' experience

Fund information

Launch date 30 June 2017

Fund size £824.1mn

Fund sector IA UK Equity Income

Number of holdings 40

Portfolio turnover rate 20%
(12-month period to 31 January 2025)

Dividend yield 4.6%

Fund price 172.42p C Acc (as at 31 January 2025)

Pricing 12:00 noon (GMT)

ISA eligible Yes

Ratings



© 2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Platforms hosting the Fund¹

- Aegon
- AJ Bell
- Allfunds
- Aviva
- BNY Mellon
- Embark
- FNZ
- FundsNetwork
- Hubwise
- James Hay
- Pershing Nexus
- Nucleus
- M&G
- Platform Securities
- Parmenion
- Raymond James
- 7IM
- Aberdeen Wrap
- Transact
- Wealthtime
- Zurich

1. Selection only

Dividends

	XD date	Pay date	Dividend
C Sterling Income	March 2024	May 2024	1.04p
C Sterling Income	June 2024	August 2024	1.82p
C Sterling Income	September 2024	November 2024	1.18p
C Sterling Income	December 2024	February 2025	1.16p*

*Estimate

Fund statistics¹

Source: FE Analytics, based on three years to 31 January 2025. Volatility, Alpha, Beta, Sharpe and Info Ratio are benchmarked against the Fund's own sector average

Risk ratios month ending 31 January 2025	Volatility	Alpha	Beta	Sharpe	Information Ratio
WS Gresham House UK Multi Cap Income Fund	11.19	-2.57	0.80	0.00	-0.47
IA UK Equity Income	11.64	0.00	1.00	0.21	0.00

Top 10 holdings

Holding	Description	NAV
Intermediate Capital Group	Private equity firm	4.1%
XPS Pensions Group	Actuarial consultancy	3.9%
TP ICAP	Brokering services provider	3.8%
Domino's Pizza	UK-based pizza restaurant chain	3.7%
GlaxoSmithKline	Multinational pharmaceutical company	3.5%
Quilter	Wealth management services	3.4%
Telecom Plus	Multi-utility supplier	3.4%
Schroders	Asset manager	3.3%
B&M	General merchandise discount retailer	3.3%
Balfour Beatty	International construction group	3.3%

Portfolio activity

We made no new investments during the period. The team however did make select follow-on investments including into **Greggs**, the leading national brand in the UK food-to-go market which the Manager believes is a quality growth business, creating value through levers within management control including new site rollout, extended evening opening hours, delivery partnerships, and ongoing loyalty app penetration to increase customer lifetime value; **Nichols**, the global brand owner of Vimto soft drinks, which the Manager believes is well-positioned to take share in a structurally growing UK squash market and benefits from a diversified and primarily outsourced business model, generating a high return on invested capital and strong free cash flow to support progressive income growth; and **B&M**, a leading value discounter specialised in fast-moving consumer goods (FMCG) and general merchandise, which leverages supply-chain economies of scale to generate market-leading pricing versus peers and consistent volume market share gains. Following a stark de-rating during 2024, B&M trades at attractive valuation multiples of sub-6x EV/EBITDA (pre-IFRS 16) and a 12% free cash flow yield (FY26E) 1 which in our view are detached from attractive operating fundamentals.

We made one full exit during the period from **Argentex**. While the Manager continues to believe Argentex offers attractive long-term value driven by structural market tailwinds, an attractive platform-based proposition to drive share gains, and an attractive financial profile, the investment had become sub-scale within the portfolio. Given the small market capitalisation of the company and lower liquidity profile, Argentex was not sufficiently aligned with this portfolio's strategy to justify building a position with a higher weighting of net asset value.

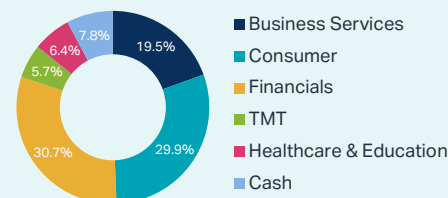
Primary share class information

C Sterling

Type	Acc	Inc
Minimum investment	£10,000	£10,000
Minimum top up	£1,000	£1,000
Minimum regular savings plan	n/a	n/a
Initial charge (fully discounted)	Up to 2.50%	Up to 2.50%
Annual management charge	0.75%	0.75%
Ongoing Charges	0.80%	0.80%
ISIN code	GB00BYXVGS75	GB00BYXVGT82
SEDOL code	BYXVGS7	BYXVGT8
MEX ID	CGAFC	CGAFD

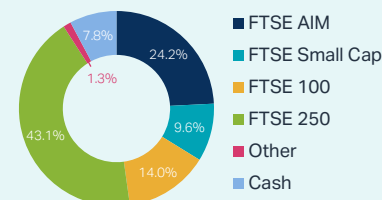
Capital at risk. Past performance is not a reliable indicator of future performance. Portfolio investments in smaller companies typically involve a higher degree of risk. Charts and graphs are provided for illustrative purposes only as there is no official benchmark for this fund.

Sector allocation



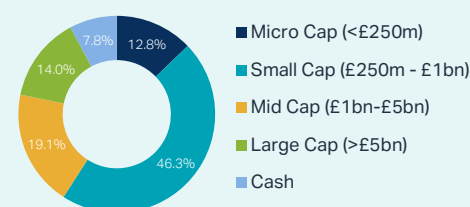
Source: Gresham House Asset Management Limited (portfolio at 31 January 2025)

Index weighting



Source: Gresham House Asset Management Limited (portfolio at 31 January 2025)

Market cap breakdown



Source: Gresham House Asset Management Limited (portfolio at 31 January 2025)

1. Fund statistics definitions

Volatility is a statistical measurement that, when applied to an investment fund, expresses its volatility, or risk. It shows how widely a range of returns varied from the fund's average return over a particular period.

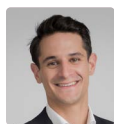
Alpha is a measure of a fund's over-or-underperformance in comparison to the benchmark of the fund. Alpha represents the extra value the manager's activities have contributed, the greater the alpha, the greater the outperformance.

Beta is a statistical estimate of a fund's volatility in comparison to its benchmark. It depicts how sensitive the fund is to movements in the section of the market that comprises the benchmark.

Sharpe is the level of a fund's return over and above the return of a notional risk-free investment, such as cash or government bonds. The difference in returns is then divided by the fund's standard deviation (volatility). This is an indication of the amount of excess return generated per unit of risk. In general it is considered that the higher the Sharpe ratio, the better.

Information ratio is a risk-adjusted measure of actively managed fund performance. It assesses the degree to which a manager uses skill and knowledge to enhance the fund returns. The higher the information ratio, the better. It is generally considered that a figure of 0.5 reflects a good performance, 0.75 very good, and 1 outstanding.

Get in touch



Chris Elliott

Managing Director, Wholesale

M: +44 (0) 78279 20066

E: c.elliott@greshamhouse.com



Andy Gibb

Sales Director

M: +44(0) 78490 88033

E: a.gibb@greshamhouse.com



Rees Whiteley

Sales Manager, Wholesale

M: +44(0) 75975 79438

E: r.whiteley@greshamhouse.com



Portfolio manager

Gresham House Asset Management Ltd (GHAM)

As the operating business of Gresham House, GHAM manages and advises funds and co-investments across a range of differentiated alternative investment strategies for third-party clients. Gresham House is a specialist asset manager and adviser with c.£8.7bn AUM.

Source: Gresham House as at 31 December 2024.

Key risks

- The value of the Fund and the income from it is not guaranteed and may fall as well as rise. As your capital is at risk you may get back less than you originally invested
- Past performance is not a reliable indicator of future performance
- Funds investing in smaller companies may carry a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid than securities in larger companies


Important information

The information contained in this document (the Document) is being communicated in the United Kingdom for the purposes of section 21 of Financial Services and Markets Act 2000 and has been issued by Gresham House Asset Management Limited (GHAM or the Manager).

GHAM whose registered office is at 5 New Street, London, EC4A 3TW is a company authorised and regulated by the Financial Conduct Authority (FCA) (no. 682776). The information should not be construed as an invitation, offer or recommendation to buy or sell investments, shares, or securities or to form the basis of a contract to be relied on in any way. GHAM provides no guarantees, representations, or warranties regarding the accuracy of this information. No third-party liability is accepted by GHAM, its members and employees, or its affiliates and their directors, in respect of errors and omissions, other than under the duties and liabilities of the Financial Services and Markets Act 2000. Potential investors are advised to independently review and/or obtain independent professional advice and draw their own conclusions regarding the economic benefit and risks of investing in the securities and legal, regulatory, credit, tax, and accounting aspects in relation to their particular circumstances. The recipient should consult its tax, legal, and accounting or other advisers about the issues discussed herein and shall be solely responsible for evaluating the risks and merits involved in the content of this Document.

This Document is provided for the purpose of information only and before investing you should read the Prospectus and the Key Investor Information Document (KIID) as they contain important information regarding the Fund, including charges, tax and fund specific risk warnings and will form the basis of any investment. The Prospectus, KIID and application forms are available from Waystone Management (UK) Limited, the Authorised Corporate Director of the Fund (Tel. No. 0345 922 0044). Investors are reminded that past performance is not indicative of future results. Funds investing in smaller companies may carry a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid than securities in larger companies. No person, especially those who do not have professional experience in matters relating to investments, must rely on the contents of this Document. If you are in any doubt as to the matters contained in this Document, you should seek independent advice where necessary. This Document has not been submitted to or approved by the securities regulatory authority of any state or jurisdiction. This Document is intended for distribution in the United Kingdom only. Any dissemination or unauthorised use of this Document outside the United Kingdom by any person or entity is strictly prohibited.

Please contact a member of the Gresham House team if you wish to discuss your investment or provide feedback on this presentation. Gresham House is committed to meeting the needs and expectations of all stakeholders and welcomes any suggestions to improve its service delivery.

 (0) 20 7382 0999

 info@greshamhouse.com

www.greshamhouse.com

Copyright © 2024 Gresham House


Gresham House
Specialist investment