

PREMIUM DIVIDEND PORTFOLIO

Quarterly Factsheet

INVESTMENT OBJECTIVE

MVAM's Premium Dividend Portfolio (PDP) invests in 25 companies in the UK and Europe. The portfolio is designed to give you a steady and growing stream of income. The companies we invest in demonstrate an ability to pay a consistent, growing dividend throughout the business cycle. We employ 'layers of confidence' with a specific focus on the balance sheet, prudent accounting principles and the quality of the income streams, to ensure consistency and repeatability over the long-term.

QUARTERLY COMMENTARY October - December 2019

The shambles of Brexit and the UK election failed to prevent the strong equity markets' continued strength in Q4 2019, with the FTSE All Share up 4.7% in the final quarter of the year. 2019 equity performance was strong as the global central banks reignited their monetary stimulus in August. In 2020, we expect to see fiscal stimulus hot on the heels of this liquidity rally driven by monetary stimulus.

The Portfolio enjoyed a good quarter and a strong performance since inception in April 2019, as global investors returned to invest in Europe. Despite the uncertainty surrounding the UK withdrawal from the European Union, we expect further inflows from international investors as the UK equity market represents good value, particularly relative to its US counterpart.

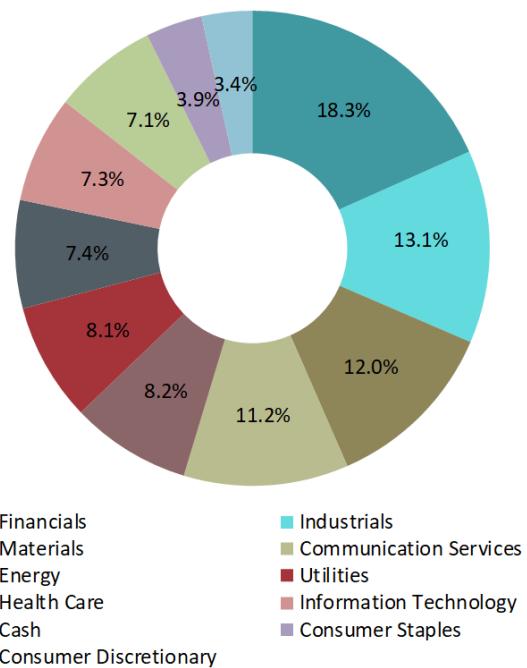
The economically sensitive companies in the portfolio benefitted strongly in Q4 2019. ABB, the Swiss power and automation company, continued to benefit from its increased focus on Electrification Products and Robotics. On the negative side, KPN, the Dutch telecom operator and NOS, the Portuguese telecom operator fell, despite evidence of increased customer pricing and continued harmonisation of communication. We expect 2020 to be more fruitful for the telecoms operators as the value of their installed infrastructure base attracts alternative investors, hunting for scarce yield opportunities.

New positions were initiated in the Italian company, Piaggio, a direct beneficiary of the rising middle class in Emerging Markets, and two technology companies, TietoEvry in Finland and Siltronic AG in Germany. These companies are expected to see significant growth as the Global Economy benefits from this monetary and fiscal support in 2020.

Top Ten Holdings

Name	Portfolio
Morgan Advanced	4.6%
ABB Ltd-Reg	4.5%
National Grid Pl	4.1%
Royal Dutch Sh-B	4.1%
Aperam	4.1%
Total SA	4.1%
Bouygues SA	4.0%
Lafargeholcim-Re	4.0%
BT Group Plc	4.0%
SNAM Spa	3.9%
Top Ten Holdings	41.5%

Sector Weights



The value of your investments and the income from them may go down as well as up.

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PERFORMANCE

1m	3m	6m	1y	Inception
3.5%	4.5%	3.6%	-	11.1%

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019			0.36%	1.89%	-2.51%	4.14%	1.60%	-1.13%	2.86%	-0.82%	0.95%	3.49%	11.14%

Key Facts

Inception Date:	28-Mar-19
Annualised Rate of Return:	14.88%
Best Month:	4.14%
Worst Month:	-2.51%
No of Holdings:	25
Risk Grade:	Moderate
Std Dev:	0.51%

Performance is a composite made from grouping together each individual client PDP. All client portfolios hold identical stocks but weightings will differ depending on the start date. On the start date each client has their own individual portfolio which will begin with an approximate 4% weighting in each of the 25 MVAM PDP stocks. Occasionally the portfolios may hold some cash when we are between investments.

BENEFITS

RISKS

FEES

- Experienced, successful team
- Consistent, repeatable strategy
- No leverage and no derivatives
- Focussed portfolio
- Money invested in equities
- No hedging
- No entry or exit fees
- No performance fee
- Money back within a week of receiving redemption request

ABOUT MVAM

Mole Valley Asset Management offer innovative and bespoke investment services to private clients and intermediaries. A highly experienced team, investing client savings directly into the markets, aided by proprietary screening and original research. We always remember that it's your money.

PORTFOLIO MANAGEMENT TEAM

CRAIG HARPER



ANDREW HOLDER



DUNCAN SANFORD



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