



# Electric & General Investment Fund

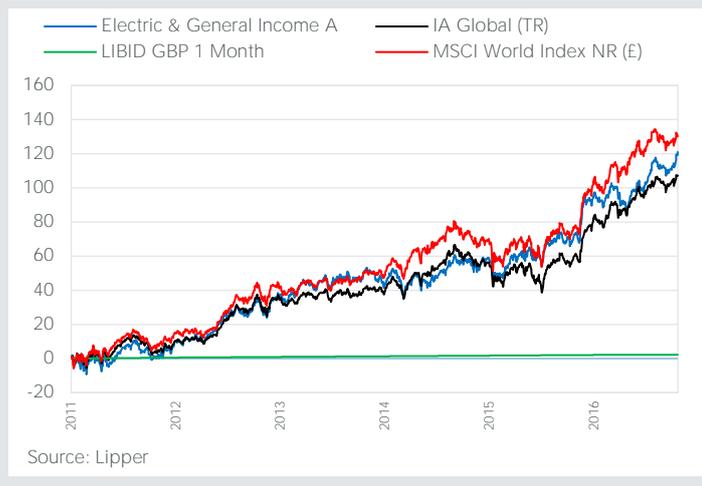
31 May 2017

[www.electricandgeneral.com](http://www.electricandgeneral.com)

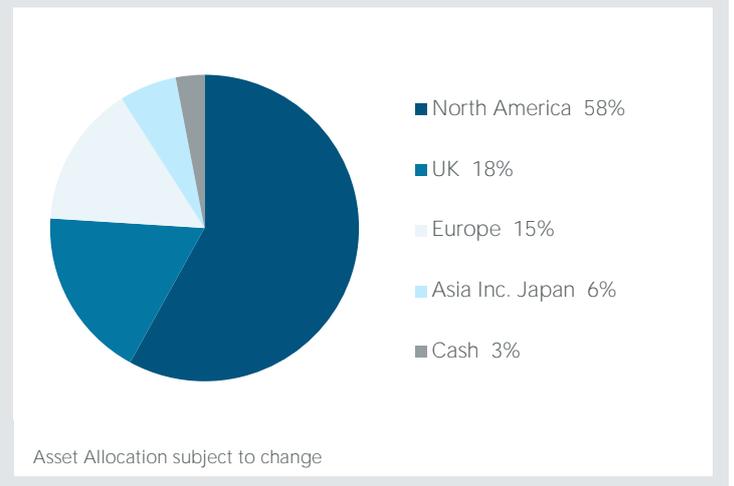
The investment objective of the Electric & General Investment Fund is to seek to achieve long-term capital growth with some potential for income. The company's investment policy is to invest principally in global equities, and it may also invest in other transferable securities, bonds, collective investment schemes, warrants, money market instruments, cash, near cash and deposits. There is no limit to which the company can be invested in each sector or asset type, nor is there any particular geographic focus.

Prices	197.70p	Net Yield	1.6%
Fund Size	£107,864,251		

## Percentage Growth from 12/08/2011 to 31/05/2017



## Asset Allocation



Total Return to 31 May 2017	12/08/11 Since Launch	31/05/14 3 years	31/05/15 2 years	31/05/16 1 year	30/11/16 6 months
Electric & General Income A	+121.0%	+46.5%	+39.8%	+29.8%	+15.6%
LIBID* (1 month GBP)	+2.2%	+0.9%	+0.6%	+0.2%	+0.1%
IA Global (TR)	+107.1%	+46.9%	+27.5%	+30.9%	+10.5%
MSCI World Index NR (£)	+130.2%	+53.6%	+32.2%	+31.3%	+9.2%

Discrete Calendar Annual Returns	2012	2013	2014	2015	2016	2017 YTD
Electric & General Income A	+18.7%	+25.4%	-0.7%	+13.7%	+20.5%	+11.5%

\*London Inter-bank Bid Rate

Past performance is not a guide to future performance

Source: Lipper

## May Commentary

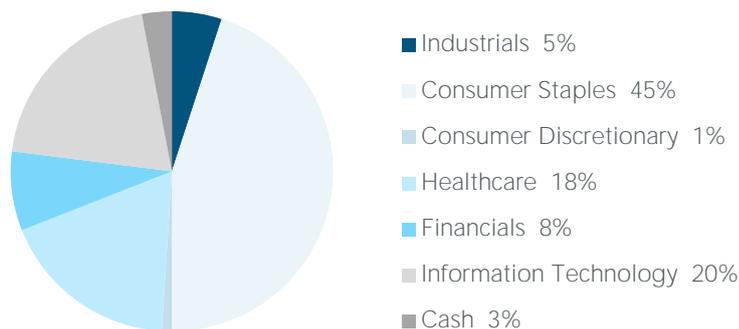
Your Fund returned +5.8% during the month compared to +2.3% for the MSCI World Index NR (£).

The medical technology company Medtronic has been held in the Fund since Troy's appointment (1<sup>st</sup> July 2015) and has been a strong contributor to returns. Medtronic is a world leader in cardiac and vascular disease management, spine, minimal invasive surgery and diabetes management. From their roots in developing the first implantable pacemaker in the 1960's, Medtronic is at the vanguard of

applying innovative technology to treat disease including coronary stents, heart valves and monitoring equipment and drug delivery. Demand for these medical interventions has grown consistently in recent years, underpinned by an aging population in developed countries and increased demand for fundamental healthcare in emerging markets. As the harsh realities of increased healthcare bills require greater scrutiny of outcomes and payment for results, companies like Medtronic play a vital role.

The audacious purchase of the healthcare products business Covidien in 2015 has weighed on returns and the balance sheet. We have, however, stuck with the shares. Medtronic is highly profitable and cash-generative with operating margins of 21% and rising. Debt levels are coming down helped by the recent \$6.1bn sale of their medical supplies business to Cardinal Health. The shares trade on 17.5x NTM earnings, with a near 5% free cash flow yield and a 2% dividend yield (Source: Bloomberg). Medtronic remains a core holding.

## Asset Allocation by Sector



Asset Allocation subject to change

Risk analysis since launch (12/08/11)	Fund	IA Global (TR)	Index*
Total Return	+121.0%	+107.1%	+130.2%
Max Drawdown <sup>1</sup>	-11.9%	-16.9%	-16.2%
Best Month	+8.7%	+7.9%	+7.8%
Worst Month	-7.1%	-5.2%	-5.3%
Positive Months	+65.2%	+66.7%	+69.6%
Annualised Volatility	+12.2%	+10.6%	+9.9%

1. Measures the worst investment period

\*MSCI World Index NR (£)

Source: Lipper

Top 10 holdings	% Fund
Microsoft	5.4
Philip Morris	5.3
British American Tobacco	4.6
Roche Holdings	4.2
Altria	4.0
Unilever	4.0
Nestlé	4.0
Novartis	3.9
Johnson & Johnson	3.7
American Express	3.6
<b>Total Top 10</b>	<b>42.7</b>
22 other holdings	54.6
Cash & Equivalent	2.7
<b>TOTAL</b>	<b>100.0</b>

Holdings subject to change

## Fund Information

A copy of the latest Prospectus upon which you should base your investment decision is available from Carvetian Capital Management Ltd, the Company's Authorised Corporate Director on 0845 850 0255 or at [www.electricandgeneral.com](http://www.electricandgeneral.com).

Structure UCITS	Ongoing Charges Income shares 1.14%	Dealing Daily Tel: 0845 850 0255
Investment Adviser Troy Asset Management Ltd 33 Davies Street London W1K 4BP  Tel: 020 7499 4030 Fax: 020 7491 2445 email: <a href="mailto:info@taml.co.uk">info@taml.co.uk</a>	Dividend Ex Dates 2 January (interim), 1 July (final)	Registrar Yealand Administrators Ltd
Fund Manager Gabrielle Boyle	Dividend Pay Dates End February (interim), end August (final)	Auditor Shipleys LLP
Currency £ Sterling	Net Yield (historic) 1.55%	Depository National Westminster Bank plc
Initial Fee Nil	Authorised Corporate Director Carvetian Capital Management Ltd Stuart House St John's Street Peterborough PE1 5DD Tel: 0845 850 0255	SEDOL B52CBS3
Launch Date 12 August 2011		Pricing Available at <a href="http://www.electricandgeneral.com">www.electricandgeneral.com</a>

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