



Electric & General Investment Fund

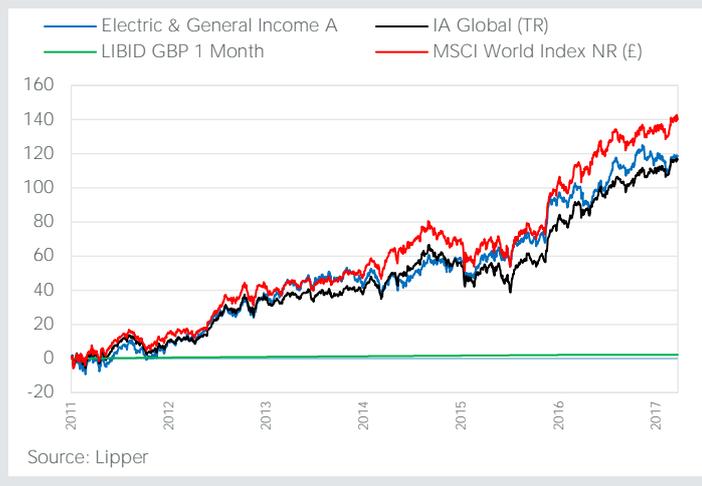
31 October 2017

www.electricandgeneral.com

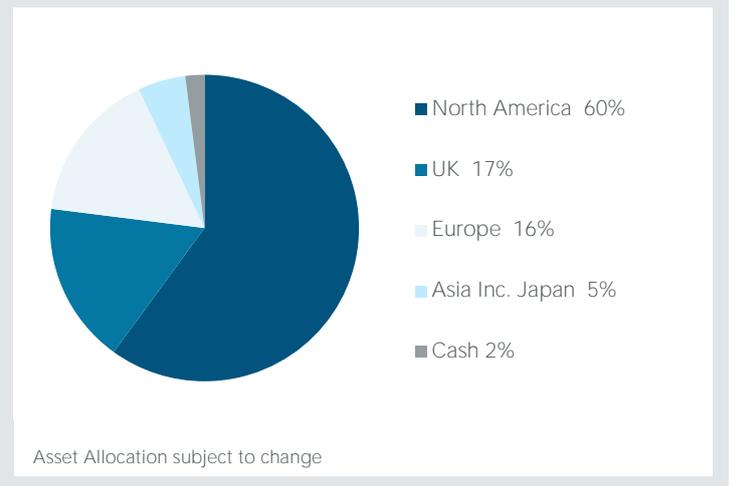
The investment objective of the Electric & General Investment Fund is to seek to achieve long-term capital growth with some potential for income. The investment policy is to invest principally in global equities, it may also invest in other transferable securities, bonds, collective investment schemes, 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	Net Yield
192.60p	1.6%
Fund Size	
£102,367,548	

Percentage Growth from 12/08/2011 to 31/10/2017



Asset Allocation



Total Return to 31 October 2017	12/08/11 Since Launch	01/07/15 Since Troy Appt	31/10/12 5 years	31/10/14 3 years	31/10/16 1 year	30/04/17 6 months
Electric & General Income A	+118.5%	+42.7%	+95.3%	+51.7%	+8.8%	+4.7%
LIBID* (1 month GBP)	+2.3%	+0.6%	+1.6%	+0.8%	+0.1%	+0.1%
IA Global (TR)	+116.4%	+39.7%	+95.5%	+50.1%	+13.8%	+7.6%
MSCI World Index NR (E)	+140.0%	+43.5%	+109.6%	+52.3%	+12.9%	+6.7%

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%	+10.3%

*London Inter-bank Bid Rate

Past performance is not a guide to future performance

Source: Lipper

October Commentary

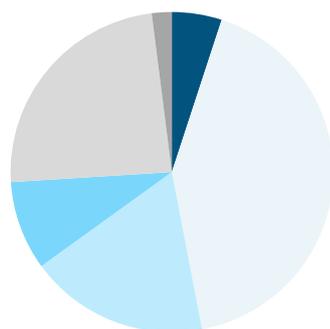
Your Fund returned +3.5% during the month compared to +2.9% for the MSCI World Index NR (E). Technology companies led returns for the Fund and the index.

Many investors worry that market action has become dominated by a handful of global tech companies. The FANGs (Facebook, Amazon, Netflix and Google) are monitored closely for signs that the bull market in equities is coming to an end. We share these concerns. Growth is scarce and wherever it can be found it is often pricey. We also point

out, however, that much of the tech sector's growth is real and durable. Nor do sinister acronyms capture the big differences between tech businesses. We contrast cash-hungry Netflix, priced at 95x estimated earnings, with Alphabet, the owner of Netflix's rival YouTube, and Google's parent company. Alphabet generates a phenomenal \$6bn to \$7bn in free cash flow *per quarter* and has in excess of \$100bn in cash on its balance sheet. Its shares trade at 26x estimated earnings – cheap compared to Netflix, but expensive by the standards of

conventional measures of value. Yet few other companies owned in the Fund have as strong a base business as Google has in internet search, and no other is growing so fast (at over +20% p.a). Current earnings estimates must also account for the way that idle cash and heavy investment (in things such as driverless cars and artificial intelligence) suppresses evidence for Alphabet's earnings power. It is therefore possible to feel nervous about the FANGs in abstract whilst feeling very confident about owning one of its members.

Asset Allocation by Sector



- Industrials 5%
- Consumer Staples 42%
- Healthcare 18%
- Financials 9%
- Information Technology 24%
- Cash 2%

Asset Allocation subject to change

Risk analysis since launch (12/08/11)	Fund	IA Global (TR)	Index*
Total Return	+118.5%	+116.4%	+140.0%
Max Drawdown ¹	-11.9%	-16.9%	-16.2%
Best Month	+8.7%	+7.9%	+7.7%
Worst Month	-7.1%	-5.2%	-5.3%
Positive Months	+63.5%	+66.2%	+68.9%
Annualised Volatility	+12.0%	+10.3%	+9.6%

1. Measures the worst investment period

*MSCI World Index NR (E)

Source: Lipper

Top 10 holdings	% Fund
Microsoft	6.6
Philip Morris	4.7
American Express	4.5
British American Tobacco	4.3
Johnson & Johnson	4.1
Unilever	4.1
PayPal	4.1
Roche Holdings	4.0
Novartis	4.0
Nestlé	4.0
Total Top 10	44.4
20 other holdings	54.0
Cash & Equivalent	1.6
TOTAL	100.0

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.

Structure UCITS	Ongoing Charges Income shares 1.12%	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: busdev@taml.co.uk	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) 1.59%	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 www.electricandgeneral.com

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