




Fact sheet - September 2024

Fund Information

	Lead Manager:
	Keith Ashworth-Lord
	Sector:
	IA UK All Companies
	Launch Date:
	28/03/2011
Fund Size:	£459.8m
Number of Holdings:	27
ACD:	ConBrio Fund Partners Limited
Platform Availability	
Aberdeen, Advance by Embark, Aegon, AJ Bell, Aviva, EQi, Fidelity, Hargreaves Lansdown, Interactive Investor, James Hay, M&G Wealth, Novia, Nucleus, Pershing, Quilter, Transact and 7IM.	
Ratings	
	ALPHA MANAGER 2022 Keith Ashworth-Lord
	

Fund Managers

Keith Ashworth-Lord

Lead Manager

Keith has over 35 years' equity market experience and is a seasoned practitioner of 'Business Perspective Investing' as championed by Benjamin Graham and Warren Buffett. Keith founded Sanford DeLand in 2010. He holds a BSc in Astrophysics and a MSc in Management Studies and is a Chartered Fellow of the Chartered Institute for Securities & Investment.

Eric Burns

Deputy Manager

Eric has over 25 years' experience of UK equity markets. He joined Sanford DeLand in 2020, to lead the stock research process for the UK Buffettology and Free Spirit Funds. He is a Chartered Fellow of the CISI and was voted Analyst of the Year at the 2015 UK SmallCap Awards.



SDL Investment Team

From left to right:

Eric Burns, Chloe Smith, Keith Ashworth-Lord & David Beggs

Chloe Smith

Investment Analyst

Chloe joined in October 2021 as an Investment Analyst, with experience in UK and European equity research, as well as in sustainable and responsible investment. She graduated with an LLB in Law and a MSc in International Financial Analysis from Newcastle University.

David Beggs

Investment Analyst

David joined Sanford DeLand in October 2020 as an Investment Analyst. He has a First Class Degree in Economics from Newcastle University and is a CFA Charterholder.

Share Class Information

Share class	Min. Investment	Min. Saver	Initial Charge	Investment Adviser Fee	Ongoing Charge *	Payment Dates	ISA Eligible	ISIN	CITI Code	Bloomberg	MEXID
General Income	£500	£50	0.00%	0.95%	1.0%	30 th Apr 31 st Oct	Yes	GB00BKJ9C676	K6LW	PRESINI:LN	BDAADV
General Accumulation	£500	£50	0.00%	0.95%	1.0%	30 th Apr 31 st Oct	Yes	GB00BFOLDZ31	O5M6	CSUKBIA:LN	CFSMC

Fund Objective and Strategy

The investment objective of the Fund is to seek to achieve an annual compounding rate of return over the long term, defined as five to ten years, which is superior to the median performance of all of the funds forming the official peer group of which the Fund is part. 'Peer group' is defined as being the Investment Association sector to which the Fund has been allocated (currently being the UK All Companies Sector) or to which it may be allocated in the future, as determined by that body. Investments will be made principally in UK equities, applying the methodology of Business Perspective Investing.

Pricing Spread: Bid-Bid Data Frequency: Daily Currency: Pounds



A—CFP—SDL UK Buffettology General Inc TR in GB [250.21%]

B—IA UK All Companies TR in GB [132.43%]

28/03/2011—30/08/2024 Data from FE fundinfo 2024

Cumulative Performance (%)

	1 Mth	3 Mths	1 Yr	3 Yrs	5 Yrs	Since Launch
Fund	0.31	1.94	13.37	-20.48	5.29	250.21
Sector	0.08	2.50	16.44	8.49	31.05	132.43
Rank	115/230	165/232	194/230	216/225	206/212	7/167
Quartile	2	3	4	4	4	1

Discrete Performance (%)

	2024 YTD	2023	2022	2021	2020	2019
Fund	9.18	1.10	-23.38	8.76	3.85	25.25
Sector	10.77	7.38	-9.06	17.25	-6.01	22.24
Rank	180/232	222/237	226/254	235/247	32/244	74/240
Quartile	4	4	4	4	1	2

Discrete Year to Quarter End Performance (%)

	Q2 2023	Q2 2022	Q2 2021	Q2 2020	Q2 2019
	Q2 2024	Q2 2023	Q2 2022	Q2 2021	Q2 2020
Fund	10.89	0.40	-23.17	24.78	-2.40

Source of performance data: FE fundinfo as at 30/08/2024.

Past performance is not a guide to future performance.

Investment in the Fund carries the risk of potential loss of capital.

* With effect from 01 June 2024, the Ongoing Charge has been capped at 1.0%.

Top 10 Holdings (%)

Games Workshop Group	9.04%
Berkshire Hathaway 'A'	5.80%
Relx	5.40%
Bioventix	5.22%
Jet2	5.13%
AB Dynamics	4.89%
Rollins	4.80%
London Stock Exchange	4.69%
Experian	4.42%
Next	4.11%

Sector Allocation (%)

Financial Services	18.41%
Support Services	10.29%
Leisure Goods	10.27%
Software & Computer Services	8.86%
Industrial Engineering	7.20%
Food & Beverages	5.61%
Cash	5.58%
Media	5.40%
Pharmaceuticals & Biotechnology	5.22%
Travel & Leisure	5.13%
Construction & Materials	4.45%
Retailers	4.11%
Technology Hardware & Equipment	3.72%
Real Estate	2.97%
Chemicals	2.78%

Important Information

This document, which is approved and issued by Sanford DeLand Asset Management Limited (SDL), provides information about the CFP SDL UK Buffettology Fund (the Fund). ConBrio Fund Partners Limited (CFP) is the Authorised Corporate Director (ACD) of the Fund. SDL is the appointed Investment Adviser to the Fund. CFP and SDL are authorised and regulated by the Financial Conduct Authority (FCA).

This document does not constitute or form part of, and should not be construed as, an invitation or offer to buy or sell shares in the Fund and neither this document nor anything contained or referred to in it shall form the basis of, or be relied on in connection with, any offer or commitment whatsoever.

The value of shares and the income generated from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally subscribed. Equity investments should always be considered as long term.

Investors should not purchase shares in the Fund except on the basis of information contained in the Fund's Prospectus. We recommend that investors who are not professional investors should contact a professional adviser. The Fund's Prospectus and Key Investor Information Document (KIID) are available from www.conbriofunds.com or direct from ConBrio Fund Partners Limited.

All data as at 30/08/2024 unless otherwise stated.

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Fund Commentary

In August, the Fund returned a positive 0.3% for both the Accumulation and Income share prices. This compared to a 0.1% return by the IA UK All Companies sector, its benchmark, and a negative 0.3% return by the wider UK market. Winners and losers were evenly spread with 14 of the former and 13 of the latter.

The gainers were led by Next (+11.8%), which once again upgraded profit expectations, primarily driven by overseas sales online being much better than expected in Q2. This holding has performed exceptionally well for us since we re-invested in March last year, generating a share price return (i.e. excluding dividends) of over 57% on our book cost.

International Personal Finance (+8.1%), another of our more recent purchases, continued to perform well following excellent interim results at the end of July and the implementation of a £15m share buyback programme. The return on this holding currently stands at just under 38%, again excluding dividend income.

London Stock Exchange Group (+7.9%) was the third largest gainer following interim results at the beginning of the month, which showed continued high single-digit earnings growth. Notably, £1bn of surplus capital was returned via share buybacks in H1, directed at the Blackstone consortium's holdings, which now represent less than 2% of the register. This effectively eliminates any share overhang, perceived or real.

Hargreaves Lansdown ended the month pretty well flat (-0.5%) after announcing confirmation of a 1,140p recommended cash offer alongside full-year results. The results showed promising signs under the new CEO and exceeded expectations but this is now largely meaningless as the company is likely to delist in the coming months. We are overwhelmed by the takeover offer, which values the business at just 16x free cash flow and we are surprised no other suitors have emerged.

I am saddened to report that Rightmove (-3.2%) has become the latest holding to receive a takeover approach, albeit tentative at this stage. The potential bid by Australian real estate website owner REA Group, which is backed by Rupert Murdoch's NewsCorp, was announced just after the month-end and hence is not reflected in the Fund's August statistics. Rightmove is one of the highest quality businesses listed in London with consistently high margins, returns on equity and cash conversion, all the things we look for. We purchased the company in the Fund between October and November last year at an average price of 486p per share.

Its outstanding competitive position was highlighted recently following negotiations with a lettings agent customer, OpenRent. Rightmove publicly announced on August 6th that its contract with OpenRent would terminate, effective September 1st, having been unable to agree on renewal terms. Less than 72 hours later, it was announced that OpenRent had entered into a new membership agreement. This suggests that either OpenRent was trying to acquire a discount by playing hardball and subsequently gave in, or a strong backlash from landlords forced it to reverse course. In either case the message is clear; agents struggle to win instructions if they are not advertising on Rightmove. In our view, the takeover story has got further to run.

The biggest faller was Focusrite (-22.2%) which issued another profit warning right at the end of the month. The post-Covid hangover for the content creation industry continues to be far longer than we or the company had anticipated.

During the month we completed the exit of our holding in Spirent Communications. As we stated last month, the timescale for its agreed acquisition by Keysight is protracted and the competition authorities have yet to declare their hands. Meanwhile there are more attractive places to reallocate capital within the existing portfolio.

Although August was quiet on corporate newsflow, it is worth reflecting on the market volatility witnessed right at the beginning of the month. Although it now feels like a distant memory, it generated significant inbound and breathless commentary at the time. For an insightful perspective on these events, I recommend Howard Marks' latest memo, Mr. Market Miscalculates. As Marks rightly points out, "in the real world, things fluctuate between 'pretty good' and 'not so hot', but in investing, perception often swings from 'flawless' to 'hopeless'". This emotional pendulum of investor psychology can drive irrational short-term movements in share prices.

For us, episodes like this reinforce the importance of understanding what you own and why you own it. And also having a good steer on valuation to provide the anchor when the seas are choppy. This discipline prevents you from being "faked" out of the market or an investment due to an emotional reaction to your long-term financial detriment. In times of heightened market volatility, it is more crucial than ever to engage in rational analysis of the fundamentals and to tune out the short-term hysteria that is all too common in stock markets.

Sources: Sanford DeLand Asset Management and FE fundinfo 30/08/2024.

Past performance is not a guide to future performance.

Any views expressed are the Fund Manager's and as such are subject to change, without notice, at any time.

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