

Investment Objective

The objective of the Fund is to achieve long term capital and income growth through investment primarily in UK equities and convertible securities, with an above average yield. The Fund may also invest from time to time in other securities, including UK government securities, other fixed interest securities and cash.

Investment Manager's Commentary

The FTSE All-Share index rose by 3.5% in the quarter. The FTSE 100 led the way with an increase of 5.3% while the FTSE 250 lagged behind with a fall of 3.9%. The divergent performance between the indices was driven by the unexpected victory of the 'Leave' vote in the EU referendum. This led to a sharp fall in the value of sterling on the foreign exchange market and fears over slower UK economic growth. In addition political uncertainty was heightened by the decision of David Cameron to announce his intention to step down as Prime Minister. These trends tended to favour the larger multinational companies that dominate the FTSE 100 index as compared to the more domestically oriented FTSE 250 index.

The fund's total return of -2.5% was well behind the FTSE All Share index which saw a total return of 4.7%. The large underperformance of the FTSE 250 was a significant performance headwind for the fund given its relatively high weighting in mid-cap stocks. On a sector basis, there was a positive contribution to performance from the underweight positions in Banks and Financial Services. There was also a positive contribution from the large holding in Unilever (+14%). However these positives were outweighed by weak stock selection in Travel & Leisure (Go-Ahead Group -26% and Restaurant Group -27%), Support Services (SThree -21%, Carillion -21% and Babcock -5%) and Food Retail (Conviviality -21%). The underweight position in the Oil & Gas sector was also detrimental to performance this quarter. The fund's quarterly distribution was unchanged at 1.0p.

Performance

Total return	3 Month	1 Year	3 Year	5 Year
Charity Value and Income Fund	-2.5%	-0.1%	21.0%	51.6%
FTSE All Share Index	4.7%	2.2%	18.6%	35.5%
FTSE 350 Higher Yield Capital Only	9.1%	5.8%	14.8%	37.7%
Charity Value and Income Fund	-3.5%	-4.4%	6.3%	20.4%
FTSE All Share Index	3.5%	-1.5%	6.9%	13.5%
FTSE 350 Higher Yield	7.5%	0.4%	-0.6%	8.4%

Source: OLIM. Bid to bid net income reinvested, after annual charges. Performance is quoted in sterling. Past performance is not a reliable indicator of future results. Figures as at 30/06/16

Investment Team

Simon Jaffé | Angela Lascelles | Andrew Impey



The Portfolio

Top Ten Holdings	%	Sector Breakdown	%
Unilever	5.7	Oil & Gas	9.1
GlaxoSmithKline	5.6	Basic Materials	6.6
Vodafone	5.0	Industrials	14.6
Halma	4.9	Consumer Goods	9.3
BP	4.3	Health Care	8.9
Royal Dutch Shell 'B'	4.0	Consumer Services	19.0
BT Group	4.0	Telecommunications	8.9
Dechra Pharmaceuticals	3.5	Utilities	7.5
Beazley	3.4	Financials	14.9
Cineworld	3.4	Technology	0.0
		Cash	1.2

Key Details

Investment Managers	Simon Jaffé, Angela Lascelles, Andrew Impey				
Benchmark	FTSE All Share Index				
Fund Size	£20.4m				
Launch Date	07/06/2007				
Fund Year End	31 st December				
Unit Prices	Inc	Bid	91.50p	Offer	92.05p
As at 30/06/16	Acc	Bid	138.80p	Offer	139.70p
Historic Yield (trailing 12 months)	4.3%				
Distribution Dates	1 st Interim	31 st May	2 nd Interim	31 st August	
	3 rd Interim	30 th November	Final	29 th February	
Initial Charge	0%				
Annual Management Charge	0.5%*			* excluding VAT on AMC	
Total Expense Ratio	0.65%* - All normal running expenses capped at 0.15%				

How to Invest

Investments can be made by: Lump Sum (min £1,000)
 Manager: Smith & Williamson Fund Administration Limited
 206 St Vincent Street, Glasgow, G2 5SG
 Dealing Line: 0141-222-1150

Important Information and Risks

This document is issued by OLIM Limited and should be read in conjunction with the scheme particulars which highlight details of the CIF structure and its suitability for charities only. Investors should carefully read the risk warnings contained in the scheme particulars and note there is no guarantee the Fund's investment objective will be achieved. The price of the units and income from them can go down as well as up and investors may not get back the full amount originally invested. Past performance is not a reliable indicator of future results. OLIM is authorised and regulated by the Financial Conduct Authority. The Charity Value and Income Fund is not authorised by the Financial Conduct Authority and is registered as a Common Investment Fund with the Charity Commission.