

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 3.0% in the quarter. The FTSE 250 index outperformed this, with an increase of 4.9%, while the FTSE Higher Yield index underperformed with a gain of 1.3%. Investors seemed to take a relatively benign view of the new US Administration, even though President Trump's first major policy initiative on healthcare reform was rejected by the Senate. Similarly market participants appeared relaxed after the Federal Reserve implemented a further 25bps increase in US interest rates. In the UK, the Government triggered Article 50 of the Lisbon Treaty signalling the start of negotiations over the terms of the UK's exit from the EU.

The fund's total return of 5.3% was ahead of the FTSE All Share index which saw a total return of 4.0%. A positive contribution to performance came from the overweight position in Electronics as well as the underweight position in Oil & Gas. In addition stock selection was strong in Food Retail (Conviviality +26%), Pharmaceuticals (Dechra +24%), Non-Life Insurance (Beazley +10%) and Household Goods (Crest Nicholson +20%). In addition Unilever (+20%) benefitted from a bid approach from Kraft which, though subsequently withdrawn, was the catalyst for management to announce more aggressive restructuring plans. These positives outweighed negative factors for performance including stock selection in Travel & Leisure (Go-Ahead -23% and Marston's -1%). We started a new holding in British Land which manages a high quality portfolio split evenly between Retail and Office properties. The share price was hit hard in the aftermath of the EU Referendum and, at purchase, traded on a c.30% discount to historic Net Asset Value (NAV). We believe the dividend yield of 5% to be attractive with scope for the share price discount to NAV to narrow over time. The fund's quarterly distribution was increased to 1.1p from 1.0p in the same quarter last year.

Performance

Total Return	3 Month	1 Year	3 Year	5 Year
Charity Value and Income Fund	5.3%	13.1%	23.0%	74.8%
FTSE All Share Index	4.0%	22.0%	24.9%	58.7%
FTSE 350 Higher Yield Capital Only	2.8%	26.7%	22.2%	56.0%
Charity Value and Income Fund	3.8%	7.9%	7.5%	39.5%
FTSE All Share Index	3.0%	17.5%	12.2%	32.9%
FTSE 350 Higher Yield	1.3%	20.4%	5.3%	22.5%

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 31/03/17.

Investment Team

Simon Jaffé | Angela Lascelles | Andrew Impey



The Portfolio

Top Ten Holdings	%	Sector Breakdown	%
Unilever	5.7	Oil & Gas	8.6
GlaxoSmithKline	4.9	Basic Materials	6.6
Dechra Pharmaceuticals	4.5	Industrials	14.6
Conviviality	4.4	Consumer Goods	10.6
Vodafone	4.2	Health Care	9.4
BP	4.1	Consumer Services	18.5
Halma	3.8	Telecommunications	7.0
Spectris	3.7	Utilities	5.9
Royal Dutch Shell 'B'	3.5	Financials	18.6
Prudential	3.5	Technology	0.0
		Cash	0.3

Key Details

Investment Managers	Simon Jaffé, Angela Lascelles, Andrew Impey				
Benchmark	FTSE All Share Index				
Fund Size	£22.6m				
Launch Date	07/06/2007				
Fund Year End	31 st December				
Unit Prices	Inc	Bid	102.70p	Offer	103.30p
As at 31/03/17	Acc	Bid	161.40p	Offer	162.50p
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	28 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.