

# WS KLEINWORT HAMBROS EQUITY INCOME FUND

## Market commentary

The Investment Association UK Equity Income sector rose 1.0% compared to MSCI UK up 0.9% and the MSCI World down 0.3%. The fund itself returned 0.7% on a total return basis, modestly behind the benchmark. The fund's performance can be broken down as follows; Stock selection lost 0.2%, and fees cost 0.1%; asset allocation was in line with the benchmark.

Stock selection was the biggest detractor. The best performance came from JOHCM UK Equity Income (+3.0%). It benefited from being overweight the energy, materials, and telecoms sectors, and being underweight consumer staples and healthcare. However, this was more than offset by the weakness of Threadneedle UK Equity Income (-0.7%) and River & Mercantile UK Equity Income (-0.2%). Both suffered from being positioned exactly the reverse of JOCHM UK Equity Income above. Stocks that detracted included Bunzl, Diageo, Barrick Gold and GlaxoSmithKline.

Asset allocation was flat. Currently the fund has approximately 17% of its assets invested outside the UK equity market. The best performances came from the overseas investments, which delivered an average return of 2.0% over the month. This was driven by Schroder Oriental Income (+2.5%) and Aberdeen Europe ex UK Equity Income (+2.6%). The alternative sources of income were broadly flat, strong returns from HICLI Infrastructure, and Primary Health Properties being offset by weakness from GCP Infrastructure.

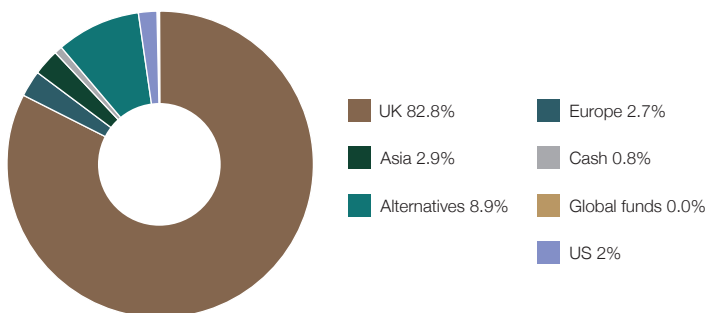
## Definitions

**Total Return** is the actual return of an investment, which includes interest, capital gains, dividends and distributions realised over a given time scale.

**Asset Allocation** reflects the managers decision to invest away from the UK equity market to enhance returns.

**Alternative** sources of income are investments that have a low correlation to equity and bond markets and deliver a higher level of income.

## Asset allocation



Source for all data: Kleinwort Hambros (as at 31 May 2022). Actual weighting and investment allocations are subject to change on an ongoing basis and may not be exactly as shown. Investors should understand the different asset classes which make up the strategy as they have different risk characteristics.

## Fund details

### Long term benchmark

IA UK Equity Income sector

### Fund classes available

A Class

### Fund size as at 31 May 2022

£11 million

### Base currency

Sterling

### Price listing

Bloomberg

### Bloomberg ticker

Income units – CKBEIFI LN

Accumulation units – CKBEIFA LN

### Domicile

UK

### Minimum initial investment

£50,000

### Launch date

28 March 2011

### Pricing frequency

Daily

### Current Gross Yield

3.3%

### Structure

FCA Authorised UCITs scheme

### Dividend distribution dates

31 March, 30 June, 30 September and 31 December

### Investment Manager

SG Kleinwort Hambros Bank Limited

### Authorised Corporate Director

Waystone Management (UK) Limited

### Auditor

Grant Thornton

## Monthly cumulative performance



Source for all data: Kleinwort Hambros (as at 31 May 2022). Calculation basis: Sterling, bid to bid, total return. All returns in Sterling unless stated otherwise. Fund returns are actual returns after all fees and expenses are deducted. Past performance should not be seen as an indication of future performance.

## Single year fund performance (5 years ending May)

May 17 – May 18	May 18 – May 19	May 19 – May 20	May 20 – May 21	May 21 – May 22
2.4%	-7.5%	-12.6%	22.2%	4.2%

## Fund performance (%)

	Since launch*	5 years*	4 years*	3 years*	2 years*	1 year*	6 months*	3 months*	1 month*
WS KH Equity Income Fund	72.6%	5.4%	2.9%	11.3%	27.4%	4.2%	4.7%	3.5%	0.7%

\*To 31 May 2022.

## Performance table (%)

	2011*	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022**
WS KH Equity Income Fund	-2.6%	10.9%	23.4%	2.6%	3.4%	6.9%	9.7%	-12.2%	17.0%	-12.1%	14.2%	0.9%
IA OE UK Equity Income	-3.0%	14.1%	25.2%	3.2%	6.1%	8.9%	11.5%	-10.6%	20.1%	-11.6%	18.3%	0.4%
ARC Equity Risk PCI	-5.8%	10.1%	16.1%	4.1%	1.8%	13.7%	11.4%	-6.5%	18.0%	5.8%	13.0%	-7.5%

\* Launch date 28 March 2011.

\*\* 2021 - Year to date.

All performance figures compounded monthly.

## Top ten holdings

	% of fund
Royal London UK Equity Income	13.6%
River & Mercantile UK Equity Income	12.4%
Artemis Income Fund	12.2%
JO Hambro UK Equity Income	12.1%
Schroder UK Alpha Income	12.0%
Threadneedle UK Equity Income	11.3%
Aberdeen UK Equity Income Unconstrained	9.1%
Schroder Oriental Income	2.9%
Aberdeen Europe Ex UK Equity Income	2.7%
HICL Infrastructure	2.5%
<b>Total</b>	<b>90.9%</b>

Source for all data: Kleinwort Hambros (as at 31 May 2022). Actual weighting and investment allocations are subject to change on an ongoing basis and may not be exactly as shown.

## Fees and charges

Equity Income Fund			
Initial charge*	7.00%	Ongoing charges figure**	2.40%***
Performance fee	0.00%	Exit Penalty	0.00%

\* May be waived for clients of SG Kleinwort Hambros.

\*\* This includes fund administration charges. The ongoing charge is reduced to 1.65% for the institutional share class when assets of over GBP 5 million are in SG Kleinwort Hambros managed funds.

\*\*\* Calculated as at 30-Apr-20. This amount may fluctuate according to fund size and underlying holdings.

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