

SVS Church House Deep Value Investments Fund

The Authorised Corporate Director of the Fund is:
Smith & Williamson Fund Administration Ltd.

Fund Manager



Jeroen Bos

Objective and Policy

The Fund holds a concentrated portfolio of equities (typically 20/5 holdings) that exhibit 'deep value' characteristics. Principally these will be listed in London but up to 30% may be invested overseas.

The objective is long-term capital growth; income distributions (if any) are likely to be low. With such a concentrated portfolio of (typically) smaller company investments, volatility is likely to be high.

Key Information

A share class Min. investment £5,000
Management fee 1.25%
TER 1.41%
SEDOL: B79XM02
ISIN: GB00B79XM025

B share class For investment advisers
and intermediaries only
Management fee 0.875%
TER 1.01%
SEDOL: BLY2BF0
ISIN: GB00BLY2BF03

Share Price: 105.50p

Trust Type OEIC non-UCITS retail
scheme

Launch Date 29 February 2012

Dividend Payment May / Nov Accumulation

Yield Accumulation Shares Only

Fund Value £9.6m

All prices and data in the Fact Sheet are as at
31 August 2015

Monthly Commentary

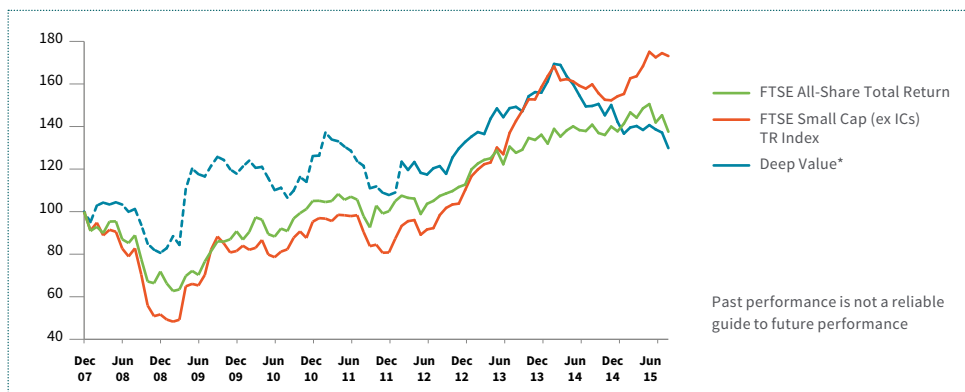
August is always a quiet month with little corporate reporting and so many people on holiday. Exciting news dropped into this vacuum can cause ripples beyond sense. This year, a minor devaluation of the yuan followed by some exceptionally febrile reporting triggered a minor panic. Hong Kong and Shanghai stocks fell around 12% and took other markets with them: Tokyo, Frankfurt and Paris all fell by 8% or more, London and New York something over 6%.

China is attempting to re-balance its economy and this process will certainly not be without hiccups. It may well be that the move on the yuan was more concerned with China's desire to be included in the IMF's Special Drawing Right basket rather than anything more dramatic. The make-up of the SDR basket is undergoing its five-yearly review and there is no doubt that China would like the reserve currency status implied by inclusion. There was no such frenzied attention as the Shanghai Composite rose 58% last year and then a further 60% to its June peak – all against the background of an economy that was clearly slowing – but now the bubble has burst, ludicrous reporting must ensue. At the end of the month, the Shanghai composite was unchanged over the year. It is worth remembering that US stocks had not suffered a 10% correction since 2011 so, perhaps, this was overdue. Attention can now return to the Federal Reserve and will they/won't they raise rates. Endless prevarication over an overdue raising in rates is counter-productive, it is time to send a strong and confident signal and begin the process of getting back to 'normal'.

The high cash and near-cash position (30%) in DVI insulated the Fund to some degree from the extreme volatility that was seen during the past month. Early in the month, we added further to cash with the sale of the remaining holding in **Barratt Developments**. We have also commenced taking some profit from the Japanese holdings in **Sanshin Electronics** and **Shinko Shoji**.

Latterly, we took advantage of the falls, adding to our position in **Hornbeck Offshore Services** and **Thalassa**, re-established a holding in **B P Marsh & Partners** and initiating a new position in **M P Evans**. We sold our previous position in BP Marsh in April 2013, since when their share price has stagnated while their NAV had continued to grow making it an attractive purchase once again. MP Evans is a food producer active in palm oil production and cattle breeding, trading at an attractive discount to NAV, with a P/E of 10 times.

Performance v. UK Indices



Source: Church House, Bloomberg. *CARE: 'Deep Value' is the performance of the CH Deep Value Fund, an offshore unregulated scheme, until February 2012 (dashed line) then The Deep Value Investments Fund.

Performance Summary (%)

	3m	1 yr	3 yrs	5 yrs
CH Deep Value Investments Fund	-7.7%	-13.2%	7.0%	-
FTSE All Share Total Return Index	-8.6%	-2.3%	28.1%	-

Source: Church House, Bloomberg. DVI is accumulations shares, NAV-to-NAV, net of fees

Calendar Year Total Returns (%)

	YTD	2014	2013	2012 part	2011
Church House Deep Value Investments Fund	-8.7%	-8.8%	17.4%	7.6%	n/a

Source: Church House. Accumulation shares

Top Ten Holdings (%)

66.0% of Portfolio

Total number of holdings: 27

Treasury 4.75% 07/09/2015	21.3%	London Capital Group Plc ord 10p	4.3%
Record Plc ord 0.025p	9.3%	Icahn Enterprises	4.2%
Gleeson (M.J.) Group Plc ord 2p	7.0%	B P Marsh & Partners	3.9%
H&T Group	4.8%	French Connection	3.4%
Norcon	4.6%	BSD Crown	3.2%

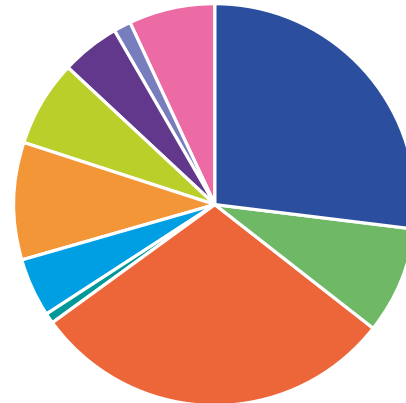
Disposition



FTSE 250	0.0%
UK Small Cap	35.3%
UK AIM listed	26.4%
International	11.1%
Cash deposits	5.8%
Treasury stock	21.4%

Source: Church House

Sector Allocations



Cash/Nr. Cash	27.2%
Information Technology	8.6%
Financials	29.3%
Utilities	0.9%
Telecommunications	4.6%
Consumer Discretionary	9.5%
Healthcare	0.0%
Consumer Staples	7.0%
Industrials	4.7%
Materials	1.4%
Energy	6.8%

LEARN MORE ABOUT THIS FUND

CALL: 0207 532 9877 and speak to Hamish Hill, Sales Support
EMAIL: salesupport@church-house.co.uk

CALL: 0207 534 9879 for our Sales Director, Sam Liddle
EMAIL: s.liddle@church-house.co.uk

Source: Underlying holdings within Church House Funds are subject to change at any time without notice, are for information purposes only and should not be construed as investment recommendations. Data Source: Church House, Bloomberg.

IMPORTANT INFORMATION This is a financial promotion for Professional Clients and/or distributors only. This is not intended as investment advice. You should read the Prospectus and the Key Investor Information Document (KIID)/Simplified Prospectus for each fund in which you want to invest. The Prospectus and KIID/Simplified Prospectus can be found at www.ch-investments.co.uk. All information prepared within has been prepared by Church House Investments Limited, York House, Sherborne, DT9 4JW. Authorised and regulated by the Financial Conduct Authority. This document should not be published in hard copy, electronic form, via the web or in any other medium accessible to the public unless authorised by Church House Investments to do so. No warranty is given as to the accuracy or completeness of this information and no liability is accepted for errors or omissions in such information. This document may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such an offer or solicitation is unlawful or unauthorised. To help us continually improve our service and in the interest of security, we may monitor and/or record your telephone calls with us.

GENERAL RISKS

- The value of investments and the income from them may go down as well as up and you may not get back your original investment.
- Past performance is not a guide to future performance.
- Higher performance may mean greater risk.
- Inflation may affect the future buying power of your money.
- In certain circumstances there may be a risk that we will not be able to quickly convert a fund holding into cash.