

FUND FACTSHEET

MARCH 2024

at last valuation point in
March 2024 unless
otherwise stated

OCEAN
EQUITY

INVESTMENT OBJECTIVE

The Fund aims to achieve capital and income growth, and to provide a return (after fees, charges and other expenses payable out of the Fund) in excess of that of the CBOE UK All Companies Total Return Index over the long-term.

MANAGER COMMENTARY

A combination of continued resilience in economic data and dovish central bank policy messaging spurred positive performance across most major asset classes in March. Equity markets had a positive month, boosted by falling inflation and a general sense that there is light at the end of the tunnel due to the possibility of lower interest rates in the summer.

During the month, February headline UK CPI inflation fell from 4% to 3.4%, which narrowly beat consensus expectations of 3.5%. This maintained the trajectory towards the Bank of England's mandated inflation target of 2%. Falling food prices, down from 6.9% to 5%, were the biggest contributor, whilst fuel prices rose in line with oil prices. It is worth noting, as central bankers have reminded us, that the last mile in reducing inflation is often the hardest. The trend, however, remains encouraging.

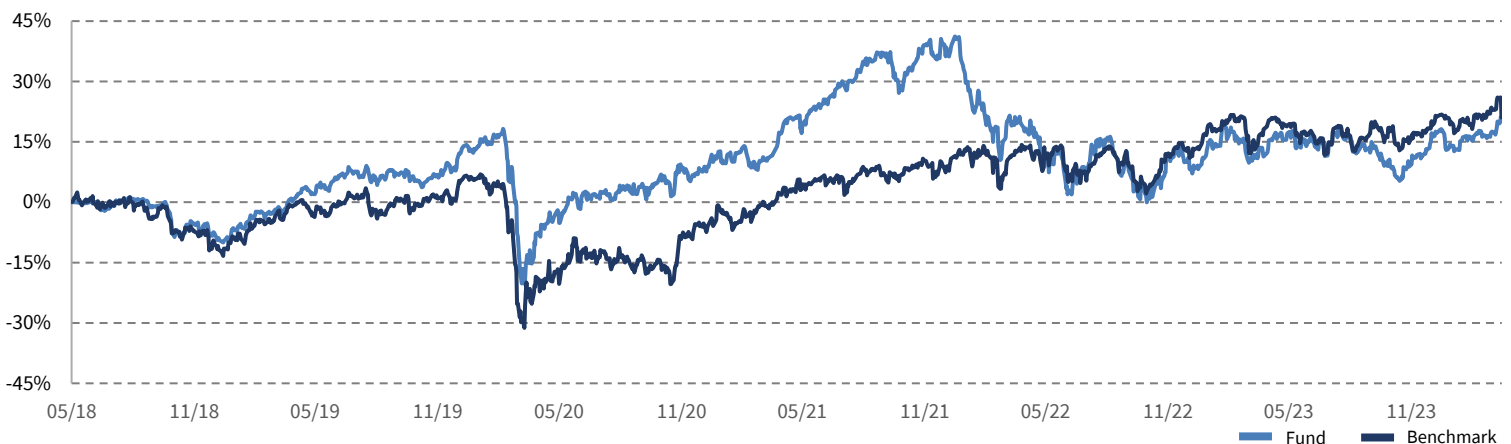
The Bank of England's Monetary Policy Committee left interest rates on hold at 5.25% for the fifth consecutive meeting. The underlying tone was generally dovish as it stated "we are on the way" to interest rate cuts. Interestingly the nine-member committee voted 8-1 in favour of holding rates, whilst one voted for a cut. Only last month two of the nine members voted for a rate increase. This was the first time no member had voted for a rise for almost two and a half years. Markets are anticipating that rates could potentially be cut in June or August as inflation continues to fall back to the 2% mandated level, providing a boost to the wider economy.

In the US, the Federal Reserve also held interest rates unchanged for the fifth monetary policy meeting in a row and stated that it was likely to implement three rate cuts in 2024. As ever, much will depend on the data over the next few months particularly regarding inflation and the performance of the wider economy. Interestingly they increased their expectations for 2024 GDP growth from 1.4% to 2.1% suggesting that the economy is resilient and that a soft economic landing should be achieved. The Fed repeated its mantra that it wants to see more evidence that inflation is sustainably heading towards 2% before it starts cutting rates.

	YTD	6MTHS	1YR	3YR	5YR	LAUNCH
Fund	2.55	8.08	6.74	8.20	23.35	21.15
Benchmark	3.89	6.82	8.41	27.37	30.48	26.55
IA Sector	2.89	7.48	7.65	11.31	24.15	17.22
Rank in Sector	145/234	79/233	158/232	145/224	128/214	104/211
Quartile	3	2	3	3	3	2

Total Return, Bid to Bid, Tax UK Net, Sterling Terms. Source: Waystone Fund Services UK Limited/Financial Express Analytics. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

PERFORMANCE SINCE LAUNCH (%)



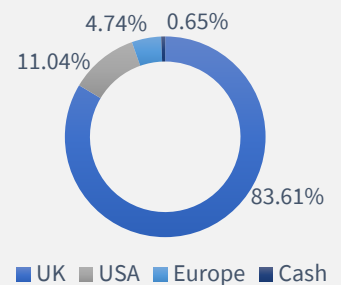
KEY DETAILS

ACC SINGLE PRICE	121.15
INC SINGLE PRICE	108.24
BENCHMARK	CBOE UK All Co's
IA SECTOR	UK All Co's
LAUNCH DATE	14 May 2018
HOLDINGS	34
PROSPECTIVE YIELD	2.2%
DIV EX DATES	1/5 & 1/11
DIV PAY DATES	30/6 & 31/12
FUND VALUE	£10.5 million

TOP 15 HOLDINGS

DIPLOMA	6.1%
RELX	5.5%
UNILEVER	4.3%
FERGUSON	4.2%
GSK	4.1%
COMPASS	4.0%
EXPERIAN	4.0%
DIAGEO	3.8%
CONVATEC	3.7%
BUNZL	3.7%
ASHTREAD	3.6%
ASTRA ZENECA	3.5%
LONDON STOCK EXCHANGE	3.5%
JOHN DEERE	3.2%
DISCOVERIE	3.1%
TOTAL	60.3%

GEOGRAPHICAL BREAKDOWN



COMPANY NEWS

During the month, following good year to date performance and on valuation grounds - we reduced our positions in **Microsoft** and **LVMH**. We recycled some of the proceeds into existing holdings in **Intertek** – testing, inspection and certification, and **Cranswick** - food production. In addition, we added a new position in **Howden Joinery**.

Howden Joinery is the UK’s leading supplier of kitchens and joinery products which it sells via a network of kitchen installers. It operates about 840 depots in the UK and has strategic plans to grow this estate to c.1000. Outside of the UK it is cautiously building a market presence in key French cities where it has 75 depots as well as in Belgium and Ireland. Interestingly there is another growth angle to the business as they have launched an attractive new bedroom furniture range. Whilst this project is in its early stages the customer response is encouraging. Importantly this furniture can be manufactured by leveraging its existing manufacturing facilities. Howdens predominantly supplies into the residential repair, maintenance and improvement (RMI) markets with minimal exposure to new construction.

The average age of UK housing stock is c.70 years so the propensity of people to renovate and upgrade their kitchens is compelling. As consumer confidence improves, Howdens is in a strong position to grow its market share and thereby its revenue, profit and cash generation. It is worth noting that according to the ONS the UK consumer saved over £200 billion during the pandemic. Also, with hybrid working and the kitchen now the major focal point in the home consumers desire a contemporary and fresh kitchen environment. Howdens’ strong cash generation allows it to invest to take market share via a continuous programme of ongoing improvements to its depot network. It is also enhancing its digital ecosystem so installers can check inventories and stock availability with increasing ease.

In terms of valuation the shares trade on a PE multiple of 14x FY26 with a current FCF yield of 6% rising to 8% in FY26. Over the last 10 years it has returned £674m via share buybacks and special dividends. Current net cash is £283m and they typically return excess cash over £250m to shareholders.

Overall, we are impressed with the management team, the strategic direction of the business and their ability to outperform the sector in tough years such as 2009 and 2020. At its recent preliminary results, they announced that trading has seen encouraging trends since the start of

INVESTOR PROFILE

The fund may appeal to investors who:

- Plan to hold their investment for the long-term
- Are prepared to accept the risk associated with the volatile nature of equity related investments
- Want total return through a blend of capital and income growth

FUND FEATURES

- Emphasis on total return (TR) via blend of capital and dividend growth
- Focus on quality companies with high returns on capital and strong cash flows
- High conviction, low turnover – ‘buy and manage’ approach
- 30-40 holdings
- Investing across the market cap universe
- Preservation of capital is paramount over the business cycle
- Predominantly UK and up to 20% Overseas from a listing perspective

HOW TO INVEST

Ocean Equity is available as an OEIC and is also suitable to include in stocks and shares ISAs and SIPPs.

You can buy shares in the fund by visiting:

<https://www.waystone.com/ourfunds/waystone-fund-services-uk-limited/ocean-investment-funds/>

Or by telephoning the Ocean Equity investor Dealing Line: 0115 988 8288 (open business days between 9am and 5pm)

Or via the following platforms:

A J Bell	Interactive Investor
Aviva	Novia
Allfunds	Pershing
Aegon	Raymond James
Barclays	Standard Life
Charles Stanley Direct	Transact
Cofunds	Winterflood
Elevate	7IM
Hargreaves Lansdown	



MICHAEL FOSTER

LEAD PORTFOLIO MANAGER

Michael launched the Ocean Equity Fund in May 2018. He holds the Investment Management Certificate. He has managed private investments since 2011.



JAMES HARRISON

CO-MANAGER

James joined the Ocean Fund at launch. He is a Chartered Fellow of the Securities Institute and is CEO of Fiske plc. He has over 26 years of experience.



JULIAN DIEPPE

CO-MANAGER

Julian joined the Ocean Fund at launch. He is a member of the Securities Institute and is an Investment Manager at Fiske plc. He has over 10 years of experience.



KEVIN MORDRICK

FUND SALES

Kevin has 35 years’ experience in financial services. He was Associate Sales Director for Invesco Perpetual and Sales Director of Rensburg Fund Management.

Currency	Price	Minimum Investment	Annual Mgmt. Charge (AMC)	*Ongoing Charge Figure (OCF) – taken from capital	ISIN	Sedol
GBP						
B Acc	121.15p	£1,000	0.75%	1.00%	GB00BDRNX587	BDRNX58
B Inc	108.24p	£1,000	0.75%	1.00%	GB00BDRNX694	BDRNX69

*please note the 1.00% OCF includes the AMC Entry and Exit charges 0%

The Ocean Equity Fund does not have an objective linked to the oceans or marine bio-diversity but the Fund Manager may choose to invest in companies that derive their revenue from shipping and energy transition sectors.

AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY | MEMBER OF THE LONDON STOCK EXCHANGE | NOT FOR DISTRIBUTION IN THE U.S.A.

This factsheet has been issued by Fiske plc on the basis of publicly available information, internally developed data and other sources believed to be reliable and accurate. No representations or warranty, expressed or implied, is made nor responsibility of any kind is accepted by Fiske plc, its directors or employees either as to the accuracy or completeness of any information stated in this factsheet. Any opinions expressed (including estimates and forecasts) may be subject to change without notice. This document is not intended as an offer to buy or sell the fund nor as a personal recommendation. Fiske plc, or any of its connected or affiliated companies or their employees, may have a position or holding or other material interest in the fund concerned or in a related investment, or may have provided within the previous twelve months, significant advice or investment services in relation to the investment concerned or a related investment.

Investors must be aware of the risks associated with investment in this fund. Full details of the Ocean Equity Fund, including risk warnings, are published in the Prospectus and Key Investor Information document. The fund may not be suitable for all investors and if you are in any doubt whether the fund is suitable for you advice should be sought from a suitably qualified professional advisor. The value of the fund and the income derived from it can go down as well as up. Investors may not get back their initial investment. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realised. Securities denominated in foreign currencies may see their value fall as a result of exchange rate movements. Any comments contained in this factsheet are intended only for the use of the individual or entity to which it is addressed and may contain information which is confidential and may also be legally privileged. If you have received this document in error, please telephone the Compliance Department on 44 (0)20-7448-4700. Fiske plc FCA Register No: 124279

CONTACT US

Michael Foster (Manager) – 07771 516 565
Kevin Mordrick (Fund Sales) - 07557 798 421
 100 Wood Street, London, EC2V 7AN
 Authorised Corporate Director & Administrator:
 Waystone Fund Services UK Limited
<https://www.waystone.com/ourfunds/waystone-fund-services-uk-limited/ocean-investment-funds/>