



# Manchester and London Investment Trust plc

## Fact Sheet December 2020

INVESTMENT  
100 CLUB  
Member 2018

### Investment Objective:

The principal objective of the Manchester and London Investment Trust plc (“MNL” or the “Company”) is to achieve capital appreciation.

### Fund Information:

<b>Launch date:</b>	January 1972
<b>NAV per share:</b>	628.6p
<b>Share mid price:</b>	640.0p
<b>(Premium)/Discount:</b>	(1.8)%
<b>Ongoing Charge</b> (excluding performance fees) <sup>2, 3</sup> :	0.8%
<b>Shares in issue:</b>	37,528,238
<b>Net Assets:</b>	£235.9m
<b>Tickers:</b>	MNL LN; MNL.L
<b>ISIN:</b>	GB0002258472
<b>Listed:</b>	London Stock Exchange
<b>Tax Wrapper Friendly:</b>	SIPP;ISA:SSAS
<b>Historic Dividend Yield:</b>	2.2%
<b>Active Share Ratio<sup>1</sup>:</b>	141.5%
<b>ESG<sup>1,5</sup>:</b>	68.4% (Med. 50%)

<sup>1</sup> Source: Bloomberg LP, Data as at 29 December 2020.

<sup>2</sup> Calculated as a percentage of average net assets and using expenses, excluding interest costs for the year ended 31 July 2020. Based on the Association of Investment Companies (AIC) methodology for calculating the Ongoing Charge figure.

<sup>3</sup> Figure excludes the performance element of the management fee.

<sup>4</sup> Net of delta adjusted exposure of options.

<sup>5</sup> Sustainability Environment Percentile. <sup>6</sup> Of equity exposures.

Before making an investment you should ensure that you have read and understood Manchester and London Investment Trust plc’s latest Annual Report, KID and Investor Disclosure Document in detail, which can be found on the following website: [www.mlcapman.com](http://www.mlcapman.com).

Information in this factsheet is at the last valuation point of the month of issue (except where indicated). Please ensure you read the important information & risk warnings section overleaf.

The fund ratings shown in header are not a recommendation to buy.

Latest available FE Crown, Lipper and Morningstar ratings provided at time of publication from [www.trustnet.com](http://www.trustnet.com), [www.lipperleaders.com](http://www.lipperleaders.com) & <http://essentials.morningstar.com>. All ratings are based on 3 years’ worth of data.

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[http://corporate.morningstar.com/US/documents/MethodologyDocuments/MethodologyPapers/morningstarFundRating\\_Methodology.pdf](http://corporate.morningstar.com/US/documents/MethodologyDocuments/MethodologyPapers/morningstarFundRating_Methodology.pdf)

### Fund News

#### Results:

**Adobe** reported 14% year-on-year revenue growth for the last quarter and targeted a further ~18% revenue growth for 2021.

#### Other:

**Alibaba** was subject to the commencement of an investigation into alleged monopolistic practices. This caused material volatility in the shares (and to wider Chinese Tech). Alibaba, Ant and Tencent face increasing regulatory scrutiny but we see these risks as largely in the price assuming that the Chinese govt continues to act rationally with their Tech champions.

#### Key Portfolio Changes:

During the month we increased our position in ASML.

### Market Update

Another dull month for the Fund. The recent Georgia Senate run off result does not make “Mega Tech growth” the strategy du jour. But what are the alternatives? Chase the disrupted value stocks that, with Democrat support, will have a delayed death and hence revalue further upwards even though their ultimate decline is inevitable (albeit delayed) OR chase the Medium Cap Ultra Growth Tech names (and Tesla/Apple) that now trade at multi-fold the valuation multiples of even a year ago? Are we sure the latter will not face a correction too (although less inevitable)? What about Bitcoin? Our 2020 calendar Share Price Total return is 18.1 per cent AND our 5 year annualised Share Price Total return is 24.2 per cent. So we believe it is best to avoid the Siren calls and stick to what our Data Framework model tells us.

### Top 15 Net Asset Exposures as a percentage of Net Assets<sup>4</sup>

MICROSOFT CORP	15.5%	<b>Liquidity Analysis<sup>6</sup>:</b>	<b>% of Net Assets:</b>
AMAZON.COM INC	13.8%	<b>Market Capitalisation:</b>	
ALIBABA GROUP HOLDING LTD	12.7%	Large Cap	114.7%
ALPHABET INC	9.8%	Mid Cap	0.0%
ISHARES CNY CHINA BOND ETF	9.8%	Small Cap	0.0%
TENCENT HOLDINGS LTD	7.6%	Options	(26.4)%
ADOBE INC	7.1%	ETFs, Funds & Baskets	14.8%
FACEBOOK INC	6.9%	<b>Portfolio Net Delta Adj Exposure % of NAV</b>	<b>103.1%</b>
SALESFORCE.COM INC	5.5%		
ISHARES TECH-SOFTWARE (IGV)	5.4%		
CSOP HANG SENG TECH ETF	4.9%		
NETFLIX INC	3.7%	AIFMD Leverage - Gross:	191.7%
ASML HOLDING NV	3.6%	AIFMD Leverage - Commitment:	138.2%
ZYNGA INC	3.2%		
POLAR CAPITAL TECHNOLOGY	2.8%		

Data as at 29 December 2020

Source: Bloomberg L.P., MNL

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### Issued by:

M&L Capital Management Ltd ("MLCM") who are authorised and regulated by the Financial Conduct Authority under Firm Reference Number 672181.

### Registered Office of MLCM:

12a Princes Gate Mews, London, SW7 2PS.

Registered in England & Wales: 04089418

### Enquiries:

Website: [www.mlcapman.com](http://www.mlcapman.com)

E-mail: [ir@mlcapman.com](mailto:ir@mlcapman.com)

### Registered Office of MNL:

12a Princes Gate Mews, London, SW7 2PS.

Registered in England & Wales: 01009550

### Certificates, Dividends and Other Shareholding Enquiries :

Link Asset Services,  
The Registry,  
34 Beckenham Road,  
Beckenham  
Kent, BR3 4TU.

Tel: 0871 664 0300

E-mail: [enquiries@linkgroup.co.uk](mailto:enquiries@linkgroup.co.uk)

### Key Risk Considerations - Capital At Risk

This material is not a solicitation or an offer to invest with Manchester and London Investment Trust plc ("MNL" or the "Company"). MLCM has not taken any steps to verify the adequacy, accuracy or completeness of any information.

MLCM, MNL nor any of their respective affiliates, officers, directors, agents and employees make any warranty, expressed or implied, of any kind whatsoever, and none of these parties shall be liable for any losses, damages, costs or expenses, of every kind and description, relating to the adequacy, accuracy or completeness of any information in this document or the use of this information. As with all historical performance data, it may not be used to predict future characteristics or performance relied on in making any investment decisions.

Share market conditions are affected by many factors such as: general economic outlook, movement in or outlook on interest rates and inflation rates, currency fluctuations, commodity prices, changes in investor sentiment towards particular market sectors and the demand and supply for capital. As a result, the price of the Ordinary Shares could be highly volatile and can go up or down. Past performance should not be seen as an indication of future performance.

The value of investments can go down as well as up and investors may not get back the amount originally invested.

Holdings in overseas investments are subject to changes in currency exchange rates, which may cause the value of such investments to go down as well as up.

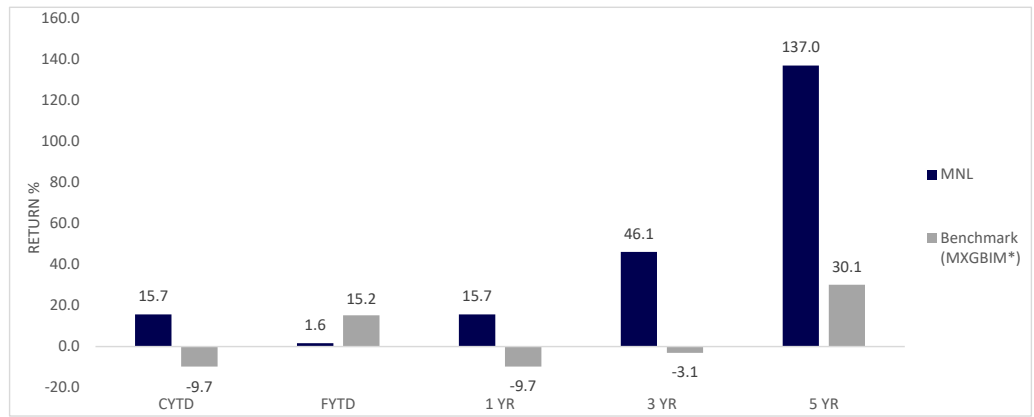
Gearing, sometimes referred to as leverage, can be used by the Company to borrow to gain additional exposure to investments. Gearing works by magnifying the performance, this can result in either greater losses or profit had the Company not used Gearing.

Derivatives can be utilised by the Company, these instruments also give rise to leverage without the need to borrow. Derivatives may in addition also give rise to counterparty risk, the risk the issuer of the derivative cannot fulfil its obligations (profit that maybe due to the Company).

For a full list of risks and definitions of the portfolio risk statistics provided please refer to the Investment Disclosure Document and KID at [www.mlcapman.com](http://www.mlcapman.com).

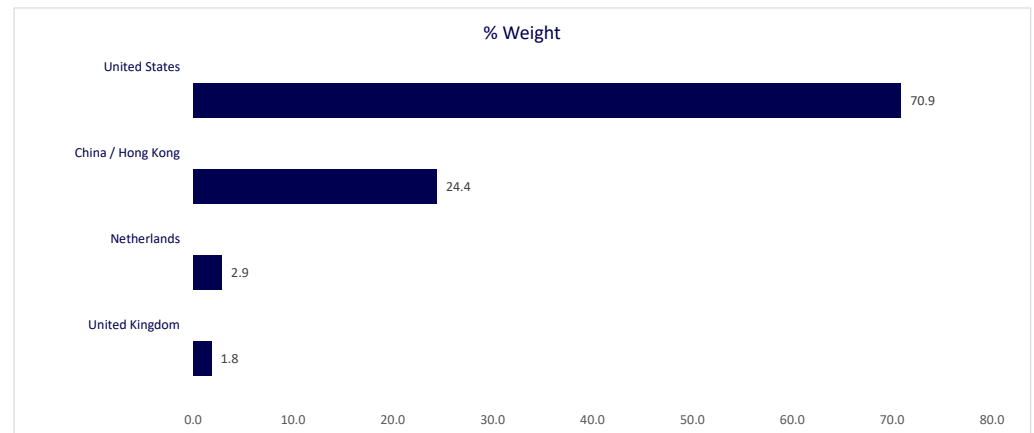
**Past performance is not a reliable indicator of current or future results.**

### Comparative Period Performance (Source: Bloomberg LP, MSCI, MNL)

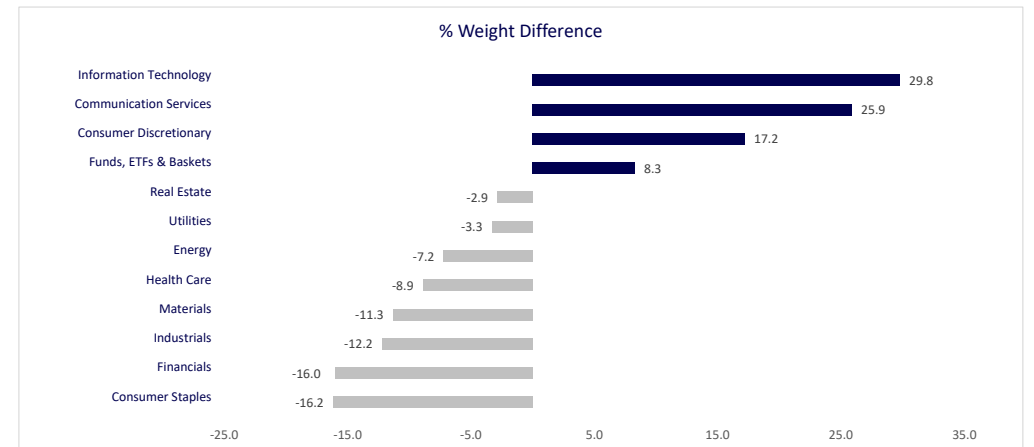


This comparison is illustrative only. All figures are sourced from Bloomberg LP. NAV return is on a total return basis (dividends reinvested), net of all costs incurred. Calculation time periods depend on the timing of NAV releases and so may differ slightly to the column headings. The figures shown relate to past performance. \*MSCI UK Investable Market Index (GBP).

### Domicile of Equity Exposures by Market Value (Source: Bloomberg LP, MNL)



### Sector Weightings of Equity Exposures v Benchmark<sup>4</sup> (Source: Bloomberg LP, MNL)



### Risk Management & Valuation Metrics (Source: Bloomberg LP, MNL)

<b>Share Price volatility:</b>	<b>39.2%</b>	<b>See through P/E<sup>1</sup>:</b>	<b>32.1x</b>
<b>Portfolio volatility:</b>	<b>24.6%</b>	<b>See through EV/EBITDA<sup>1</sup>:</b>	<b>19.6x</b>
<b>Benchmark volatility:</b>	<b>24.9%</b>		
<b>Beta:</b>	<b>1.3x</b>		
<b>Sharpe:</b>	<b>0.7x</b>		

Source: Bloomberg LP, Data as at 29 December 2020.

Portfolio and Benchmark volatility are calculated using the Bloomberg Risk Model on underlying security returns, annualised, in base currency (GBP). Sharpe is calculated by Bloomberg LP from underlying security returns in base currency (GBP). <sup>1</sup> Forward 12m.

### Synthetic Risk Reward Indicator ("SRRI")



The Fund is categorised as a 6 on the SRRI scale, which is calculated based on the Fund's 5 year annualised NAV volatility. Liquidity, Counterparty & Currency risks are not captured by the scale.