

Manchester and London Investment Trust plc

Fact Sheet August 2022

Investment Objective:

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

Fund Information:

Launch date:	January 1972
NAV per share¹:	480.8p
Share last price²:	384.5p
(Premium)/Discount¹:	20.0%
Ongoing Charge (excluding vm fees)³:	0.8%
Shares in issue^{1,6}:	40,270,055
Net Assets¹:	£193.6m
Tickers:	MNL LN; MNL.L
ISIN:	GB0002258472
Listed:	London Stock Exchange
Tax Wrapper Friendly:	SIPP;ISA:SSAS
Historic Dividend Yield⁵:	3.6%
Active Share Ratio (vs Benchmark)²:	112.5%
Active Share Ratio (vs Nasdaq Comp)²:	87.6%
ESG^{2,4}:	85.8% (Med. 50%)
Benchmark:	MSCI UK IMI Index (GBP)

¹ Calculated by Link Alternative Fund Administrators Ltd ("Link") as at 30 August 2022.

² Source Bloomberg L.P. (inc PORT) as at 30 August 2022.

³ Calculated by Link Alternative Fund Administrators Ltd, as a percentage of average net assets and using expenses, excluding interest costs for the year ended 31 July 2021. Based on the Association of Investment Companies (AIC) methodology for calculating the Ongoing Charge figure. Figure excludes the variable element of the management fee (which may be either positive or negative).

⁴ Sustainalytics Environment Percentile.

⁵ Based on the last 2 semi annual dividends paid by the Fund divided by the MNL share last price as at 30 August 2022.

⁶ Excluding shares held in treasury.

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.micapman.com.

Please ensure you read the Key Risk Considerations section overleaf.

This material is not a solicitation or an offer to invest with Manchester and London Investment Trust plc ("MNL" or the "Fund") or any other security.

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.

Fund News

Nvidia reported a material slowdown in sales growth, with only 3 per cent YoY revenue growth for Q2 and a sequential decline expected in the current quarter. Whilst demand in the gaming segment has clearly cooled, the magnitude of the decline may also be accentuated by inventory flushing ahead of the launch of their next series of gaming GPUs at the end of this year. The company also announced potential US led restrictions that would put some of their AI related chip sales in China at risk. As noted below, we already view all Chinese sales exposure of our stocks as "at risk", hence this does not materially change our long term view.

Synopsys recorded 18 per cent revenue growth, in what generally appeared to be a solid quarter for the company. **Godaddy** reported 9 per cent revenue growth for the quarter.

Portfolio changes during the month included a material reduction in the remaining Meta exposure, a full disposal of Intuit and some profit taking in Nvidia and Godaddy. We also opened long positions in Ansys, Paypal and Arista Networks and slightly increased exposure to Synopsys.

Market Update

Long Covid, the Labour Force & Productivity

We are becoming increasingly concerned about the effects of Long Covid on the Labour Force & Productivity. It appears to us that a blanket of lethargy and stasis seems to smother any attempt to progress. Further reading on this matter can be found [here](#), [here](#) & [here](#).

Combining the aforementioned drop in the Labour Participation rate **with** higher Fiscal costs (Health, Inflation, Debt costs & Energy) **and** huge reinvestment into non carbon based Energy sources **and** the rerouting of Supply Chains to allied nations within the new USA/China Cold War means that we now subscribe to the **"Higher for Longer"** thesis that could see US 10 year yields at 4 per cent (higher than the Fed dot plot peak of 3.8 per cent) and then remain there for a number of years (before we see a resumption of long term disinflation). With 10 per cent of US companies already classified as Zombies at current interest rates, we are surely at the Dawn of the Zombie Apocalypse in weaker growth geographical areas such as Europe and the UK? Clearly, the best answer to a drop in Labour Participation is automation through software, chips, sensors, AI and robotics so although we will suffer the "Duration Pain" of the above scenario we do remain positive on the earnings growth opportunities.

China & Taiwan

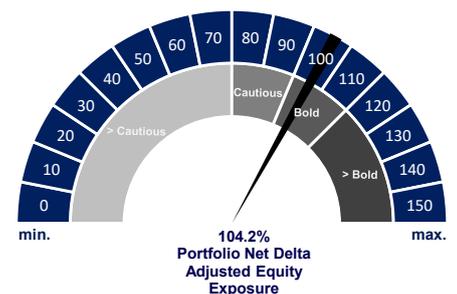
China is becoming increasingly aggressive and belligerent with respect to Taiwan and hence we see our Fund's see-through exposure to China & Taiwan as High Risk. To keep investors informed about the level of this risk, you will notice we have added a data point to our Factsheet called: **China & Taiwan estimated Sales exposure**, which is currently 12.9 per cent. After the month end we have taken an active hedging strategy to reduce this exposure via a short on the EWT US - IShares MSCI Taiwan ETF.

Top 20 Equity & Bond Net* Exposures as a percentage of Net Assets

<u>Holding:</u>	<u>Net:*</u>	<u>Net Equity Exposure Breakdown:</u>	<u>Net:*</u>
MICROSOFT CORP	30.6%	Large Cap Equity	96.1%
ALPHABET INC	26.4%	Mid Cap Equity	0.0%
AMAZON.COM INC	9.5%	Small Cap Equity	0.0%
ASML HOLDING NV	7.7%	Equity Options	12.1%
CADENCE DESIGN SYS INC	7.5%	Equity ETFs, Funds & Baskets	(4.0)%
SYNOPSYS INC	6.8%		
ADOBE INC	5.9%		
INVESCO QQQ NASDAQ 100 ETF	(5.0)%		
PAYPAL HOLDINGS INC	3.5%		
NVIDIA CORP	3.2%		
POLAR CAPITAL TECH	3.0%		
SPDR S&P 500 ETF TRUST	(2.0)%		
ADVANCED MICRO DEVICES INC	1.6%		
NETFLIX INC	1.5%		
GODADDY INC	1.4%		
INTUITIVE SURGICAL INC	1.2%		
ANSYS INC	0.6%		
ARISTA NETWORKS INC	0.5%		
META PLATFORMS INC	0.2%		

*Net = Exposure on a marked-to-market basis combined with the delta adjusted exposure of options (as defined in the Fund Investor Disclosure Document). Ranked on a modulus basis.

Current Total Net Equity Exposure:



For further info on delta adjusted exposure please see fund FAQs: <https://micapman.com/faq/>

Data as at 30 August 2022

Source: Bloomberg PORT, Link Alternative Fund Administrators Ltd ("Link")

Manchester and London Investment Trust plc

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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.

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Key Risk Considerations - Capital At Risk

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.

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 Fund 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 Fund not used Gearing.

Derivatives can be utilised by the Fund, 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 Fund).

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.

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

Notes for Risk Management & Valuation Metrics:

¹Source: Bloomberg L.P. (inc PORT) as at 30 August 2022.

²As defined by the Alternative Investment Fund Managers Directive (as implemented in the UK on 22 July 2013), calculated using data from Bloomberg PORT and Link.

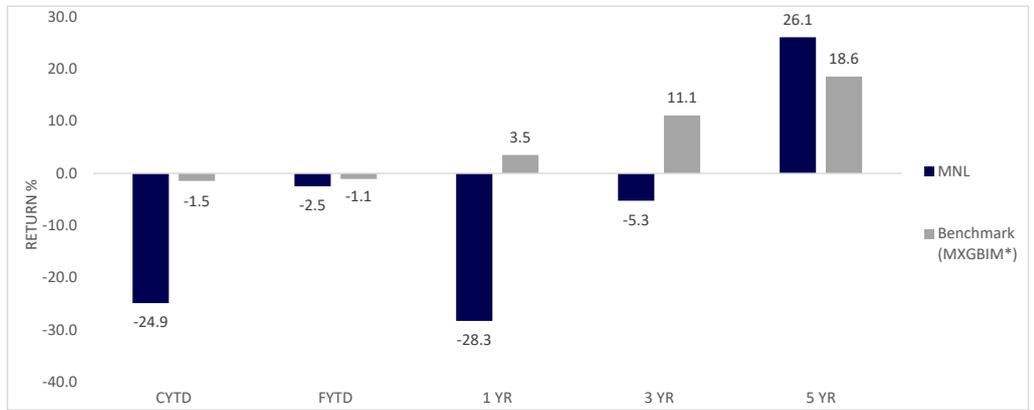
³Portfolio and Benchmark volatility are calculated using the Bloomberg Risk Model on underlying security returns, annualised, in base currency (GBP).

⁴Forward 12m.

⁵Historic weekly Correlation over 5yrs in GBP using MNL share price. Nasdaq = Nasdaq Composite Index.

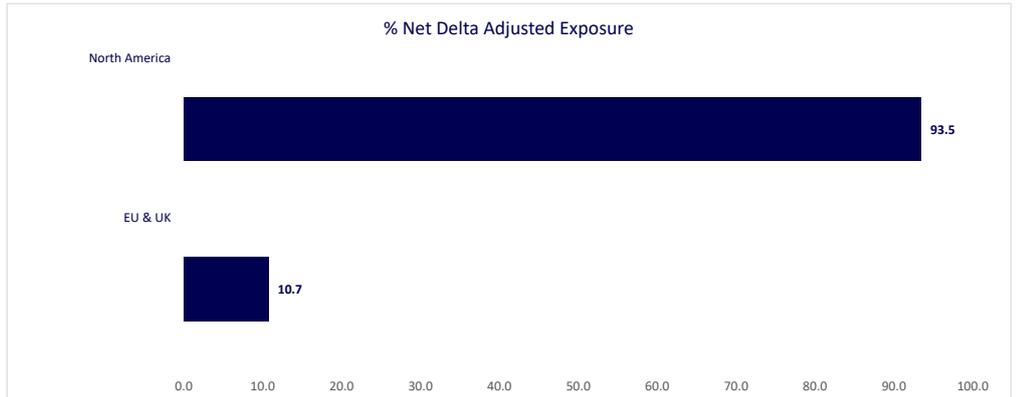
⁶Estimated weighted average sales exposure to China & Taiwan. Where sales exposure to these countries has not been disclosed by our holdings, broker estimated ranges or other subjective measures have had to be used instead. Therefore, there is a high degree of subjectivity within this figure and it should only be viewed as a rough guide.

Comparative Period NAV TR Performance (Source: Bloomberg L.P., Link, MSCI)



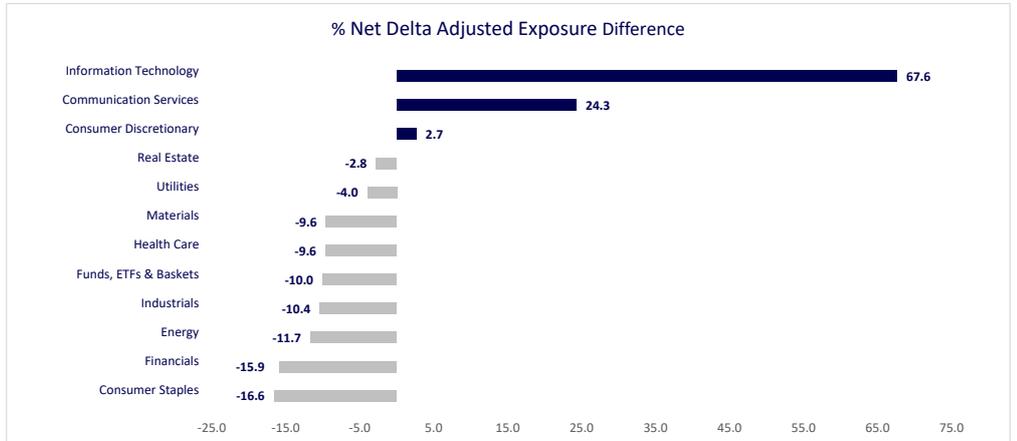
Data as at 30 August 2022. This comparison is illustrative only. Return figures are sourced from Bloomberg L.P. NAV return is on a total return basis (dividends reinvested), net of all costs incurred. Fund NAV is calculated weekly by Link Alternative Fund Administrators Ltd ("Link"). Calculation time periods depend on the timing of NAV releases and so may differ slightly to the axis labels. The figures shown relate to past performance. FYTD is from the end of July 2022. *MSCI UK IMI Index (GBP).

Domicile of Net Equity Exposures (Source: Bloomberg PORT, Link, MNL)



Data as at 30 August 2022

Sector Weightings of Net Equity Exposures v Benchmark (Source: Bloomberg PORT, Link, MNL)



Data as at 30 August 2022

Risk Management & Valuation Metrics (Source: Bloomberg L.P. (inc PORT), Link)

1yr Share Price volatility ¹ :	35.7%	AIFMD Leverage ² - Commitment:	147.8%
Portfolio volatility ^{1,3} :	26.4%	See through P/E ^{1,4} :	25.0x
Benchmark volatility ^{1,3} :	14.7%	See through EV/EBITDA ^{1,4} :	14.6x
AIFMD Leverage ² - Gross:	150.8%	China & Taiwan est. Sales exp. ⁶ :	12.9%

5yr Historic Correlation^{1,6} - MNL vs Nasdaq



5yr Historic Correlation^{1,6} - MNL vs Benchmark



PRIIPS Summary Risk Indicator ('SRI')



The Fund is categorised as a 5 on the SRI scale, which is a "medium-high" risk class. This is calculated on past performance data using the prescribed PRIIPS methodology and actual risk may vary significantly. For further information on SRI - including key risk disclaimers - please read the Fund Key Information Document available at www.mlcapman.com.