

# Manchester and London Investment Trust plc

## Fact Sheet May 2024

### Investment Objective:

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

### Fund Information:

<b>Launch date:</b>	January 1972
<b>NAV per share<sup>1</sup>:</b>	859.6p
<b>Share last price<sup>2</sup>:</b>	700.0p
<b>(Premium)/Discount<sup>1</sup>:</b>	18.6%
<b>Ongoing Charge (excluding vm fees)<sup>3</sup>:</b>	0.5%
<b>Shares in issue<sup>1,6</sup>:</b>	40,193,018
<b>Net Assets<sup>1</sup>:</b>	£345.5m
<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<sup>5</sup>:</b>	2.0%
<b>Active Share Ratio (vs Benchmark)<sup>2</sup>:</b>	112.3%
<b>Active Share Ratio (vs Nasdaq Comp)<sup>2</sup>:</b>	82.6%
<b>ESG<sup>2,4</sup>:</b>	83.1% (Med. 50%)
<b>Benchmark:</b>	MSCI UK IMI Index (GBP)

<sup>1</sup> Calculated by Link Alternative Fund Administrators Ltd ("Link") as at 28 May 2024.

<sup>2</sup> Source Bloomberg L.P. (inc PORT) as at 28 May 2024.

<sup>3</sup> 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 2023. 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).

<sup>4</sup> Sustainalytics Environment Percentile.

<sup>5</sup> Based on the last 2 semi annual dividends paid by the Fund divided by the MNL share last price as at 28 May 2024.

<sup>6</sup> 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](http://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

#### Quarterly Reporting Season:

**Nvidia** delivered another beat and raise quarter with 262 per cent year on year revenue growth and 628 per cent net income growth.

**Synopsys** reported 15 per cent revenue growth and slightly raised full year revenue guidance.

We reduced the Fund's holding in Applied Materials (partly on China risks), and slightly increased the position in Micron where data points continue to indicate sustained growth in Ai exposed HBM and positive memory pricing trends for the remainder of 2024.

### Market Update

A Majestic month for the Fund with a double-digit percentage Total Return. The key Technology event for the month was NVDA which yet again silenced its critics and sent the Cas-sandras scuttling to close their shorts. Shorting the Future => Pain.

Turning to another of our Maxims that is less consensus: **Ai will disrupt Software**. This has been the month that has seen CRM, NOW, WDAY, PATH, INTU all suffer **double digit share price losses in single days**. This could be the start of a period of underperformance for Application Software as they see a pull back in spend due to a slowing US & Global economy caused by high interest rates, a redirection of spend from Application Software to Ai, an increase in costs as they re-position to resist disruption from new "Ai at core" competitors, and a slow adoption of their own "Ai as an add on" applications. Valuation multiples are high in the Application Software sector, too many players don't make Profits and too much of the EDITDA is diverted to Management not Shareholders. **Application Plague!**

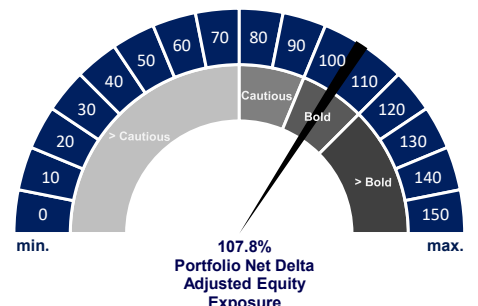
In our portfolio we hold: **CDNS, SNPS, ORCL, MSI**. We see **CDNS** and **SNPS** as niche EDA software companies; for **ORCL** (classified as Infrastructure Software not Application (as is MSFT)), we do see the business facing headwinds from this trend that it is counter-ing by growing OCI, its Cloud offering; and **MSI** (actually classified as Communication Equipment) is another niche business that we believe is protected from the Application Plague. Just shows that all Tech Funds are not the same.

### 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>
NVIDIA CORP	32.3%	Large Cap Equity	109.3%
MICROSOFT CORP	24.9%	Mid Cap Equity	0.0%
ADVANCED MICRO DEVICES INC	7.8%	Small Cap Equity	0.2%
ASML HOLDING NV	6.7%	Equity Options	(1.2)%
ARISTA NETWORKS INC	5.6%	Equity ETFs, Funds & Baskets	(0.5)%
SYNOPSYS INC	5.5%		
CADENCE DESIGN SYS INC	4.6%		
ALPHABET INC	4.0%		
MICRON TECHNOLOGY INC	3.5%		
ANSYS INC	3.1%		
ORACLE CORP	2.3%		
0-3 MONTH TREASURY BOND ETF	1.7%		
INTUITIVE SURGICAL INC	1.6%		
MOTOROLA SOLUTIONS INC	1.1%		
DELL TECHNOLOGIES INC	1.1%		
INVESCO QQQ NASDAQ 100 ETF	(1.1)%		
APPLIED MATERIALS INC	1.0%		
BROADCOM INC	0.9%		
WESTERN DIGITAL CORP	0.8%		
ISHARES RUSSELL 2000 ETF	(0.7)%		

\*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 28 May 2024

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

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## Fact Sheet May 2024

**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](http://www.mlcapman.com).

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

**Notes for Risk Management & Valuation Metrics:**

<sup>1</sup>Source: Bloomberg L.P. (inc PORT) as at 28 May 2024.

<sup>2</sup>As 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.

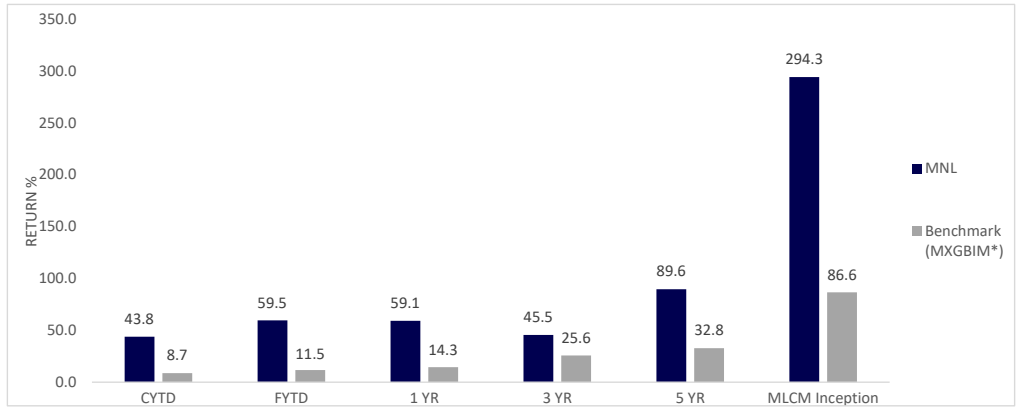
<sup>3</sup>Portfolio and Benchmark volatility are calculated using the Bloomberg Risk Model on underlying security returns, annualised, in base currency (GBP).

<sup>4</sup>Forward 12m.

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

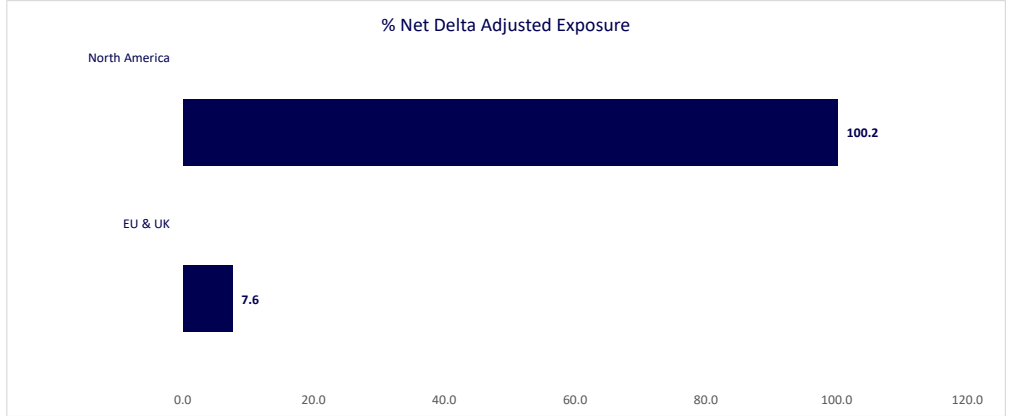
<sup>6</sup>Estimated weighted average sales exposure to China & Taiwan. Where sales exposure to these countries has not been disclosed by our holdings, broker estimated ranges or other subjective measures have had to be used instead. Therefore, there is a high degree of subjectivity within this figure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

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



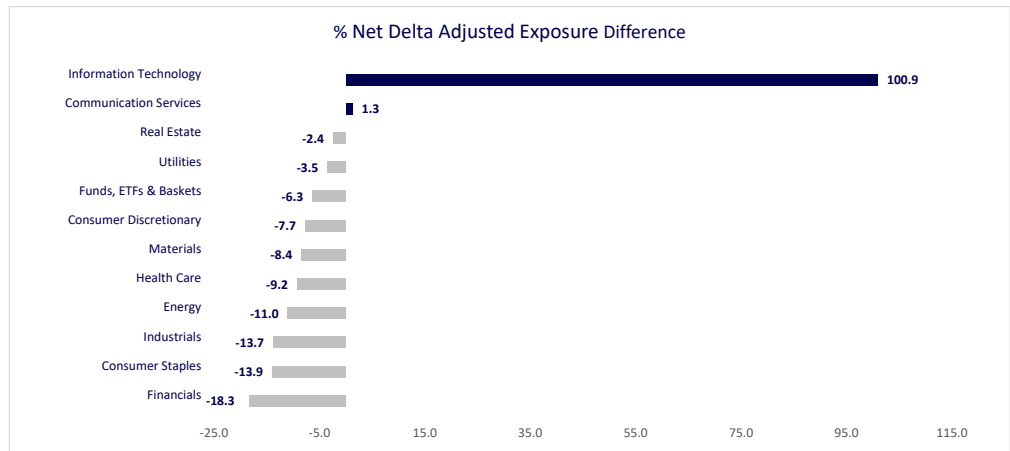
Data as at 28 May 2024. This comparison is illustrative only. Return figures are sourced from Bloomberg L.P. NAV return is on a total return basis (dividends reinvested), net of all costs incurred. Fund NAV is calculated weekly by Link Alternative Fund Administrators Ltd ("Link"). Calculation time periods 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 2023. MLCM Inception time period is performance since 22/09/2015. \*MSCI UK IMI Index (GBP).

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



Data as at 28 May 2024

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

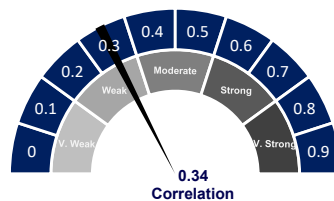


Data as at 28 May 2024

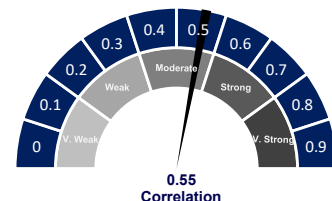
**Risk Management & Valuation Metrics (Source: Bloomberg L.P. (inc PORT), Link)**

<b>1yr Share Price volatility<sup>1</sup>:</b>	<b>30.6%</b>	<b>AIFMD Leverage<sup>2</sup> - Commitment:</b>	<b>118.9%</b>
<b>Portfolio volatility<sup>1,3</sup>:</b>	<b>26.2%</b>	<b>See through P/E<sup>1,4</sup>:</b>	<b>33.5x</b>
<b>Benchmark volatility<sup>1,3</sup>:</b>	<b>12.7%</b>	<b>See through EV/EBITDA<sup>1,4</sup>:</b>	<b>20.9x</b>
<b>AIFMD Leverage<sup>2</sup> - Gross:</b>	<b>122.6%</b>	<b>China &amp; Taiwan est. Sales exp.<sup>6</sup>:</b>	<b>21.1%</b>

**5yr Historic Correlation<sup>1,6</sup> - MNL vs Benchmark**



**5yr Historic Correlation<sup>1,6</sup> - MNL vs Nasdaq**



**Summary Risk Indicator ('SRI')**



The Fund is categorised as a 6 on the SRI scale, which is the second highest 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](http://www.mlcapman.com).