

Raynar Flagship

Sub Fund of: EFG Silverstone SICAV-RAIF

Factsheet
April 2024

Fund Manager



PORTFOLIO MANAGEMENT

Portfolio Manager: Philip Rodrigs
Managing UK equity strategies since 2006, Philip is a multi award winning manager. Honoured as an all-sector Morningstar 'Outstanding Rising Talent', Philip has been twice named as IW's UK Small Cap Fund Manager of the Year.

First Day of Trading
1 June 2020

Fund AUM

£27.7m

Raynar AUM

£76.1m

Custodian

EFG Bank (Luxembourg) S.A.

AIFM

Waystone Management

Company Luxembourg S.A.

Administrator

HSBC France,

Luxembourg Branch

Auditor

BDO Audit S.A. Luxembourg

Fund Objectives

To achieve capital growth over the medium term with an absolute focus on stock selection, unconstrained in its approach to building a high conviction portfolio of attractive risk vs return high conviction investments from across the UK equity market, with a likely predominance of small and micro sized companies. During periods with insufficient opportunities, unallocated capital will be preserved utilising the flexibility to invest in cash, beta hedging instruments and other asset classes.

FOR PROFESSIONAL INVESTORS ONLY

Raynar Flagship Performance



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Cal Return	Total Return
2020						4.4%	8.0%	9.2%	-3.4%	-0.5%	12.7%	15.0%	53.7%	
2021	1.7%	10.4%	6.0%	8.5%	3.5%	-3.0%	3.1%	3.3%	-7.0%	-0.7%	-7.0%	3.2%	22.4%	
2022	-8.5%	-8.3%	3.5%	-2.6%	-4.7%	-7.5%	3.3%	-2.3%	-3.5%	0.2%	0.1%	-1.7%	-28.4%	
2023	2.8%	0.4%	-3.3%	1.3%	-5.2%	0.0%	1.1%	-2.6%	-0.8%	-8.1%	7.3%	9.5%	1.1%	
2024	1.9%	-1.1%	4.1%	4.6%									9.8%	49.4%

Past performance is not a reliable indicator of future performance. Table and chart shows the cumulative performance including dividends declared for Class F Distribution shares in GBP net of all fees and costs. Source: HSBC

The investment strategies described above are intended only for those persons who may be categorised as professional clients. Nothing herein should be construed as advice. RPM Holdings Limited is an Appointed Representative (FRN: 972964) of Thornbridge Investment Management LLP (FRN: 713859) which is authorised and regulated by the Financial Conduct Authority. Thornbridge is the Investment Manager of the Fund. Waystone is the Alternative Investment Fund Manager.

Top Ten Equities	Holding
hVIVO	4.3%
Shanta Gold	3.7%
Bank of Georgia	3.6%
Just Retirement	3.5%
Conduit Reinsurance	3.0%
LSL Property Services	2.9%
FRP Advisory	2.9%
IQE	2.6%
Hunting Precision Engineering	2.6%
Concurrent Technologies	2.5%

Top Ten Investment Themes	Allocation
Diversified Financial Services	15.7%
Software & Hardware Technology	13.7%
Diversified Business Services	12.1%
Consumer Retail and Leisure	11.4%
Gold Mining & Services	10.0%
Medical Technology & Services	9.4%
UK Housebuilding & Services	8.9%
Energy Commodities & Tech	6.5%
Utility Services	5.0%
Defence Technology & Services	4.5%

LSL – UK Rate Cut Beneficiary

With a bottom-up stock selection approach, Raynar Flagship looks first at individual companies. However, those companies can give early insights into broader macro-economic trends. Combining that with the expertise behind Raynar's Multi-Asset Strategy allows for conviction views on key events such as interest rate cuts in the UK, and which stocks may benefit. Based on comments from the Governor of the Bank of England, Raynar believes the groundwork has been laid for the Base Rate of interest to be cut from the current 5.25% as soon as this summer. Raynar's analysis shows a very strong link between the first rate cut of a major cutting cycle and strong outperformance by UK Smaller Companies over the subsequent two years.

Given that mortgage rates are sensitive to market predictions for future interest rate cuts, **LSL Property Services** is likely to be a prime beneficiary. Persistent inflation led to surprise rate hikes in the summer, driving mortgage rates back to Truss-Kwarteng 'mini-budget' shock levels. However, after the perfect storm of negative trading conditions in 2023, **LSL** confirmed a lightening start to 2024 – in lockstep with a major drop in mortgage rates since the turn of the year – and followed up with more large earnings upgrades this month. Moving quickly in early March to immediately establish a Top Ten position, shares ended April 19% higher.

LSL has three divisions. Firstly, it is by far the national leader in Surveying – providing valuations for mortgage lending. Its scale advantage normally allows for margins above 20%, offering high recovery potential from the single digit margin in 2023. Secondly, **LSL** provides all the services its leading network of mortgage brokers need to allow them to focus on their day jobs helping customers find the right mortgage for them. Finally, **LSL** has converted its volatile estate agency unit into a franchised model – materially enhancing the quality of earnings for the whole firm.

Raynar Flagship Share Classes	A Class Distribution	B Class Distribution
Inception Date	29th May 2020	24th August 2020
Minimum Initial Investment	£200,000	£5,000,000
Subscription	Daily, zero fee	Daily, zero fee
Redemption	Monthly, zero fee	Monthly, zero fee
Redemption Notice**	1 month	1 month
Annual Management Charge	1.00%	0.75%
Performance Fee	20%	20%
Hurdle Rate	5% annualised	10% annualised
High Water Mark	Yes – Lifetime	Yes – Lifetime
ISIN	LU2076760391	LU2203806885
Bloomberg Ticker	EFSRFGI LX	EFSRFBG LX
NAV at end of month	125.55	107.69

Contact Details

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**Redemptions processed last business day each month – instruction required before 3pm UK time on last business day of the prior month

Investment Themes are categorisations chosen by the portfolio manager which, in their opinion, best describes the predominant driver of the underlying investments. Investments may be re-categorised. *Represents negative cash balance arising from the utilisation of leverage to accommodate periods where there are excess high conviction investment ideas