

Fund Manager



Portfolio Manager: Philip Rodrgis
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
£29.5m
Raynar AUM
£81.0m

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%	6.5%								16.9%	59.2%

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
FTSE 250 iShares ETF	4.9%
hVIVO	3.9%
Just Retirement	3.3%
FRP Advisory	3.1%
Funding Circle	3.0%
LSL Property Services	2.9%
IQE Semiconductor	2.8%
Hunting Precision Engineering	2.8%
Hochschild Mining	2.6%
Mitchells & Butlers	2.6%

Top Ten Investment Themes	Allocation
Diversified Business Services	15.1%
Diversified Financial Services	14.8%
Software & Hardware Technology	12.6%
Consumer Retail and Leisure	12.4%
Medical Technology & Services	9.2%
UK Housebuilding & Services	7.5%
Energy Commodities & Tech	7.0%
Utility Services	6.4%
Gold Mining & Services	6.2%
Defence Technology & Services	4.4%

Accelerated Catalyst for UK Smaller Companies

The unavoidable news this month was the earlier-than-expected calling of the UK General Election by Rishi Sunak. This accelerates the delivery of an important catalyst – a refreshed political mandate which we view reduces uncertainty. Uncertainty is also reduced by how strongly polls point to a Labour landslide, with a Lib-Lab coalition the next most likely. Helpfully, Labour have been very clear that they will not raise main taxes further, nor raise borrowing, meaning the focus is on stimulating more activity by other means such as boosting construction through addressing current planning gridlock and continuing steps to harness UK pensions clout by re-directing investment into the UK economy via private and smaller listed companies.

One catalyst that may be delayed is a possible cut by the Bank of England of the UK base rate of interest. Independency means it should not be influenced, but to avoid the perception of influence, the choice on 20th June may be to tide over to the next meeting in early August. Meanwhile, the Eurozone, Canada, Switzerland and a growing number of other central banks have started cutting rates. If the Bank of England were to join in, there is a very strong association between the first rate cut of a cycle and subsequent strong 2-year absolute returns by UK Smaller Companies, as well as typically strong outperformance compared to larger companies.

This would be adding to what already amounts to being a bull market for UK Small caps which stand 26% above the low-point in October 2023. Raynar Flagship has developed a 40% total return over the same period by maintaining an optimistic view. This continues, so, due to timing differences following the take-over of top ten holding **Shanta Gold** and new ideas being ready to join the portfolio, high conviction in the outlook for UK Smaller Companies was maintained with a likely short duration holding in the **FTSE 250 iShares ETF**.

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	133.77	114.75

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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