

Portfolio Details – March 2019



Fund Facts

Gross Assets:	£5.06m
NAV:	224.5p per share
Price:	235p
Share Capital:	2,157,881 Ordinary 25p
Shares Gearing:	Nil
Launch Date:	August 1994
Year End:	31 December
AGM:	April
Fund Manager:	Dr. Manny Pohl
Listing:	The London Stock Exchange

Asset Allocation

	%
Property Comm and Res	27.1
General Financial	17.4
Support Services	16.5
Travel & Leisure	8.5
Construction & Materials	8.2
Media	5.4
Industrial Engineering	3.9
Leisure Goods	2.9
Industrial Transportation	2.7
Food & Beverages	2.3
Electronic & Electrical Equipment	1.5
Insurance	1.3
Home Construction	0.9
Chemicals	0.9
Retailers	0.5
Total	100

Fund Manager's comment for March 2019

Global markets continued their strong start to the year with most regions up during the month of March. There has been a shift towards defensive and yield-related sectors while cyclicals and financials have come under pressure. The US continued its strong run with the S&P 500 index up 1.8% and the Nasdaq Composite up 2.6%. While equity markets were relatively strong, most of the action was in the debt markets. On 19 March, the US 10-year Treasury note fell below the 3-month Treasury yield. 10-year yields fell to their lowest levels since January 2018 to 2.4%. Dovish comments from the Fed and a moderation in global activity helped drive a fall in longer-term yields.

Other global markets were up but not to the same extent reflecting medium to longer-term concerns about European economic growth. The FTSE was up 2.9% which was reasonable given the uncertainty related to Brexit and the inability of the UK parliament to come up with an agreed solution to leave the EU. Asian markets were strong with China leading the way with one of the strongest performances recorded in March. The Shanghai Comp was up 4.8% in USD terms and the Hang Seng was up 1.5%.

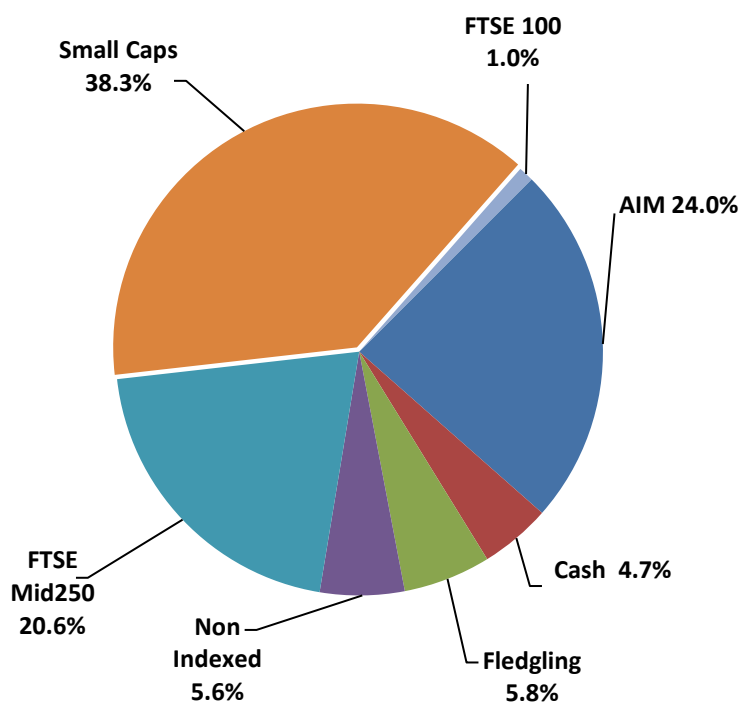
While the investment portfolio declined only slightly (by 0.1%) during the month, Athelney shares went ex-div on 21 March which resulted in the NAV declining by 4.8% as compared with the Small Cap Index which increased by 0.8%, the AIM All Share Index which increased by 0.6% and the Fledging Index which declined by 11.3%.

Dividends received in the month continue to be as expected. Our focus remains on retaining and consolidating our holdings into those quality companies in the portfolio which are unlikely to be disintermediated by technological change and able to maintain or increase their dividend, as well as adding companies which have an acceptable level of predictable growth in the business's medium-term economic performance. To this end we have continued to sell our holdings in companies where there has been a change to the industry structure, the business model, the senior management team or the product/service offering, the occurrence of which will result, in our view, in a deterioration in future profitability and hence dividends. Our positions in XLMedia, Quarto and Hansard Global were sold. No new positions were added.

Athelney Trust was founded in 1994 and, one year later, became one of the ten pioneer members of the Alternative Investment Market. In 2008 the shares became Fully Listed.



Portfolio by Listing



20 Largest Holdings as at 31.03.19

	%
1. VP	4.2
2. Picton Property Income	3.5
3. Mountview Estates	2.9
4. Games Workshop	2.9
5. Jarvis Securities	2.6
6. Forterra	2.4
7. Close Brothers	2.4
8. Target Healthcare REIT	2.4
9. Randall & Quilter Investment Holdings	2.3
10. Cineworld	2.3
11. Andrews Sykes Group	2.1
12. Park Group	2.1
13. AEW UK REIT	2.1
14. Murgitroyd	2.0
15. Tritax Big Box	2.0
16. Hill & Smith	1.8
17. Belvoir Lettings	1.8
18. Air Partner	1.7
19. Marstons	1.7
20. XP Power Ltd	1.5
Top 20 total %	46.7
Other 51 Holdings %	53.3
Total %	100.0

Risk Factors

The value of investments and the income from them may go down as well as up and you may not get back your original investment. Smaller companies are riskier and less liquid than larger companies which means their share price may be more volatile. Certain annual management expenses are currently charged to the capital of the Fund. Whilst this increases the yield, it will restrict the potential for capital growth. The level of yield may be subject to fluctuation and is not guaranteed. Net Asset Value ("NAV") performance is not the same as share price performance and investors may not realise returns the same as NAV performance.