

## MFM Techinvest Special Situations Fund (Class A)

### Fund Update: November 2018

<p><b>IA Classification:</b> UK Smaller Companies</p> <p><b>Fund Objective:</b> The MFM Techinvest Special Situations Fund is a UK-based open-ended investment company. The aim of the Fund is to provide long-term capital growth and the accumulation of income through an actively managed portfolio of equities whose future prospects do not appear to be fully reflected in the current stockmarket price. The focus will be on smaller UK companies, although opportunities outside the UK may also be included, where appropriate. Particular attention will be paid to new and emerging growth stocks and to recovery situations where change in a company's underlying dynamics or direction can be expected to lead to an improvement in its reported results.</p>	<p>Share Price: 183.50p (at 31st October 2018)</p> <p><b>Five Year Performance:</b></p> <p>Fund Share Price: 83.26% FTSE 100: 5.89% FTSE All-Share: 8.89% AIM All-Share: 20.71%</p>
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Source: Bloomberg (Indices), Morningstar (Fund, mid-to-mid)

### Manager's Comment

The month of October has often been a difficult time for markets, and this was evident again this year, with the major equity markets experiencing a sharp correction during the month. Investor sentiment was negatively impacted by concerns over a potential slowdown in global growth and rising US interest rates. The fall in share prices began in the mega-cap stocks, before quickly spreading to become a wider sell-off in equities. A constructive resolution of the UK's political difficulties around Brexit would be very positive for UK equities.

### Activity

During the month of September, the Fund added to its position in Pelatro. The Company, which came to market in December 2017, provides a marketing hub targeted to the telecoms service provider market. The Pelatro tool uses big data analytics to interrogate the data within the service provider database, and provides the in-house marketing team with suggested customer specific offers to drive enhanced loyalty. Since IPO the Company has strived to expand its customer base to Western markets and in October announced a framework agreement with Telenor, offering Pelatro the opportunity to win business from country providers across the 170 million Telenor customer base.

Fund Performance				
	5 years %	3 years %	1 year %	6 months %
<b>MFM Techinvest Special Situations Fund</b>	83.26	32.82	-4.19	-7.87
<b>FTSE 100</b>	5.89	12.06	-4.87	-5.08
<b>FTSE All-Share</b>	8.89	12.04	-5.18	-5.41

Discrete Year Performance	Fund Performance %
01/11/2017 to 31/10/2018	-4.19
01/11/2016 to 31/10/2017	26.74
01/11/2015 to 31/10/2016	9.38
01/11/2014 to 31/10/2015	33.19
01/11/2013 to 31/10/2014	3.60

Please remember that past performance is not a guide to the future. Fund launched 5<sup>th</sup> July 2005. Source: Bloomberg (Indices). Morningstar (Fund, mid-to-mid). Data at close 31st October 2018.

<b>Top 10 Holdings</b>	
D4T4 Solutions	11.0%
Statpro	6.0%
Fairfx	4.5%
GAN	3.8%
Filtronic	3.6%
BATM Advanced Communications	3.5%
Keystone Law	3.3%
Arena Events Group	3.3%
Mincon Group	3.1%
Ashley House	3.0%

Source: Techinvest Limited. Data at close 31st October 2018.

Authorised Corporate Director	Marlborough Fund Managers Ltd (Authorised and regulated by the Financial Conduct Authority) Head Office: Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. Telephone: +44 (0) 1204 380 060
Investment Manager	Techinvest Limited (Regulated by the Central Bank of Ireland) Merchants House, 27/30 Merchants Quay, Dublin 8, Ireland
Fund Size	£10.7m
Fund Launch	5th July 2005
Minimum Investment	£1,000
Valuation Point	Weekly (each Wednesday at noon)
Initial Charge	5%
Ongoing Charge (Class A)	1.62%
Contact	Marlborough Fund Managers Ltd Marlborough House, 59 Chorley New Road Bolton, BL1 4QP Telephone: +44 (0)1204 380 060  The Key Investor Information Document and Full Prospectus are available free of charge.

Source: Marlborough Fund Managers. Data at close 31st October 2018.

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## Risk Warnings

The price of shares in the Fund can go down as well as up and therefore investors may not get back all they have invested. The Fund is subject to an initial charge and consequently charges are not made uniformly throughout the period of investment. Changes in exchange rates between currencies may cause the value of investments to diminish or increase. The Fund invests in smaller companies and companies listed on AIM, which carry a higher degree of risk than larger companies. The shares of smaller companies may be less liquid and their performance more volatile over shorter time periods. The Fund invests mainly in the UK. Therefore it may be more vulnerable to market sentiment in the country.

The contents of this document are purely for information purposes only, and are not to be considered as an offer or solicitation to deal in investments. Opinions expressed, whether in general or on the performance of individual securities and in a wider economic context, represent the views of *Techinvest* at the time of preparation. They are subject to change and should not be interpreted as investment advice.

Issued and approved by Techinvest Limited. Techinvest Ltd is regulated by the Central Bank of Ireland. The MFM Techinvest Special Situations Fund is authorised by the Financial Conduct Authority. The Fund is not authorised for sale in the Republic of Ireland. Techinvest is the Investment Manager of the Fund and is separately remunerated for its services.