

## MFM Techinvest Technology Fund (Class A)

**Fund Update: February 2019**

<p><b>IA Classification:</b> Technology and Telecommunications</p> <p><b>Fund Objective:</b> The aim of the <b>MFM Techinvest Technology Fund</b> is to provide capital growth and the accumulation of income through a globally invested portfolio of equities and bonds. Emphasis is placed on technology-based businesses worldwide. It is envisaged that up to 75% of the total fund value is normally invested in securities quoted on the London Stock Exchange, with the balance invested elsewhere, primarily North America.</p>	<p>Share Price: 539.60p (at 31st January 2019)</p> <p><b>Five year performance:</b></p> <table> <tr> <td>Fund Share Price</td> <td>48.27%</td> </tr> <tr> <td>FTSE 100:</td> <td>7.04%</td> </tr> <tr> <td>FTSE TechMARK All-Share:</td> <td>16.15%</td> </tr> <tr> <td>AIM All-Share:</td> <td>7.16%</td> </tr> </table>	Fund Share Price	48.27%	FTSE 100:	7.04%	FTSE TechMARK All-Share:	16.15%	AIM All-Share:	7.16%
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Source: Bloomberg (Indices), Morningstar (Fund, mid-to-mid)

### Manager's Comment

US and UK equity market indices rebounded during January after the sharp falls in December. Advances were particularly pronounced in US indices, as investors took a view that recent share price falls had been overdone and buyers returned to the market. Despite the negative news flow in recent months, particularly in relation to the mega-cap companies, the underlying case for the technology sector remains positive. Added to the scope for resolution of the headline political risks during H119, on balance the risks still seem biased to the upside even if uncertainty remains relatively high.

The **MFM Techinvest Technology Fund** is showing a gain of 506.50% since the start of 2009, putting it in second place in the Technology & Telecoms IA classification table over that period. (source: Bloomberg, Morningstar; 31st January 2019).

### Recent Activity

The dramatic fall in the cost of data processing and storage has led to sizeable cost savings for many technology companies, and is as significant for the sector as weak oil prices would be for many industrial companies. Large incumbents, such as IBM and HP, are losing ground to low-cost players such as Amazon and Microsoft Azure. During January the Fund acquired a holding in Silicom. The Company is a provider of high-performance networking and data infrastructure solutions, designed to improve performance and efficiency in Cloud and Data Centre environments, serving over 150 customers worldwide. Revenues for Q4 2018 were \$45.5 million, the Company's highest-ever revenues for a quarterly period, and represented a 20% increase compared with Q4 2017, and a 46% increase over Q3 2018.

Fund Performance				
	5 years %	3 years %	1 year %	6 months %
<b>MFM Techinvest Technology Fund</b>	48.27	62.20	16.95	-2.31
<b>FTSE 100</b>	7.04	14.55	-7.50	-10.06
<b>FTSE TechMARK All Share</b>	16.15	6.54	-1.57	-5.95

Discrete Year Performance	Fund Performance %
<b>01/02/2018 to 31/01/2019</b>	16.95
<b>01/02/2017 to 31/01/2018</b>	5.44
<b>01/02/2016 to 31/01/2017</b>	31.54
<b>01/02/2015 to 31/01/2016</b>	-7.34
<b>01/02/2014 to 31/01/2015</b>	-1.34

Please remember that past performance is not a guide to the future. Fund launched 19<sup>th</sup> May 2003. Source: Bloomberg (Indices), Morningstar (Fund, mid-to-mid). Data at close 31st January 2019.

Top 10 Holdings	Geographic Breakdown
Attunity	10.5%
Mitek Systems	7.3%
Nokia	4.7%
Radware	4.3%
Etsy	4.3%
Aviat Networks	4.2%
Ceragon Networks	3.9%
Vicor	3.6%
Invitae	3.5%
Fireeye	3.1%

  

The pie chart illustrates the geographic distribution of the fund's holdings. The United States accounts for 82% of the holdings, while UK & Ireland and Canada each account for 9%.

Source: Techinvest Limited. Data at close 31st January 2019.

Authorised Corporate Director	Marlborough Fund Managers Limited (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	£43.2m
Fund Launch	19 <sup>th</sup> May 2003
Minimum Investment	£1,000
Valuation Point	Weekly (each Wednesday at noon)
Initial Charge	5%
Ongoing Charge (Class A)	1.71%
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 January 2019.

## 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 focuses on a specific sector which can also lead to greater volatility.

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 Technology 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.