



MVAM
MOLE VALLEY
ASSET MANAGEMENT

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AIM INHERITANCE TAX PORTFOLIO

Quarterly Factsheet

INVESTMENT OBJECTIVE

Mole Valley Asset Management’s AIM Inheritance Tax Portfolio aims to provide clients with long term capital appreciation whilst sheltering their investments from Inheritance Tax by investing in AIM listed companies that qualify for business property relief. Risk is diversified by investing in a broad range of companies that have very different business exposures.

QUARTERLY COMMENTARY (Mar-May 2017)

The first year of our AIM Inheritance Tax Portfolio has been one to remember, despite starting in the weeks before Brexit. The upward trajectory of the portfolio has continued, indeed accelerated, in the last three months with further strong outperformance against the UK market. The portfolio has risen 19%, in absolute terms, since February, and has recorded a 73% gain since its inception on 1st June 2016. Clearly this level of performance will not be sustainable over the medium term, but there are still plenty of reasons to be optimistic when reviewing the 20 holdings.

The portfolio is focused on medium term growth stories and the newsflow during the past quarter underpinned this investment theme. Notable features included Boohoo, the online clothes retailer, where sales exceeded even the best estimates, and CVS Group, the veterinary services company where sales jumped 28%. Both stocks rose over 30% in the three months. Other holdings Fevertree, Burford Capital and Gear4Music which we have mentioned before all posted returns of over 20%. Only one stock in the portfolio is now priced lower than it was a year ago, Angle Plc. This is one of the smallest companies in the portfolio and we continue to see the long-term potential of this company’s product.

We made no changes to the portfolio holdings in the quarter, indeed we only made one change in the whole year. We expect to rebalance the portfolio during June, but the target remains, to invest in stocks that we believe will deliver outsized returns in the medium to long term while qualifying for business property relief.

PERFORMANCE AND FUND STATISTICS

	1m	3m	6m	1y	Since Inception
	9.97%	19.03%	36.58%	73.48%	73.48%
Top Ten Holdings					
Name	Portfolio				
Gear4music Holdi	9.04%				
Boohoo.com Plc	8.10%				
Burford Capital	6.28%				
Fevertree Drinks	6.23%				
IG Design Group	5.46%				
Johnson Srvs Grp	5.13%				
Thorpe (F.W.)	5.01%				
CVS Group Plc	4.87%				
Accesso Technolo	4.80%				
Breedon Group Plc	4.71%				
Top Ten Holdings	59.62%				
Sector Weights					
Inception Date:	01/06/2016				
Annualised Rate of Return:	73.48%				
Best Month:	13.04% Jul-16				
Worst Month:	-8.60% Jun-16				
No of Holdings:	20				
Risk Grade:	High				
Std Dev:	5.32%				
Kurtosis:	2.27%				

The value of your investments and the income from them may go down as well as up. Existing IHT tax legislation may change to the detriment of your investment. There is no guarantee that individual companies on AIM will continue to qualify for Business Property Relief and thereby exemption for IHT. Eligibility is determined by HMRC at the point it is claimed. MVAM are not tax advisors and this product should only form part of an Inheritance Tax Plan.

Phone: 01306 776999 Email: enquiries@mvam.com

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MONTHLY PERFORMANCE HISTORY

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2016						-8.60%	13.04%	7.63%	6.84%	1.83%	4.97%	3.81%	31.85%
2017	6.93%	3.37%	1.35%	6.80%	9.97%								31.57%

Performance is a composite made from grouping together each individual client IHT portfolio. All client portfolios hold the identical stocks but weightings will differ depending on *start date*. On *start date* each client has their own individual portfolio which will start with a 5% weighting in each of the twenty MVAM IHT portfolio stocks.

BENEFITS

- Inheritance Tax planning
- Clear reporting
- Easy access to your money

RISKS

- Tax rules may change
- Focused portfolio
- Money invested in small companies

FEES

- No entry or exit fees
- Fees 1% + VAT
- Dealing fees of 0.3% fee plus £5 admin fee

ABOUT MVAM

Mole Valley Asset Management offer innovative and bespoke investment services to private clients and intermediaries. A highly experienced team, investing client savings directly into the markets, aided by proprietary screening and original research. We always remember that it's your money.

PORTFOLIO MANAGEMENT TEAM

CRAIG HARPER



JOHN BAILLIE



ANDREW HOLDER



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