

PREMIUM DIVIDEND PORTFOLIO

Quarterly Factsheet

INVESTMENT OBJECTIVE

MVAM's Premium Dividend Portfolio (PDP) invests in 25 companies in the UK and Europe. The portfolio is designed to give you a steady and growing stream of income. The companies we invest in demonstrate an ability to pay a consistent, growing dividend throughout the business cycle. We employ 'layers of confidence' with a specific focus on the balance sheet, prudent accounting principles and the quality of the income streams, to ensure consistency and repeatability over the long-term.

QUARTERLY COMMENTARY October—December 2020

Over the quarter, the global equity markets rallied strongly boosted by global support from the central banks. This was compounded by the Trump US election defeat, 'resolution' to the Brexit arrangements and the first of several Covid-19 vaccines to receive regulatory approval and global rollout.

The portfolio performed strongly over the quarter, recovering significantly from the March financial market lows.

Four positions returned in excess of 30% over the quarter.

Aperam, the Dutch steel producer, rebounded strongly, rising +40%, as European steel import controls took hold and the market switched into cyclical companies. Royal Dutch Shell rebounded strongly, up 34% over the quarter, after oil prices rose from the unchartered negative levels reached in April. This was compounded by supply discipline from OPEC. BT Group announced the potential partial selloff of several units. This ignited the financial analyst community to finally upgrade BT, driving up the share price +34%. Van Lanschot Kempen, the Dutch financial company, continued to consolidate the asset management industry whilst maintaining their strong balance sheet. As a result of this acquisition discipline and their strong capital position, the share price rose +32%.

Over the quarter, Highland Gold was sold following a takeover proposal and the unlikely chance of a counterbid. The position was substituted with BHP to take advantage of rising commodity prices.

We increased our position in the financial sector with the purchase of IG Group, the global online financial trading company. The increased volatility in financial markets has significantly improved the profitability of this company.

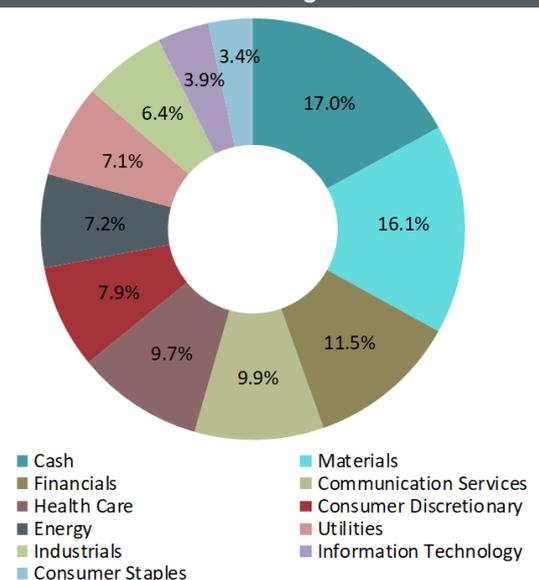
With most companies re-establishing their dividend in H2, 2020, the process of compounding dividends remains intact going into 2021.

Top Ten Holdings

Name	Portfolio
Aperam	4.5%
Van Lanschot Kempen NV	4.4%
UPM-Kymmene Oyj	4.2%
Porsche Auto-PRF	4.1%
TietoEVRY Oyj	3.9%
NN Group NV	3.9%
LafargeHolcim Ltd	3.8%
Piaggio & C SpA	3.8%
Snam SpA	3.8%
Total SE	3.6%

Top Ten Holdings 40.1%

Sector Weights



The value of your investments and the income from them may go down as well as up.

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PERFORMANCE

1m	3m	6m	1y	Inception
2.6%	10.0%	8.3%	-7.2%	3.1%

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019			0.36%	1.89%	-2.51%	4.14%	1.60%	-1.13%	2.86%	-0.82%	0.95%	3.49%	11.14%
2020	-2.99%	-6.54%	-13.06%	4.43%	2.29%	1.81%	-1.53%	1.18%	-1.25%	-5.11%	12.98%	2.64%	-7.20%

Key Facts

Inception Date:	28-Mar-19
Annualised Rate of Return:	1.70%
Best Month:	12.98% Nov-20
Worst Month:	-13.06% Mar-20
No of Holdings:	25
Risk Grade:	Moderate
Std Dev:	0.84%

Performance is a composite made from grouping together each individual client PDP. All client portfolios hold identical stocks but weightings will differ depending on the start date. On the start date each client has their own individual portfolio which will begin with an approximate 4% weighting in each of the 25 MVAM PDP stocks. Occasionally the portfolios may hold some cash when we are between investments.

WARNING: Past performance is not a guide to future performance

BENEFITS

- Experienced, successful team
- Consistent, repeatable strategy
- No leverage and no derivatives

RISKS

- Focussed portfolio
- Money invested in equities
- No hedging

FEES

- No entry or exit fees
- No performance 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

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TIME TO LOOK AT THE BIG PICTURE?

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