



Yorkshire T20 Portfolio



Investment objective

MVAM's Yorkshire T20 Portfolio (YT20) will only invest in listed companies which are based in Yorkshire, in line with our firm commitment to local, community-based asset management. These companies have their head offices in Yorkshire and trade on the stock markets. They range from food producers to digital gaming companies or property giants to healthcare equipment minnows. The locally-based team at Mole Valley Asset Management has the knowledge and experience to understand these companies, identify the changing trends and to select the Top 20 Yorkshire listed companies for your very own portfolio.

Quarterly commentary

The key question during this quarter has been one concerning interest rate rises and when the central banks will pause. The current rate of 5.25% in the UK seems high looking at the last 10 years. However, since 1930, the average has been 5.22% with a high of 17% in 1979, and a low of 0.1% in 2020. This rapid rise since the low of March 2020 is beginning to filter into the economy but should not be considered anything more than a normal level.

After Covid, the supply chain repair and restocking, key drivers of inflation this time, are beginning to normalise. Several early cyclical industries are already witnessing wage and raw material deflation. We expect this disinflation momentum to continue.

This interest rate conundrum coupled with increased geopolitical risk and a rising oil price, has resulted in the equity markets trading sideways until clear evidence of inflation direction emerges.

We have spent considerable time over the quarter meeting our holdings and discussing their financing arrangements. For smaller companies this is crucial, as their funding environment has changed considerably as a result of the rapid increase in interest rates. This is further compounded by lenders increasing their margin above the interest rate level.

Two companies severely impacted the performance of the Yorkshire portfolio over the quarter. Cirata (previously called WanDisco) was written down to zero as their accounts were restated. This resulted in a 95% dilution when the company relisted in July. Zoo Digital, the subtitle and dubbing company from Sheffield, suffered as the performers and writers strike in Hollywood impacted their expansion plans. On the positive side, OptiBiotix, the Biotech company, rose over 200% over the quarter, as the company continue to sign contracts for their SlimBiome products.

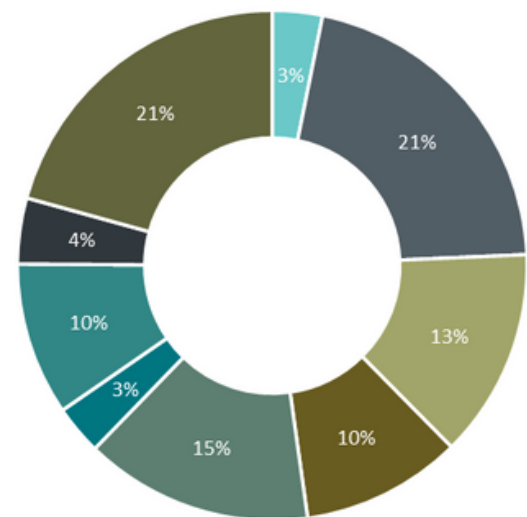
At the end of the quarter the cash level remains high, as we have identified several new positions that we expect to buy in Q4.

July - September 2023

Top five holdings

- Avacta
- Cranswick
- Renew Holdings
- Jet2
- Gear4Music

Sector Weights



- Materials
- Industrials
- Consumer Discretionary
- Consumer Staples
- Health Care
- Financials
- Information Technology
- Real Estate
- Cash

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

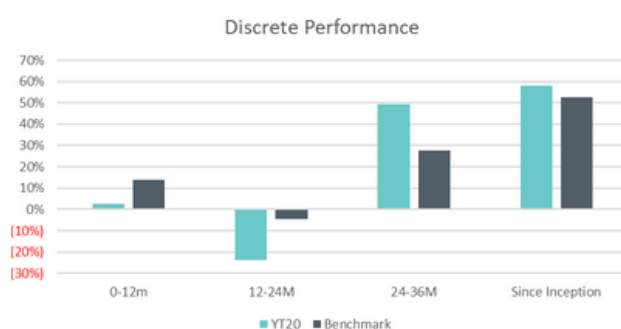
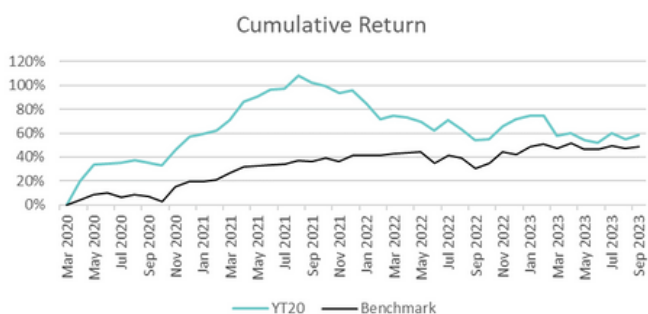
Phone: 01306 776999 or 01904 929430 **Email:** enquiries@mvam.com

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Performance

Cumulative Performance				
	3m	6m	1Y	Since Inception (27/03/2020)
YT20	4.03%	0.24%	2.54%	58.20%
Benchmark	1.37%	1.50%	13.78%	52.67%

Discrete Performance				
	0-12m	12-24M	24-36M	Since Inception (27/03/2020)
YT20	2.54%	-23.66%	49.46%	58.20%
Benchmark	13.78%	-4.46%	27.81%	52.67%



Performance is a composite made from grouping together each individual client YT20 Portfolio. 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 5% weighting in each of the 20 MVAM YT20 stocks. Occasionally, the portfolios may hold some cash when we are between investments. **WARNING:** Past performance is not a guide to future performance. Our benchmark is the Vanguard FTSE UK All Share Index Unit Trust. All performance is net of fees.

Benefits

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

Risks

- Focussed portfolio
- Money invested in equities
- No hedging of currency

Fees

- No entry or exit feed
- Fees of 1.25% including VAT
- Dealing fees of 0.4%

About MVAM

Mole Valley Asset Management offers innovative and bespoke investment services to retail clients and intermediaries. We have 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



Duncan Sanford



Craig Harper



Aidan McCormack

www.mvam.com

Mole Valley Asset Management Limited, 275 High Street, Dorking, RH4 1RY

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