

UK EQUITIES OUTLOOK

The macro-economic picture for UK equities is looking more supportive as we continue into 2021; low interest rates and low inflation driven by ongoing monetary and fiscal policy, and the hopes of the UK economy re-opening as the vaccine roll-out continues. The result could be a compelling recovery story for ESG investors in UK equities.



ARTICULATING OUR APPROACH

Fund buyers need an investment manager with a deep expertise of both the UK and the responsible and sustainable investment landscape, and an offering that gives them the right kind of exposure to this overlooked region.

EdenTree's Responsible & Sustainable UK Equity Fund and Responsible & Sustainable UK Equity Opportunities Fund are managed by Ketan Patel and Phil Harris respectively. They are experienced Fund Managers with deep expertise both within the UK equity market and in the area of responsible and sustainable investment. Their approach can be summarised as the following:

- Are bottom-up stock-pickers who look for quality growth and earnings quality
- Find investee companies who are market leaders in their field with defendable market share, attractive profit margins and solid cash flows
- Look for under-researched areas of the market and opportunity spot through own forecasts
- Undertake company visits to minimise operational, financial and managerial risks

Fund facts		
	Responsible & Sustainable UK Equity Fund	Responsible & Sustainable UK Equity Opportunities Fund
Fund Size*	£166.96m	£159.07m
Style	Quality	Growth
Launch Date	01/03/1988	13/09/1999
Historic Yield*	0.97%	1.12%
Beta (1yr)	0.91	1.07
Number of Stocks*	53	62
Market Cap Breakdown	Large – Cap 45.77% Mid – Cap 36.95% Small – Cap 17.29%	Large – Cap 47.31% Mid – Cap 26.42% Small – Cap 26.27%
AMC/ Ongoing Charge*	0.75% / 0.80%	0.75% / 0.80%
Index	FTSE All Share	
IA Sector	IA UK All Companies	

*as at 31/05/21.

EDENTREE RESPONSIBLE & SUSTAINABLE UK EQUITIES OFFERING



Cross-over between the two funds is limited to between 20-30%, predominantly in the large-cap holdings which provide security and liquidity. From there however, the risk/ reward profiles of both funds differ significantly.

- Responsible & Sustainable UK Equity Fund results in a lower Beta, steady growth approach that can also provide more effective cover in tough market conditions
- Responsible & Sustainable UK Equity Opportunities Fund runs to a higher risk mandate, which flourishes in market conditions supportive of growth, and delivers a high return under these conditions

An allocation to both funds together therefore provides investors a more complete allocation to UK equities as a whole, which should deliver regardless of macro-economic backdrop.

A Responsible & Sustainable Approach

The funds are both managed in accordance with our responsible and sustainable investment approach. We fully integrate ESG risk factors into our investment approach in order to deliver superior returns and add value for clients.

EXPERIENCED AND COLLEGIATE TEAM

EdenTree has a dedicated team of UK equity specialists with extensive experience. In addition, the team benefits from input from the wider investment desk, particularly from a macro-economic perspective, including from our UK fixed income desk.



EdenTree publishes thought leading research in the form of regular Amity Insights and RI Expert Briefings to help inform our RI Process.

EdenTree applies negative screening based on absence of harm, plus positive screening across nine pillars to identify responsible and sustainable companies.

EdenTree engages with companies to understand material ESG risks, to encourage best practice and to catalyse positive change.

EdenTree, as responsible stewards, votes at all meetings across all international markets except where these are share-blocked.



Sue Round
41 years of investment experience

Ketan Patel
22 years of investment experience

Phil Harris
29 years of investment experience

We hope you find this useful and informative.
For any further information please contact us on:

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