JULY 2017

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TELEPHONE: 01603 624236

	1/7/15	5/10/15	1/1/16	5/4/16	1/7/16	5/10/16	1/1/17	5/4/17	1/7/17
FTSE 100	6609	6299	6242	6091	6504	7033	7143	7332	7313
FTSE All Share	3616	3457	3444	3351	3515	3827	3873	3997	4002
Dow Jones (US)	17758	16776	17425	17603	17930	18281	19763	20648	21350
S&P 500 (US)	2077	1987	2044	2045	2099	2160	2239	2353	2423
Nikkei 225 (Japan)	20329	18005	19034	15733	15576	16819	19114	18861	20056
WMA Balanced	1316	1295	1306	1312	1394	1475	1492	1538	1533

Growth Equities	Higher Yield Equities	Mid-Cap Equities	Overseas Equities	Collective Investments
Convatec	AstraZeneca	DS Smith	Amadeus	Bankers IT
Diageo	BP	Halma	Auto. Data Process.	BG Japanese Inc Growth Fund
Experian	Imperial Brands	Hill & Smith	Colgate-Palmolive	Caledonia IT
Prudential	Lloyds	James Fisher	Deutsche Telekom	Fidelity Special Values IT
RELX	National Grid	Pennon	Estée Lauder	Finsbury Growth & Income IT
Rentokil	RDS 'B'	Rotork	Heineken	Monks IT
Sage	Rio Tinto	Saga	Novartis	Murray International IT
Shire	Vodafone	Shaftesbury	Novo Nordisk	Pacific Assets Trust
Smurfit Kappa		UBM	Schindler	Schroder Oriental Income IT

Chaos

Listening to the 6:30am news each morning one goes from one nightmare to the next: terrorism, the tragic Grenfell Tower fire, a hung Parliament, a muddled Brexit, a confused Bank of England and a President Trump daily 'tweet'.

Thank God for the few highlights of the FTSE 100 standing at 7313, Sergio Garcia winning The Masters (even if Justin Rose came second), Anthony Joshua knocking out Wladimir Klitschko in the 11th (two great men, I was there!) and of course Her Majesty the Queen opening a delayed Parliament in the morning and attending her beloved Royal Ascot in the afternoon. Surely at the age of 91 this is a sign of the 'strength and stability' coupled with dignity and duty that we all need in this age of 'non-establishmentism'.

It is incomprehensible how the events over the last three months have changed the UK from a reasonably 'strong and stable' economy to chaos. These events need to be recorded in order to try to make any sense at all.

Terrorism

22nd March

The last newsletter recorded Khalid Masood's one man terrorist attack on Westminster Bridge and the Houses of Parliament. Was it one man and would it happen again? Little did we know what was to follow.

22nd May

The horror of the suicide bomber at Ariana Grande's pop concert in Manchester, killing 23 and injuring 119. We shall all remember the faces of the young teenagers on a very special night out (just as my generation had Beatle-mania) whose lives were changed forever. Manchester had a concert 10 days later as the perfect stance against terrorism, well done Ariana Grande – you are an inspiration.

3rd June

Yet again, on a balmy Saturday evening as innocent revellers were enjoying the restaurants and bars of Borough Market, another white van is deliberately driven into innocent bystanders who were then attacked with swords and knives, killing 8 and injuring 48. Within eight minutes the police had arrived and gunned down the terrorists and the attack was over, thank goodness for the bravery of the Millwall supporter – I will forever look at 'the Lions' in a different light.

19th June

In my opinion the greatest horror of all was when an Englishman (living in Wales) drove his hired van into a group of worshippers leaving evening prayers at Finsbury Park Mosque shouting "I'm going to kill Muslims".

With other terror attacks happening around the world in St Petersburg, Syria, Stockholm, Paris and Kabul, the world is now living with terrorism and we can only praise and support individual heroism and our emergency services for their bravery. Police cuts must be sheer madness.

At the same time, we must remember there are millions of law abiding, good citizens of all creeds and that both hatred and revenge must be resisted at all costs.

We have also witnessed the horrific incident of:

Further Tragedy - Grenfell Tower

Like the twin towers, none of us will forget those harrowing scenes of this 'towering inferno' as flames leapt uncontrollably into the night sky as at least eighty poor souls died. The scenes and tragedy are too horrific to describe, but our hearts go out to those victims and their families.

Of course there has been criticism of the 'building' and so there should be for the benefit of the future, but this is not a time for political posturing, which can only serve to divide a nation at the one time it needs uniting. The faces of politicians making gain at the scene of Grenfell Tower, which has little to do with national politics, make me squirm.

Politics

I would urge readers to re-read the 5th April 2017 newsletter where I stated:

1. the economy was continuing to strengthen under Mrs May's stable leadership.

2. Jeremy Corbyn and the Labour party had just lost the Copeland by-election. A disaster for Corbyn.

3. we were about to enter Brexit negotiations where I believed that sense would prevail with a viable, compassionate, sensible and adequate solution for both the UK and Europe.

There was no mention of a general election or what was to follow – how wrong can one be?!

For the record:

18th April

Theresa May suddenly and unexpectedly called a general election, believing that she had found the perfect opportunity to secure a much larger Conservative majority, thereby strengthening her hand for 'hard Brexit' negotiations and giving the Conservatives a new five year mandate under her leadership.

Few could doubt her decision with Labour in chaos, having lost one of its core seats in Copeland and having been whitewashed in the recent local elections. Jeremy Corbyn had nine months earlier lost the support of 172 of his MPs in a vote of no confidence while he continued his own political, Marxist and personal anti-establishment agenda.

But the world of politics does not work like that and Mrs May made many mistakes.

<u>19th April – 7th June</u>

The history books will show that Mrs May's fatal mistake was arrogance, turning the debate of the general election from:

Conservative v. Labour … 'general election'

to May v. Corbyn … 'presidential'

with a focus on Brexit … not UK politics

epitomised by changing her words from:

A strong and stable <u>government</u> as we go into Brexit negotiations
to A strong and stable <u>leadership</u> as we go into Brexit negotiations

She ignored:

1. her party: none of them knew she was about to call an election and she silenced most of them, including Boris and Hammond (not surprisingly)

2. the media: she refused to take part in the television debates (the height of arrogance)

3. the students: whilst still at school or university, would of course vote for Labour with free tuition (until they are tax payers paying for it)

4. the economy: which was in excellent shape; indeed one of the strongest in the G7 group of countries

5. the extraordinary results of the underdog recently:

   UKIP and Farage in the 2015 election
   Brexit in June 2016
   Trump (USA) in November 2016
   Macron (France) in May 2017 (who did not have a political party 2 years ago)

and of course:

   Wings of Eagles in the Derby in June 2017 (Aidan O'Brien's 40/1 shot ridden by the unknown Padraig Beggy who was only riding his 7th race this season!).

6. and above all she ignored her own arrogance whereby the British people still believe in the balance of power. Indeed the old saying is correct:

   Power corrupts but "absolute power corrupts absolutely"

The British public did not want a hugely powerful Conservative party.

While the Conservatives continued to shoot themselves in the foot the underdog, Jeremy Corbyn, slowly but steadily clawed his way back making promises such as:

1. we are not the party of Establishment but of Non-Establishment using the slogan 'for the many not the few' (whatever these statements are meant to mean)

2. free student tuition

3. nationalisation

4. lower taxes for ‘the many’

5. the end of austerity

6. all paid for by ‘soaking the few’ (especially Sir Philip Green)

Yes, great rhetoric, great social ideals – these were subjects that needed to be addressed. But, with little likelihood of power, how these things were to be paid for did not matter at that stage, certainly the Shadow Home Secretary, Dianne Abbott (a rabbit in the headlights), had no idea on the figures anyway.

8th June

The UK voted and as Big Ben struck 10pm, David Dimbleby announced that the exit poll of 20,000 of the electorate throughout the UK predicted that:

Conservatives 314

meaning they would be 12 short of an overall majority. The Conservative faces turned ashen white, they could not believe it. What had Mrs May done?

As the votes came in, first from Newcastle ‘beating’ Sunderland, and then throughout the early hours of the morning with Jeremy Corbyn jubilant in his constituency at 2:45am and Theresa May shocked in hers at 3am, the exit poll was looking uncannily accurate with the final result:

	2015 seats	**2017 seats**	**Dif**	**2015 vote %**	**2017 vote %**
Conservatives	331	318	-13	36.9	42.4
Labour	232	262	30	30.4	40
SNP	56	35	-21	4.7	3.0
Liberal Democrats	8	12	4	7.9	7.4
DUP (NI)	8	10	2	0.6	0.9
Sinn Fein (NI)	4	7	3	0.6	0.7
Plaid Cymru	3	4	1	0.6	0.5
Green Party	1	1	0	3.8	1.6
UKIP	1	0	-1	12.6	1.8
Other	6	1	-5	1.9	1.7

The British people had not only spoken, but voted.

A humiliated Theresa May had beaten Labour by 56 seats, but she had lost an overall majority, let alone not achieving a greatly increased majority. Jeremy Corbyn and the far left had proved popular and exceeded all expectations. He had now secured himself as a strong and permanent leader of the far left Labour (Old Labour) opposition.

THE FACE OF BRITISH POLITICS HAS CHANGED FOREVER.

The aftermath (9th June and beyond)

After much negotiation and at great expense Theresa May has finally fudged together a ‘working agreement’ with the DUP (Democratic Unionist Party) of Northern Ireland to form a government with a working majority (for now anyway).

Following a diminished and late Queen's speech to open Parliament, Theresa May entered Brexit negotiations on time (19th June) with a greatly weakened hand, having lost credibility and respect to such an extent that she has reinstated Michael Gove to the cabinet (giving some hope to the farmers). However, despite all the problems of her first months in office (poor lady); of humiliation in the general election, terrorism and the Grenfell fire, she has kept her dignity as she holds the Conservative party together for the next few months (or even years) as they now start to feud over 'austerity or not'.

On the other hand, though Jeremy Corbyn lost the general election, he is riding on the crest of a socialist wave, even if he had to sack three of his few remaining frontbenchers from his Shadow Cabinet (who hasn't been in the Labour front row since last Summer?) for refusing to accept the whip in the Queen's speech vote (as did 49 other Labour MPs!). What was he doing at Glastonbury?! (I continue to squirm).

Brexit

I still find it very hard to form an opinion:

1. My strong Brexit friends still want a 'hard Brexit', meaning 'get out', with no meddling from Europe on trade, immigration, the economy or the law. Pay the leaving fee, negotiate individual trading agreements and take the law and everything else into our own hands.

2. Other friends say a 'soft Brexit' is the best of both worlds. We shall have the advantages of trade; we shall have immigration but 'so what' and who minds paying a tariff for ease of trade.

   Others say a 'soft Brexit' is the worst possible option; fewer advantages, more fees and we still lose sovereignty and lose control over both our laws and our destiny.

3. No deal is better than a bad deal. I have no idea what this means!

I must therefore leave the politicians to sort it all out, though I have very little confidence in any of them.

The Bank of England

Throughout the world, and particularly in the US, a major monetary U-turn has started which could have seismic effects on world economics:

1. interest rates have started to rise (albeit very incrementally in the US from 0.5% to 1.0%)

2. quantitative easing is slowing down

At the last Bank of England Monetary Policy Committee meeting on 15th June, 3 members voted FOR an increase in interest rates and 5 were AGAINST.

The situation was very well summed up by the 'chief economist' Andy Haldane:

The decision will be a finely balanced judgement. The Bank of England's dilemma is thus:

1. *keeping monetary policy too loose for too long risks higher inflation*
2. *tightening monetary policy too soon and too quickly risks output and jobs.*

Hence Mark Carney's dithering stance on whether interest rates should be raised or not and should quantitative easing cease.

Our opinion is that it does not really matter whether this takes place in 2017 or 2018:

1. interest rates will increase from the very low level of 0.25%

2. quantitative easing will taper

INVESTMENT POLICY – by Will Mellor

Our 14 June 2017 circular letter provided an update on the implications of recent political events and how they impacted our investment policy. Essentially there are four key factors currently determining asset allocation and portfolio positioning, specifically:

1. Currency – though sterling has strengthened marginally recently (from $1.26 to $1.30), the fragile political backdrop coupled with uncertainty surrounding Brexit negotiations is likely to mean sterling remains relatively weak for the foreseeable future.

2. Inflation – as a result of sterling depreciation (causing the cost of imports to rise) and rising domestic costs (such as the national living wage) RPI has now risen to 3.7%.

3. Interest rates – UK base rates remain at 0.25% but, even within the Bank of England Monetary Policy Committee, there is increasingly divided opinion as to whether rates should remain 'lower for longer' to stimulate the economy, or be gradually increased to dilute the toxic cocktail of rising consumer debt, rising inflation and weak sterling.

4. Nationalisation – though 'Old Labour' is not in power (yet), there is still the threat to the economy where Jeremy Corbyn has ideals of nationalising utility companies, the railways and Royal Mail.

In recent years we have gradually reduced our exposure to regulated utilities (electricity, gas and water stocks) and other domestically focused businesses (i.e. pub companies) such that portfolios now have limited exposure to those UK centric businesses which are most at risk from political intervention or a deterioration in the economy. Indeed, we have continued to enhance the global nature of our equity positioning, which leaves portfolios well placed to benefit from the currency translation effects on overseas earnings, either directly or via UK listed businesses that derive large earnings from abroad. One such example is our increasingly positive stance on Japan (see below).

Looking East – by Edward Sidgwick

Japan is a market which many western investors have long overlooked following the boom and subsequent bust in the late 1980s and early 1990s. Indeed, there have been good reasons to do so, not least given:

- a prolonged period of 'stagflation' (an unpalatable combination of a stagnating economy, coupled with deflation)
- a challenging demographic profile (with an ageing population and declining workforce)
- and geographical challenges (both 'natural' – the 2011 earthquake/tsunami a case in point, and 'manmade' – given the proximity to the unstable North Korea).

However, few developed economies have seen as significant a step change as Japan in recent years, spearheaded by Prime Minister Abe.

Since 2012, Abe has introduced significant economic reforms, based on 'the three arrows', being:

- monetary easing (cutting interest rates to negative levels in an effort to dissuade saving, and encourage spending)
- fiscal stimulus (cutting taxes and increasing government spending to spur on growth)
- structural reforms (reducing overly-stringent regulation, liberalising the labour market and improving corporate governance).

There are now increasing signs that these reforms are taking effect, with the economy recently recording:

- five consecutive quarters of growth (and it must be remembered that Japan is the third largest economy in the world)
- five consecutive months of rising inflation

(albeit both remain at very low levels).

In a deflationary environment (as has been entrenched in the Japanese psyche), cash and bonds are attractive assets to hold, even with interest rates at zero or marginally negative, where it makes economic sense to delay spending whilst prices continue to fall. However, with inflation materialising, significant cash deposits (both within Japanese corporates and households) will need to find a more productive home. In the case of the corporates, this should lead to increasing investment (and therefore growth), whilst in the case of individuals, this may lead to increased demand for Japanese equities (given the approximately 2% yield on offer). We are therefore increasingly of the view that Japan may be reaching a 'tipping point'.

Combined with this improving economic backdrop, we are attracted to Japan given their:

- leadership in breakthrough industries such as robotics and automation (sectors to which we have little exposure in the UK)
- relatively stable political situation (with the scope for Abe to stay in power until 2021).
- ongoing monetary and fiscal stimulus (albeit we are cognisant of the resultant very high government debt levels)
- markedly improved corporate governance with an increasing focus on shareholder returns (manifesting itself in rising dividends and share buybacks).

Furthermore, valuations in Japanese equities compare favourably to Western stockmarkets, whilst also providing attractive diversification benefits.

For these reasons, and more, clients can expect us to 'look east' to Japan for investment opportunities.

CORPORATE ACTIONS

Takeovers completed

- Syngenta cash takeover by China National Chemical Corporation at US$465.00 per share.

Consolidation and special dividends

- Intercontinental Hotels Group stock consolidation 45 new shares for every 47 held and special dividend US$2.025 per share.
- National Grid stock consolidation 11 new shares for every 12 held and special dividend 84.375p per share.

Redemption

- Unilever 4.75% Bonds redeemed at par.

Lapsed merger

- London Stock Exchange and Deutsche Börse.

CMA referrals

It is very interesting that both the takeovers of:

- Booker by Tesco

and

- Sky by 21st Century Fox

have been referred to the CMA (Competition and Markets Authority), meaning that the eventual outcomes will take many months to decide and may indeed be blocked.

Possible buyback scheme
Nestlé is to undertake a share buy-back programme of up to CHF 20bn to deter an activist investor which is similar to Unilever's plan following the aborted bid by Kraft.

IN CONCLUSION

Thank God we live in a democracy, where the British people have the opportunity to speak out and vote. Indeed this time they have been listened to.

And, though I fear 'Old Labour' having experienced stockmarkets in the 1970s

(when the FTSE 30 was at 146, interest rates at 17% and inflation at 22%)

we remember Harold Wilson (Prime Minister) and George Brown (Chancellor of the Exchequer) and Wilson's famous quote (through clenched teeth and his smelly old pipe) "the pound in your pocket". We do still have a Conservative government, albeit expensively and somewhat artificially supported by the DUP (with only 0.9% of the national vote) to take us into Brexit negotiations. Perhaps that 'balance of power' is more important than too far right or too far left. We shall see, but:

THE FACE OF BRITISH POLITICS HAS CHANGED FOREVER.

I pray that my October newsletter will be shorter, but as the Bishop of Norwich said in my book
"You couldn't make it up"

You really couldn't make up the last three months.

CWLB
1/7/17

p.s. Perhaps Mrs May and other Brexit negotiators should remember Nye Bevan’s great quote:

> “We know what happens to people who stay in the middle of the road.
>
> They get run down".

p.p.s. My book ‘A History of our time through different eyes’ seems to have been well received and enjoyed. I have a few copies left and if any client would like one, please do not hesitate to ask and it will be a pleasure to send it.

July 2017
Equity Suggestions

		Price 1/7/17	Yield	52 Week High	52 Week Low
FTSE 100 COMPANIES					
BANKS	HSBC Holdings PLC Ordinary Shares	712p	5.6%	715p	414p
	Lloyds Banking Group PLC Ordinary Shares	66p	4.6%	74p	47p
BEVERAGES	Diageo PLC Ordinary Shares	2269p	2.7%	2339p	1737p
FOOD PRODUCERS	Unilever PLC Ordinary Shares	4155p	2.7%	4390p	3051p
HEALTH TECHNOLOGY	Convatec Group Plc Ordinary Shares	319p	-	349p	213p
INDUSTRIALS	Smurfit Kappa Group PLC Ordinary Shares	2396p	2.9%	2441p	1610p
LIFE INSURANCE	Prudential PLC Ordinary Shares	1761p	2.5%	1832p	1139p
MEDIA	RELX PLC Ordinary Shares	1660p	2.2%	1728p	1273p
MINING	BHP Billiton PLC Ordinary Shares	1176p	3.7%	1519p	903p
	Rio Tinto PLC Ordinary Shares	3242p	4.1%	3719p	2254p
OIL & GAS	BP PLC Ordinary Shares	443p	7.0%	521p	409p
	Royal Dutch Shell B PLC Ordinary Shares	2063p	7.0%	2391p	1870p
PHARMACEUTICAL	AstraZeneca PLC Ordinary Shares	5135p	4.3%	5520p	3996p
	Shire PLC Ordinary Shares	4238p	0.6%	5377p	4197p
SUPPORT SERVICES	Rentokil Initial PLC Ordinary Shares	273p	1.2%	288p	193p
TECHNOLOGY	Experian PLC Ordinary Shares	1575p	2.0%	1708p	1380p
	Sage PLC Ordinary Shares	688p	2.1%	761p	595p
TELECOMMUNICATIONS	Vodafone Group PLC Ordinary Shares	218p	6.0%	240p	187p
TOBACCO	Imperial Brands Group PLC Ordinary Shares	3449p	4.6%	4154p	3324p
UTILITIES	National Grid PLC Ordinary Shares	952p	4.7%	1152p	892p
FTSE 250 COMPANIES					
HOUSEBUILDERS	McCarthy & Stone PLC Ordinary Shares	165p	3.2%	211p	135p
INDUSTRIALS	DS Smith PLC Ordinary Shares	474p	3.2%	489p	369p
	Halma PLC Ordinary Shares	1100p	1.3%	1182p	880p
	Hill & Smith Holdings PLC Ordinary Shares	1380p	1.9%	1480p	841p
	James Fisher PLC Ordinary Shares	1628p	1.6%	1775p	1369p
	Rotork PLC Ordinary Shares	235p	2.2%	269p	188p
	Spirax-Sarco Engineering PLC Ord Shares	5350p	1.4%	5815p	3676p
INSURANCE	Saga PLC Ordinary Shares	209p	4.1%	227p	180p
MEDIA	UBM PLC Ordinary Shares	690p	3.2%	778p	606p
REAL ESTATE	NewRiver REIT PLC Ordinary Shares	350p	5.8%	369p	265p
	Shaftesbury PLC Ordinary Shares	973p	1.6%	1008p	828p
UTILITIES	Pennon Group PLC Ordinary Shares	826p	4.4%	948p	761p
OVERSEAS COMPANIES#					
BEVERAGES	Heineken NV Registered Shares	7468p	1.6%	7786p	5726p
FOOD PRODUCERS	J.M. Smucker Common Stock	9128p	2.5%	11907p	9086p
HEALTHCARE PRODUCTS	Johnson & Johnson Common Stock	10204p	2.6%	10741p	8800p
PERSONAL GOODS	Colgate-Palmolive Common Stock	5718p	2.2%	6102p	5081p
	Estée Lauder Companies Common Stock	7404p	1.4%	7705p	5978p
	Kimberly-Clark Common Stock	9959p	3.0%	11068p	8933p
INDUSTRIALS	Schindler Holding CHF Registered Shares	16370p	1.5%	17137p	13641p
OIL & GAS	ConocoPhillips Common Stock	3391p	2.4%	4213p	2983p
PHARMACEUTICALS	Novartis CHF Registered Shares	6429p	3.5%	6806p	5360p
	Novo Nordisk DKK Series B	3284p	3.3%	4332p	2513p
TECHNOLOGY	Amadeus IT Group SA Common Stock	4601p	1.7%	4810p	3210p
	Automatic Data Processing Common Stock	7903p	2.2%	8592p	6527p
TELECOMMUNICATIONS	Deutsche Telekom AG Registered Shares	1379p	3.8%	1564p	1223p
TOBACCO	Philip Morris Intl. Common Stock	9060p	3.5%	9672p	6900p
NON EQUITY					
COMMODITIES	Gold Bullion Securities	9069p	-	10138p	8593p

Dividends on overseas holdings will be subject to withholding tax at the local rate.

Investment Trust & Unit Trust/OEIC Suggestions

		Price 1/7/17	Yield	52 Week High	52 Week Low	Discount to NAV*
UK	Diverse Income Trust	99p	3.0%	104p	73p	(0.1%)
	Fidelity Special Values I/T	238p	1.9%	252p	170p	3.7%
	Finsbury Growth & Income Trust	713p	1.9%	750p	596p	(1.1%)
	Perpetual Inc & Growth I/T	396p	3.4%	410p	349p	7.2%
	Schroder UK Mid Cap I/T	495p	2.4%	537p	357p	14.8%
GLOBAL	Baillie Gifford Japanese Inc Fund	121p	1.9%	124p	98p	-
	Bankers I/T	785p	2.2%	806p	589p	3.7%
	Caledonia Investment Trust	2955p	1.8%	3020p	2225p	15.7%
	Fundsmith Equity Fund	314p	0.5%	327p	259p	-
	Henderson Intl. Income Trust	161p	3.0%	163p	130p	(3.7%)
	JP Morgan American I/T	380p	1.3%	395p	305p	3.4%
	Jupiter European Opportunities Tst	695p	0.8%	732p	505p	(0.5%)
	Monks Investment Trust	689p	0.3%	718p	423p	(0.5%)
	Murray International I/T	1236p	3.8%	1295p	975p	(4.3%)
	Odey Allegra Developed Mkts Fund	16550p	-	17272p	14355p	-
	RIT Capital Partners Trust	1901p	1.6%	1966p	1605p	(5.2%)
EMERGING MARKETS	JP Morgan Emerging Markets I/T	799p	1.1%	816p	634p	10.9%
	Pacific Assets Trust	249p	1.0%	264p	215p	(0.4%)
	Schroder Oriental Income Trust	249p	3.5%	255p	203p	(1.8%)
INFRASTRUCTURE	HICL Infrastructure Fund	161p	4.8%	185p	158p	(11.7%)
	John Laing Infrastructure Fund	134p	5.1%	141p	125p	(9.0%)
FRONTIER MARKETS	BlackRock Frontiers I/T	149p	3.6%	152p	117p	(6.0%)
HEALTHCARE	Worldwide Healthcare Trust	2474p	0.9%	2580p	1870p	0.3%
PRIVATE EQUITY	Pantheon International I/T	1810p	-	1850p	1290p	17.1%
TECHNOLOGY	Polar Capital Technology Trust	969p	-	1054p	608p	0.4%
ENVIRONMENTAL	Impax Environmental Markets I/T	235p	0.8%	239p	183p	11.0%

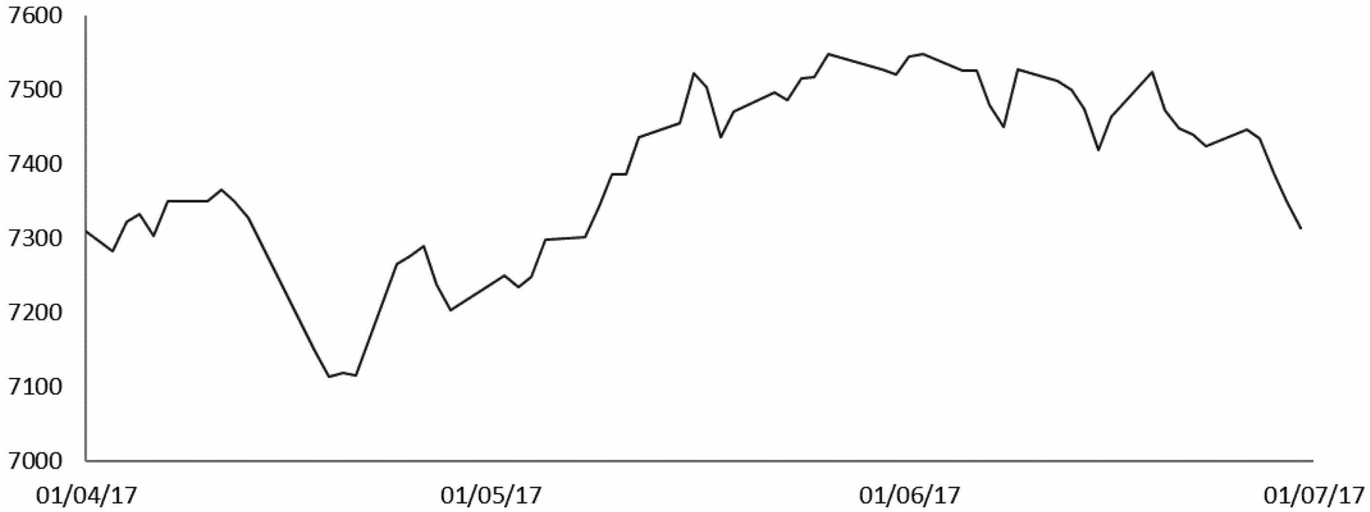
* () = premium

Fixed Interest Suggestions

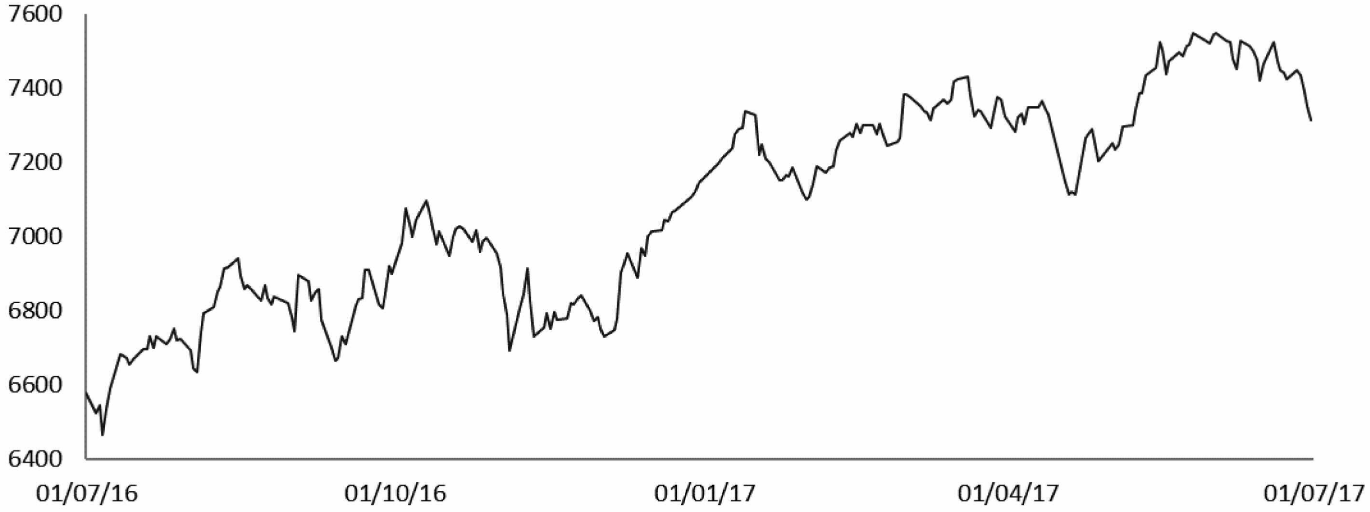
	Price 1/7/17	Gross Interest Yield	Gross Redemption Yield	Payment Dates	Redemption Date
INDEX-LINKED GILTS					
Treasury 0.125% Index Linked 2024	129.2#	0.1%	0.9%*	Mar/Sep	22 Mar 2024
Treasury 0.125% Index Linked 2026	124.0#	0.1%	1.2%*	Mar/Sep	22 Mar 2026
INDEX-LINKED CORPORATE BONDS					
National Grid 1.25% Index Linked 2021	124.8	1.2%	2.4%*	Apr/Oct	06 Oct 2021
Severn Trent 1.3% Index Linked 2022	122.5	1.2%	2.5%*	Jan/Jul	11 Jul 2022
BOND FUNDS					
Fidelity Moneybuilder Income Fund	124.8	3.3%	-		
iShares £ Corp Bond 0-5 yr ETF	106.8	2.3%	-		
Church House Inv. Grade Fixed Int. Fund	120.0	2.3%	-		

* Equivalent Gross Redemption Yield for Index Linked Gilts/Bonds assuming that future RPI inflation averages 3.0% to redemption.
# Price adjusted for inflation (where the published price may be significantly different as it does not include accrued inflation).

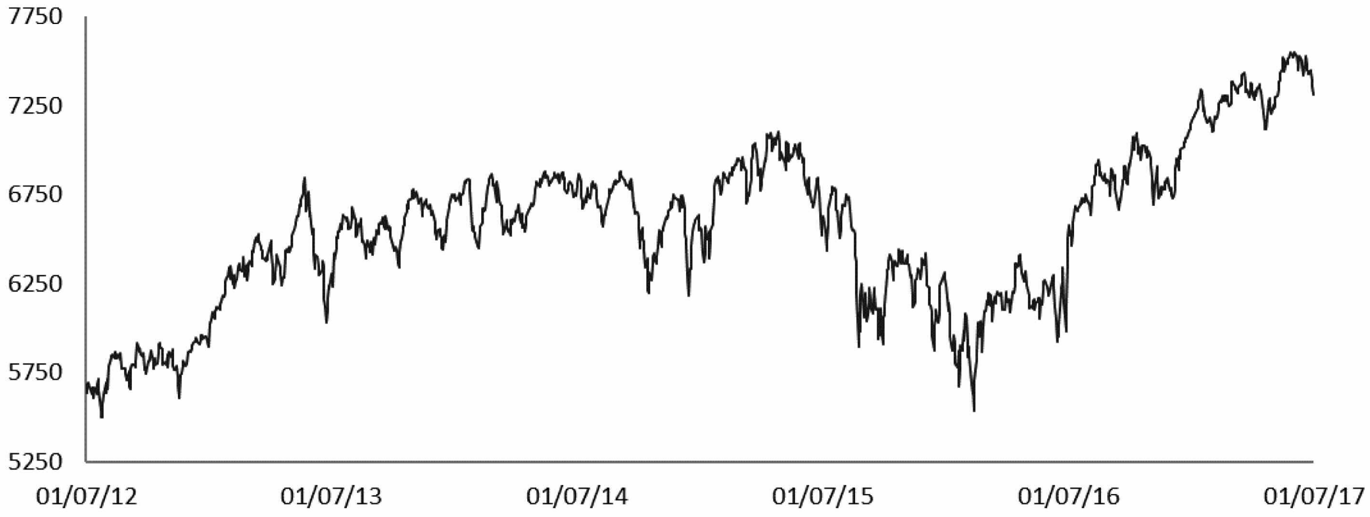
FTSE 100 – Previous Quarter



FTSE 100 – 1 Year



FTSE 100 – 5 Year



Source: Proquote