



# Equilibrium AIM

## Model Portfolio | July 2021

The portfolio seeks to deliver a total return above that of the FTSE AIM Index while mitigating Inheritance Tax.

<b>Manager</b>	Equilibrium Investment Management LLP	<b>Benchmark</b>	FTSE AIM All Share Index
<b>Launched</b>	1 March 2015	<b>Holdings</b>	29

Security	Summary	Sector	Market Cap	Div Yield	Weight
AB Dynamics	Provider of testing systems for the global motor industry	Industrial	£464m	0.3%	3.4%
Advanced Medical Slns	Designer, manufacturer and distributor of novel medical polymers	Health Care	£613m	0.6%	3.4%
Alliance Pharma	Acquirer and distributor of pharmaceuticals	Health Care	£531m	1.6%	3.4%
Clinigen Group	Involved in the manufacture and distribution of pharmaceuticals and clinical trials	Health Care	£823m	1.2%	3.4%
CVS Group	Operates animal veterinary practices, a diagnostic business and a pet crematorium	Health Care	£1,709m	0.0%	3.4%
Craneware	Develops and licences computer software for the US healthcare industry	IT	£703m	1.2%	3.4%
EMIS Group	Designs computer software for the healthcare profession	IT	£728m	2.8%	3.4%
Fevertree Drinks	A developer and supplier of premium mixer drinks with outsourced manufacturing	Consumer	£2,998m	0.6%	3.4%
GB Group	Provides electronic ID verification services, combating fraud and money laundering	IT	£1,621m	0.8%	3.4%
Gamma Comms	Telecoms, broadband and data communications systems	IT	£1,912m	0.6%	3.4%
Hotel Chocolat Group	Manufacturer and retailer of chocolate and related gifts	Consumer	£452m	0.0%	3.4%
Ideagen	Provider of information management software solutions	IT	£679m	0.1%	3.4%
Iomart Group	Provides cloud-based IT solutions such as disaster recovery	IT	£294m	2.4%	3.4%
IG Design Group	Designs, manufactures and distributes gift packaging and greeting cards	Consumer	£513m	1.6%	3.4%
James Halstead	Manufacturer and distributor of flooring products	Industrial	£1,041m	3.3%	3.4%
Jet2	Operator of scheduled and charter flights by Jet2.com and provision of holidays	Consumer	£2,539m	0.0%	3.4%
Johnson Service Group	Provides workwear rental, laundering and dry-cleaning services	Industrial	£781m	0.0%	3.4%
Keywords Studios	Provides production and user services to digital gaming companies	IT	£1,878m	0.0%	3.4%
Learning Tech. Group	Provides IT platforms for online learning and training	IT	£1,396m	0.4%	3.4%
Midwich Group	Specialist audio visual and document equipment distributor	Industrial	£524m	0.0%	3.4%
Next Fifteen Comms	Digital marketing, PR and communications for the technology sector	Industrial	£896m	0.7%	3.4%
Nichols	Supplies soft drinks to the retail, wholesale, catering, licensed and leisure industries	Consumer	£528m	2.5%	3.4%
Restore	Secure services in document storage, online storage and document shredding	Industrial	£533m	0.0%	3.4%
RWS Holdings	Provides services for the translation and validation of European patents	Industrial	£2,193m	1.6%	3.4%
Smart Metering Sys	Rents and manages gas meters and lays infrastructure pipes	Industrial	£985m	2.8%	3.4%
Strix Group	Designs and manufactures kettle safety controls and filtration products	Industrial	£652m	2.5%	3.4%
Thorpe (FW)	Designs, manufactures and supplies professional lighting equipment	Industrial	£513m	1.3%	3.4%
YouGov	Global public opinion data and analytics company	Industrial	£1,307m	0.4%	3.4%
Young & Co Brewery	Operates a managed and tenanted pub estate	Consumer	£561m	0.0%	3.4%
<b>Averages</b>			<b>£1,031m</b>	<b>1.0%</b>	

## Stock attribution

### Top 5 positive stocks over 3 months

Company	Total Return
Next Fifteen	42.1%
Midwich Group	32.6%
CVS Group	29.1%
Thorpe (FW)	26.2%
Learning Tech Group	25.6%

### Top 5 negative stocks over 3 months

Company	Total Return
Clinigen Group	-20.2%
Iomart Group	-14.4%
IG Design Group	-10.2%
Ideagen	-7.6%
Jet2	-6.7%

### Attribution Note

Your holdings and performance may vary slightly from those shown due to transaction dates and market movements. For details of your individual performance, please refer to your personal valuation.

## Commentary

At this half-way point in the year, the FTSE AIM All Share Index has had a good 6 months with returns of 8.4%. For the 12 months to the end of June, however, the figures are very strong with the AIM index returning 42.5%. In comparison, the Equilibrium AIM Portfolio returned 32.7% and the main index of UK stocks, the FTSE 100 Index, produced 18.0%

In July, four investee companies announced results which were generally positive. In particular, IG Design and GB Group announced good double-digit percentage sales growth and the re-instatement of dividend payments. RWS and Iomart both went further and raised their dividend payments by around 15% over last year's payouts.

On the negative side, Clinigen announced that the negative impact of Covid-19 on the global provision of oncology treatments and clinical trials would result in weaker than expected profits for the current year. Whilst disappointing, we see this as a short-term one-off effect of the pandemic.

Elsewhere, healthcare technology provider Craneware announced the acquisition of Sentry Data Systems in the US for \$400m. Sentry is a leading provider of software services for the pharmacy market that helps reduce costs, improve patient services and regulatory compliance. The service will dovetail with Craneware's existing healthcare software services.

Whilst the delay in lifting of pandemic restrictions has pushed back the resumption to 'normal' trading for many companies, we trust that this month will herald a broader pick-up in UK economic activity.

## Performance

### Rolling total returns

	3 months	6 months	1 year	3 years	5 years
Equilibrium AIM Portfolio	8.55%	8.36%	32.68%	9.83%	73.76%
FTSE AIM All Share Index	4.50%	8.35%	42.46%	19.25%	87.58%

### Discrete annual total returns

	2020	2019	2018	2017	2016
Equilibrium AIM Portfolio	3.37%	28.39%	-22.38%	32.34%	13.60%
FTSE AIM All Share Index	21.75%	13.26%	-17.12%	25.97%	16.07%
ARC IHT Portfolio Index	0.31%	25.26%	-15.20%	18.70%	11.60%

### Volatility

	2020	2019	2018	2017	2016
Equilibrium AIM Portfolio	26.77%	12.15%	17.68%	9.91%	13.21%
FTSE AIM All Share Index	32.03%	10.08%	14.85%	6.72%	10.47%

All performance statistics are on a total return basis from Financial Express Analytics with income reinvested.

## Important information

All data as at 30 June 2021 and provided by Equilibrium Investment Management LLP unless otherwise stated. The views expressed herein should not be taken as statements of fact or relied upon when making investment decisions.

Past performance is never a guide to future performance. Investments may (will) fall as well as rise and you may not get back your original investment. Changes in currency exchange rates or interest rates may have an adverse effect on the value of your investments.

The performance is stated after a 1.25% Equilibrium Financial Planning fee, a 0.25% plus VAT Equilibrium Investment Management fee and a platform charge of 0.3% (based on the portfolio being held via Seven Investment Management (7IM)). The figures include dividends that may not yet be credited to your account.

The Portfolio consists of stocks quoted on the Index that pay a dividend and that we believe qualify for Business Relief, although this cannot be guaranteed. This fact sheet should be read in conjunction with our *Managing your investments: Specialist* brochure which includes more details about investing in AIM stocks.

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