

Seymour Sinclair Investments Fund Information

Spring 2024

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TAX FREE INVESTING

The end of the tax-year (April 5th) is an ideal time to make sure you are making the most of the HMRC tax allowances. If you have General Investment Accounts (GIA), it would be wise to move your holdings into a Tax-Free environment of an ISA. There is no charge in arranging this when using our Platform of choice, **Fidelity Adviser Solutions**.

The current ISA allowance is £20,000, so a husband and wife can safeguard tax-free investments of £40,000 each tax year.

If investing for income in a deposit account with a bank or building society, the rates may currently look attractive at around 4% p.a., but this is the Gross interest rate and after tax it's only about 3.20% Net, unless in an ISA. Whereas many income funds pay dividend yields in excess of 5-6% per annum and if held within an ISA this income is tax-free.

What is more, there are numerous funds that pay the income out monthly, something deposits accounts do not do.

No initial charge on investments and only 0.43% total annual platform fees
To move your GIA to an ISA, call our office today on 020 8870 7072
Make the most of your Tax-Free ISA allowance today



MOVE TO A PLATFORM

Following on from the success of our last Newsletter, many of our clients have now moved their investments from direct investing with the fund managers to the **Fidelity Adviser Solutions Platform**. This has allowed them significant flexibility and has reduced their annual fees.

If you have ISAs or general investments with fund managers direct, you should consider moving to the Platform to reduce your annual fees and charges. It costs nothing to arrange this and can be done with a simple call or email to our office with details of your existing holdings and we will do the rest.

Call us today on 020 8870 7072
Or email: info@seymoursinclair.co.uk



Make the most of your investment portfolio and move to our preferred Platform today

JPMorgan Global Growth & Income Investment Trust

A distinctive strategy for today's markets

Capital Growth or a Regular Income?

Have the best of both worlds with Global Growth & Income

JP MORGAN ~ Global Growth & Income Investment Trust ~ 4% p.a. Income Yield

Investing globally provides enhanced long-term growth and income opportunities for UK investors looking to diversify beyond the home market. However, it's a challenge to find a fund that can tap fully into the return potential of global markets, while also paying an attractive regular income.

By combining the best ideas from J.P. Morgan's global investment platform with an innovative dividend policy, the **JPMorgan Global Growth & Income Investment Trust** can deliver the best of both worlds, paying shareholders a reliable income of at least 4% per annum without compromising its capacity to maximise exposure to the long-term growth of the world's leading companies.

Compared with its peers, its performance has been strikingly consistent. Over the past ten years to the end of December, it has outperformed its benchmark MSCI All World Index in every year bar one. Net of fees, the value of the fund's assets had risen by a cumulative **247%**, versus a return of 191% by the index, and it has extended

this record of beating the benchmark over the first two months of this year. Including dividends shareholders that backed the fund a decade ago would now be sitting on a total return of almost **230%** of their initial investment.

Aims ~ JP Morgan Global Growth and Income Trust aims to grow capital over the longer term by investing in companies from around the globe. The managers can invest anywhere in the world including higher-risk emerging markets, but they tend to invest more in developed regions like the US and Europe. Tapping into all corners of the market, the trust could add diversification to a portfolio focused on a single market or as a building block in a global portfolio.

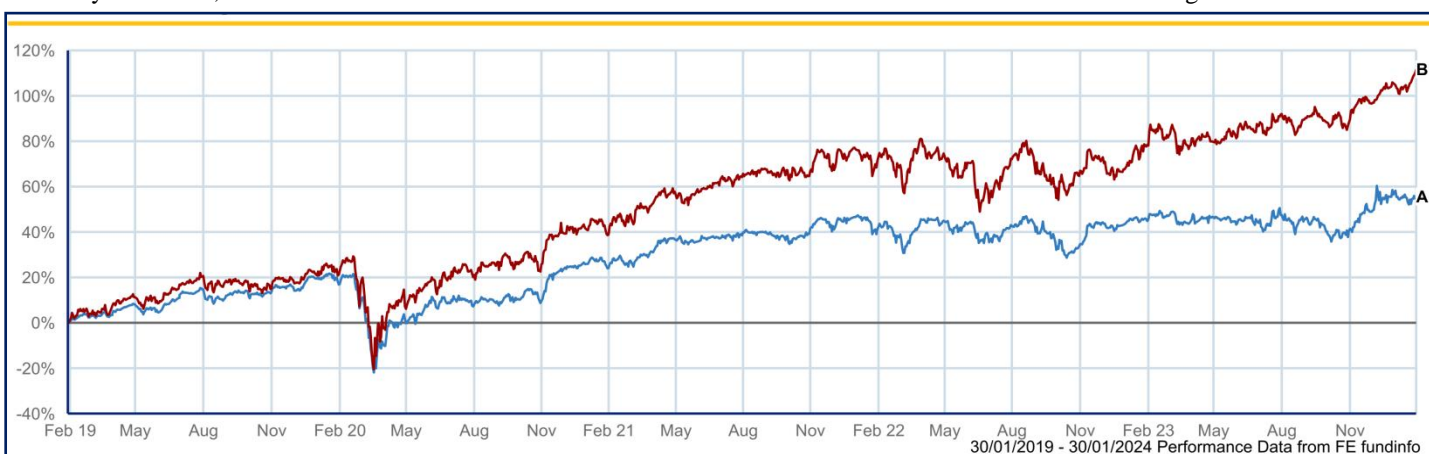
Management ~ The team is headed up by Helge Skibeli, who has over 30 years' experience and has been at JP Morgan since 1990, where he is a managing director and portfolio manager within the International Equity team.

Dividend Income ~ Income paid Quarterly ~ The managers also commit to paying a dividend. Their current intention is to pay dividends totalling 4% based off the trust's net asset value at the end of the trust's prior financial year. They achieve this by distributing the dividends that are received from their investments. If dividends received are below the amount needed to pay a 4% dividend for the trust, the trust will use capital growth to fund the remainder of the dividend. This is a feature of investment trusts that isn't available to open-ended Funds.

Performance ~ The trust has provided strong returns since the managers took over in April 2019. The share price has increased **75.40%** compared to 18.06% of the AIC Global Equity Income sector average. During this time the Net Asset Value has risen 75.91%.

Charges

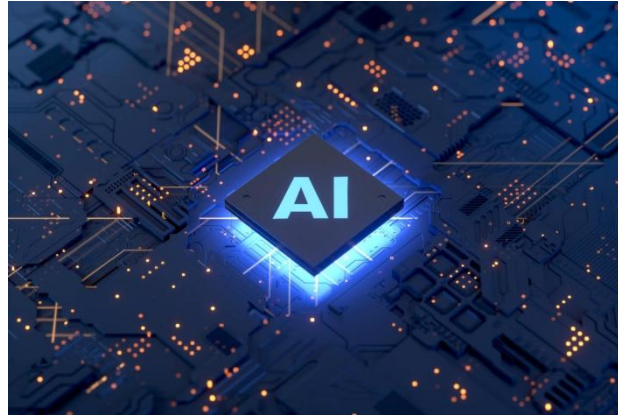
Fund Managers Fees ~ 0.4% p.a. plus performance fee.
Platform and other fees ~ 0.43% p.a.
Stamp Duty ~ 0.5%.
Investment Charge ~ £3.00



Cumulative performance		1m	3m	6m	1y	3y	5y	10y	Start of Data
A	IT Global Equity Income	-0.6%	10.8%	5.5%	7.4%	25.5%	55.4%	134.5%	732.5%
B	JPMorgan Global Growth & Income plc Ord	3.0%	13.3%	10.9%	19.1%	52.8%	111.7%	291.5%	1457.7%

INVESTING IN ~ ARTIFICIAL INTELLIGENCE (AI)

In our Spring 2018 Newsletter, we wrote extensively on Artificial Intelligence and Technology Funds. This was a sector of investing that was new to many investors, but has proved to be very profitable. Although this was six years ago, this sector is still growing strongly and showing no signs of slowing down. On the contrary, it is AI and Technology companies that are leading the current stockmarket recovery, and pushing the S&P, NASDAQ and Dow Jones indices to new highs.



access a portfolio of AI-related companies.

With this in mind, having broad exposure to the stock market is still likely to give sufficient exposure to AI. To increase exposure even further then we would suggest allocating 10 per cent of a portfolio to specific AI funds and a further 10 per cent to a broader technology fund.

Artificial Intelligence is technology that mirrors the actions and intelligence of humans and is already transforming our lives in so many ways, from semi-autonomous vehicles to 'robo' investment advisers.

The vast potential of AI has triggered a race among US technology giants to be at the forefront of this revolution. Microsoft stole a march on its competitors last year with the launch of its ChatGPT chatbot, part of its multi-billion dollar partnership with OpenAI. AI technology has soared over the last few years, with consulting group McKinsey reporting that more than half of businesses worldwide now use AI, compared to 20% in 2017. It's a similar story in the UK, with almost 70% of larger

businesses adopting AI, according to the latest government report.

Some of the biggest companies in the world have been investing heavily in AI. Such as Amazon, Apple, Nvidia, Tesla and Microsoft, to name a few and these businesses have powered ahead with this field of technology.

AI is an attractive theme and many companies are going to be beneficiaries of its development. It won't just be companies directly involved in AI that make for successful investments, but companies that can leverage AI to improve their efficiency and profit margins.

With the global market for AI forecast to hit almost \$2 trillion by 2030, private investors may be wondering how to get involved in this burgeoning sector. Although there's a limited number of publicly-traded, specialist AI companies, investment funds can provide an opportunity to

AI funds to be considered include **Polar Capital Artificial Intelligence**, and **Sanlam Global Artificial Intelligence**. These funds are run by experienced fund managers with good track records.

However, If your preference is low-cost ETF (*Exchange Traded Funds*) Trackers than you could consider **iShares Automation & Robotics** and **VanEck Semiconductor ETFs**.

General technology funds should also be considered and we have included **Legal & General Global Technology Index Fund** within our Growth Portfolio for many years and it continues to be a low-cost way of investing for long term capital growth.

Finally, two Investment Trust are available in the AI space, **Allianz Technology Trust** and **Polar Capital Technology Trust**. Both are run by experienced managers and are a good way to get technology exposure within a portfolio.



Cumulative performance		1m	3m	6m	1y	3y	5y	10y	Start of Data
A	Polar Capital Artificial Intelligence I Acc GBP	9.5%	17.1%	19.9%	26.9%	16.5%	108.4%	-	110.3%
B	Sanlam Global Artificial Intelligence I Acc GBP	9.4%	19.3%	22.9%	32.1%	20.4%	155.4%	-	229.5%
C	L&G Global Technology Index Trust R Acc	12.7%	16.7%	25.4%	44.4%	51.9%	197.4%	628.2%	425.2%
D	Allianz Technology Trust PLC Ord 2.5P	13.3%	23.3%	29.0%	43.1%	5.2%	140.5%	528.6%	3255.0%

INVESTING for LOWER RISK

TELLWORTH ~ UK Select Fund ~ Low Risk Rating 22

If you are seeking lower-risk steady growth for your portfolio, consider the Tellworth UK Select Fund as it has produced consistent performance return of approx 8% p.a. for the past five years.

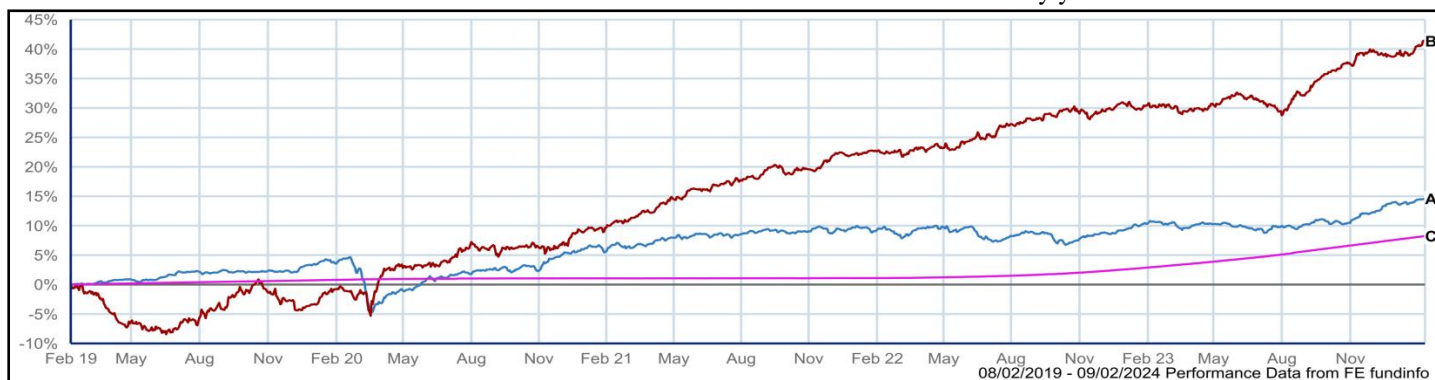
Since its launch in 2017, Tellworth Investments has been making a big splash. Set up by veteran Schroders duo Paul Marriage and John Warren, the London boutique has attracted an ever-

expanding fan base of fund buyers attracted by its long/short and small-cap focus. Tellworth was recently taken over by Premier Miton Fund Managers, so adding additional expertise and financial security from being part of a much larger group.

The objective of this fund is to achieve positive real returns with lower volatility than the FTSE All-Share Index.



We have continued to highlight this fund as a lower risk alternative to Money Market or Cash funds and it remains in our **Cautious Balanced Portfolio** as the performance has been so consistent over many years.



Cumulative performance	1m	3m	6m	1y	3y	5y	10y	Start of Data
A IA Targeted Absolute Return	0.7%	2.9%	4.1%	3.5%	7.3%	14.5%	23.4%	76.0%
B TM Tellworth UK Select A Acc GBP	1.7%	1.7%	8.7%	8.5%	28.0%	41.3%	-	34.7%
C Royal London Short Term Money Market R Acc	0.5%	1.4%	2.8%	5.1%	7.1%	8.2%	-	8.5%

FUND PERFORMANCE

	ALL FUNDS Performance to 12/2/24	Risk	1 Year %	2 Years %	3 Years %	5 Years %
1	Schroder ISF Global Energy	191	0.4	33.9	105.2	33.1
2	Jupiter India	124	54.4	58.3	99.5	119.1
3	Guinness Global Energy	193	-4.3	21.2	90.3	29.2
4	Nomura Japan Strategic Value	116	45.8	58.8	76.8	119.4
5	Liontrust India	107	30.3	33.8	63.8	99.3
6	MI Thornbridge Global Opportunities	107	10.5	24.1	62.1	88.9
7	Matthews India	99	29.5	34.7	53.9	95.2
8	L&G Global Technology Index Trust	160	44.9	35.2	53.7	203.1
9	BlackRock Global Unconstrained Equity	131	22.6	29.9	53.5	-
10	GS India Equity Portfolio	98	26.6	21.8	53.1	104.2
11	Polar Capital Global Insurance	108	4.1	28.6	52.9	70.2
12	Fidelity Global Industrials	117	7.7	27.4	51.9	82.0
13	BNY Mellon US Equity Income	-	1.9	17.3	51.7	73.9
14	JPM America Equity	112	23.6	22.8	51.6	118.5
15	BNY Mellon US Equity Income	104	2.1	19.2	51.5	76.7
	INVESTMENT TRUST Performance to 12/2/24	Risk	1 Year %	2 Years %	3 Years %	5 Years %
1	Riverstone Energy Limited	237	49.8	65.6	213.8	-10.8
2	India Capital Growth	173	54.4	59.1	100.3	128.9
3	Ashoka India Equity	139	31.3	29.7	73.6	174.3
4	JPMorgan American	127	29.6	25.6	59.0	133.5
5	Nippon Active Value Fund	140	25.3	38.4	58.1	-
6	JPMorgan Global Growth & Income	117	18.2	23.7	49.9	113.6
7	Brunner Investment Trust	140	14.7	13.8	46.6	82.8
8	Polar Capital Global Healthcare Trust	100	7.9	27.0	45.6	71.1
9	Invesco Global Equity Income	94	13.7	17.3	38.5	64.8
10	Fidelity European Trust	140	8.3	17.7	38.0	90.7
11	Merchants Trust	135	-6.8	-0.2	37.0	49.0
12	Scottish Oriental Smaller Companies	128	11.5	20.4	36.6	48.1
13	Blackrock Energy & Resources Income	210	-23.8	-1.1	35.7	76.0
14	Alliance Trust	112	16.7	21.5	35.6	77.1
15	Edinburgh Investment Trust	115	0.9	9.6	35.5	30.7

INVESTING FOR INCOME

Invesco ~ Monthly Income Plus ~ Income Yield 5.91 % p.a. ~ Payable Monthly
Premier Miton ~ Optimum Income ~ Income Yield 7.18% p.a. ~ Payable Quarterly
Artemis ~ Global Income ~ Income Yield 4.21% p.a. ~ Payable Half Yearly

Highlighted are three well-managed income funds that are worth considering depending on your requirements on whether you require income to be paid Monthly, Quarterly or Half-Yearly.

The **Premier Miton** fund pays the highest income, but **Artemis** has better long-term performance and **Invesco** has been a long time favourite for investors seeking income to be paid monthly.

Invesco Monthly Income Plus is one of their flagship bond funds. It has been around for close to a quarter of a century, amassed assets in excess of £2 billion, and along the way has delivered investors a mix of income and capital return.

In terms of performance, it is more Steady Eddie than spectacular, it has had it's ups and downs but over many years and for huge number of investors it has provided a ballast to their income investment portfolio.

Premier Miton Optimum Income is the most consistent UK Equity Income fund of the past decade, beating the FTSE All Share, the most common benchmark in the sector, in seven of the past 10 years and its peer group average in eight.



The fund aims to provide a yield of 7% per annum payable quarterly, together with the prospect of capital growth over periods of at least five years. To deliver on this pledge, it sells call options and Emma Mogford, who runs the fund alongside Geoff Kirk, said that selling these options have helped the fund hold up in the volatility of the past few years – it beat its sector and benchmark in 2020, 2021 and 2022 – as the option premium delivered a positive return when markets fell.

Artemis Global Income favours companies with strong levels of free cash flow generation and has tended to look beyond the likes of the major US tech stocks, somewhat

detrimental to its overall performance but not its income generation. The fund aims to grow both income and capital over a five year period. The Fund invests 80%-100% in company shares and up to 20% in bonds and cash.

All three funds are really well run by their managers as can be seen by their long term performance and would suit investors looking for steady growing income to supplement their pensions.

These high rates of income are tax-free when investing in an ISA which is considerably higher than the rates available from deposit accounts with banks and building societies.



Cumulative performance		1m	3m	6m	1y	3y	5y	10y	Start of Data
A	Premier Miton Optimum Income C Inc GBP	-0.8%	5.1%	5.1%	2.2%	28.1%	16.6%	47.2%	186.3%
B	Artemis Global Income R Inc	3.6%	8.8%	11.0%	8.2%	30.8%	48.1%	119.5%	272.6%
C	Invesco Monthly Income Plus (UK) Z Inc	0.6%	6.6%	7.7%	6.4%	6.8%	25.1%	48.7%	69.6%

INVESTING IN ~ INDIA

JUPITER India Fund

Private investors in the UK have been piling into Indian shares on the back of a strong stock market performance for the subcontinent and despite warnings from some quarters that the market is starting to look expensive, this market continues to attract new money.

One outstanding fund is **Jupiter India Fund**, a £1,182 million fund invest in Indian companies, was the second most popular fund on the Fidelity platform in November and climbed to first place in the first half of December last year, with its net sales beating every other single fund.

Other investment platforms have reported similarly strong buying interest in funds centred on India, including **India Capital Growth Investment Trust**, **Liontrust India** and **Matthews India**, all of which have appeared in the top ten of bestselling UK trusts recently.

Sentiment has soured on China, the biggest emerging market of all, sending investors looking for alternative markets in Asia. Overseas investors withdrew a net \$17 billion from the Indian stock



market in 2022, but that trend has gone into sharp reverse, partly thanks to the country's recent strong record of economic growth.

However, it is the country's large and growing domestic savings base that is really moving the dial, according to **Avinash Vazirani, who manages Jupiter India**.

Generation X and Generation Z were increasingly investing domestically through their savings plans and pensions. "They see the growth happening in front of their eyes," he said. India's economy is on track for growth of 7 per cent in

gross domestic product for the year to March 2024 and most economists have been upgrading their forecasts.

Private investors have been attracted, too, by the country's favourable demographics. Unlike China's ageing population, the result of its one-child policy, India's working-age population is set to soar in future.

Indian politics is seen as favourable, the Bharatiya Janata Party of Narendra Modi, the prime minister, has done better than expected in five state elections in recent weeks, raising expectations that the politician, who is considered to be pro-business, will be returned to power in a general election due to take place in the spring.

The Nifty 50, the country's index of large listed companies, ended the year up by 19.4 per cent. According to Vazirani, by some measures India is now the second-best-performing market over ten and twenty years, eclipsed only by the S&P 500 in the United States.

India funds are higher risk / higher reward investments with risk ratings in excess of 120, so they should form part of a balanced portfolio.



Cumulative performance		1m	3m	6m	1y	3y	5y	10y	Start of Data
A	IA India/Indian Subcontinent	3.0%	11.9%	16.9%	24.1%	45.9%	81.5%	292.0%	1829.0%
B	Jupiter India I Acc	10.6%	25.2%	38.6%	57.2%	102.8%	121.6%	332.0%	411.9%
C	India Capital Growth Ld Ord 1P	6.6%	17.3%	27.3%	60.8%	108.4%	125.0%	456.7%	83.7%
D	Matthews India I Acc GBP	3.2%	11.8%	15.9%	29.6%	54.8%	94.6%	347.5%	250.4%

INVESTING IN ~ UNITED STATES OF AMERICA

JP MORGAN ~ American Investment Trust ~ JAM

JPMorgan American Investment Trust plc (JAM) is a closed-ended investment company whose objective is to achieve capital growth from North American investments by outperformance of the Company's benchmark, which is the S&P 500 Index.

The company predominantly invests in quoted companies including, when appropriate, exposure to smaller capitalization companies, and emphasize capital growth rather than income.

If you want capital growth from your portfolio, it pays to invest into the main global stock-market sector and that's the USA. What America does, most other markets tend to eventually follow and JP Morgan Investment Trust has, year after year produced excellent returns for their investors.

This is probably not so surprising when you look at their top holdings which include Microsoft, Amazon, Apple, Meta, Nvidia and Alphabet. It also holds 'The Sage of Omaha's' (Warren Buffet) stock, Berkshire Hathaway. This stock is a little prohibitive for most individual investors as the current share price is \$597,889 per share!



FT Analyst Views

If the investment trust sector's relatively small North America peer group that JAM sits in is anything to go by, investment trust investors are perennially underweight US equities on a long-term basis. And yet the S&P 500 Index continues to be the largest, and one of the best-performing, equity markets in the world, as it has been for decades.

We think JAM's core, but high-conviction, investment strategy, combined with its extremely competitive management fee structure make it a stand-out option for any investor looking to build long-term equity exposure without relying too heavily on a particular investment style.

The last two years have been a sharp reminder that one cannot rely on past performance to be a guide to future returns, with growth strategies that have outperformed for many years finding it harder going, while there has been a resurgence for value styles.

Higher interest rates make it far less clear cut that one style will dominate for long periods of time and JAM's blended strategy could be well suited to such an environment. Let's not forget also that while US small-caps have been somewhat eclipsed in the last decade, that may now be changing. JAM maintains a small allocation to this part of the market as well, in keeping with its core proposition.



Cumulative performance		1m	3m	6m	1y	3y	5y	10y	Start of Data
A	JPMorgan American IT plc	8.5%	16.4%	17.5%	29.6%	59.0%	133.5%	354.9%	2129.4%
B	IT North America	2.9%	12.4%	10.0%	7.0%	20.6%	76.3%	196.3%	1110.1%

SEYMOUR SINCLAIR INVESTMENT PORTFOLIOS

MONTHLY INCOME PORTFOLIO	Income Yield % p.a.*	Risk Score	1 Year %	2 Years %	3 Years %	5 Years %
Fidelity Enhanced Income	7.12	82	-0.4	7.1	27.2	23.7
Fidelity Global Enhanced Income	5.31	69	5.8	15.7	23.5	45.6
Invesco Monthly Income Plus	5.90	54	7.6	3.6	6.8	25.1
Man GLG Income Professional	5.35	119	2.7	14.2	31.4	31.0
Premier Miton Monthly Income	4.52	96	2.5	9.5	27.7	15.5
Portfolio Average %	5.64	84	3.8	10.0	23.3	28.2

CAPITAL GROWTH PORTFOLIO	Income Yield % p.a.*	Risk Score	1 Year %	2 Years %	3 Years %	5 Years %
Fidelity Global Industrials	0	117	7.7	27.4	51.9	82.1
Invesco Global Equity	0.4	96	19.6	25.9	47.4	75.6
L&G Global Technology Index	0.3	158	44.9	35.2	53.7	203.1
Ninety One Global Special Situations	0.8	130	10.5	24.4	42.9	49.1
Polar Capital Global Insurance	0	107	4.2	28.6	52.9	70.2
Portfolio Average %	0.30	122	17.4	28.3	49.8	96.0

CAUTIOUS BALANCED PORTFOLIO	Income Yield % p.a.*	Risk Score	1 Year %	2 Years %	3 Years %	5 Years %
BNY Mellon Multi Asset Growth	1.8	79	1.1	6.8	18.8	55.6
Black Rock UK Absolute Alpha	0	26	7.6	13.6	15.9	21.4
Jupiter Merian Global Equity Absolute Return	0	31	12.1	20.4	38.0	24.7
M&G Global Target Return	2.2	28	5.2	11.2	14.2	21.9
TM Tellworth UK Select	0.7	26	8.5	15.5	28.21	41.3
Portfolio Average %	0.94	38	6.9	13.5	23.1	33.0

INVESTMENT TRUST PORTFOLIO **	Income Yield % p.a.*	Risk Score	1 Year %	2 Years %	3 Years %	5 Years %
Alliance Trust Plc	2.16	112	16.7	21.5	35.6	77.1
Brunner Trust Plc	1.88	140	14.7	13.8	46.6	82.8
JP Morgan American Plc	0.76	126	29.6	25.6	59.1	133.5
JP Morgan Global Growth & Income Plc	3.34	116	18.2	23.7	49.9	113.6
Polar Capital Technology Trust Plc	0	180	43.9	21.1	19.0	136.0
Portfolio Average %	1.63	135	24.6	21.2	42.1	108.6

LOW-COST INDEX TRACKER PASSIVE PORTFOLIO	Income Yield % p.a.*	Risk Score	1 Year %	2 Years %	3 Years %	5 Years %
Fidelity Index US	1.12	122	17.7	21.4	144.9	104.6
Fidelity Index World	1.46	95	13.5	17.5	34.3	82.3
L&G Global 100 Index Trust	1.50	96	20.9	22.3	48.6	113.7
Vanguard FTSE Developed World ex-UK Equity	1.10	101	15.6	16.6	33.2	82.7
Vanguard US Equity Index	0.82	115	18.7	18.5	36.8	95.8
Portfolio Average %	1.20	106	17.3	19.3	59.6	95.9

We try not to change the make-up of our Portfolios, but if we find that a fund is constantly underperforming its sector or the whole basis of stockmarket sentiment has altered, then we will make changes. If you are invested in a fund that we have changed, you can switch into the new funds at no charge.

Although each Portfolio is made up of five funds, you do not have to include every fund or trust, but choose those that you want or add others that you may prefer. The risk score is based upon a FTSE 100 Index Tracking Fund being rated at 100.

The total annual fees for a portfolio through the Fidelity Platform are averaged at 1.18% p.a. except the Index Tracking Portfolio which is only 0.53%. Our fees which are included into these figures are only 0.18% p.a.

You can buy into a Portfolio via our website by choosing the individual funds or preferably phone us on 020 8870 7072 and we will set up the investment for you using your debit card.

Seymour Sinclair Investments does not provide investment advice or make recommendations as we work on a non-advised Execution-Only basis. If you are unsure about an investment, you should seek financial advice. If you are still not sure about an investment, tax implications etc. do not invest.

*Remember the value of investments and yields can fall as well as rise and past performance is not a guide to the future. All figures as at 11/02/24 income reinvested. *Current Income Yields that can change. ** Additional dealing charges and Stamp Duty.*

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