

Omnis Income & Growth Fund Starts Feeling “The Whitmore Effect”

29 January 2020

In July, we appointed Jupiter Asset Management (Ben Whitmore supported by Richard Curling) to run the Omnis Income & Growth Fund.

Ben is one of Jupiter’s leading UK fund managers. We specifically sought him to take over this Fund because of his excellent long-term track record in Value investing - a style that we wanted to retain within the range - and his skills in identifying opportunities among larger companies. Jupiter also appointed Richard, a specialist in smaller companies, to the fund. His role is to carefully migrate assets out of smaller company investments as opportunities to do this arise and shift the fund’s focus to larger companies. Our intention is that, over time, Ben becomes the sole fund manager of the Income & Growth Fund.

In the first six months under Jupiter’s stewardship, performance has started to show signs of recovery (although it is still too soon to assess the Fund as a long-term investment). The allocation managed by Ben; mostly his additions to the portfolio with a few legacy holdings that he chose to retain, has added the greatest value.

We are aware that overall the Fund has underperformed against its benchmark (FTSE All Share Total Return) which is due to the poor, relative performance of the legacy smaller company holdings. However, Jupiter has made significant progress in refocussing the portfolio towards larger companies and this transition will continue over the coming months. It has relatively little exposure to smaller companies now, so their impact going forward should be reduced.

There have also been some encouraging stock stories from within the Fund’s portfolio of investments. Capita, a retained holding, has rallied more than 50% since the transition after recovering from difficulties it was facing over the summer. Vodafone, one of Ben’s additions and a top ten holding, appeared undervalued because it may have to cut its dividend but has risen nearly 20%. Volkswagen- added by Ben as we gave him the freedom to invest in a limited number of overseas stocks- has seen sales pick up and could benefit from spinning off Lamborghini.

Overall, we are optimistic about the change we are seeing under the Fund’s new stewardship. And we believe that this transition to Jupiter and the appointment of Ben Whitmore, highlights one of the key benefits of investing with Omnis - Flexibility. We manage our own funds, allowing us to make decisions in relation to the selection of fund managers as we see fit, where we believe that this is in the best interests of investors. With Omnis, you can always be sure that your investment is in safe hands.

If you have any questions about this fund manager change, or want more information on investments available through Omnis, please contact Stephen Surtees 01709 821 967 or 07810 797 859.