

Maitland

MI Miton Cautious Monthly Income Fund

Interim Report 31 December 2019

MI Miton Cautious Monthly Income Fund

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Authorised Unit Trust Manager and Registrar

Maitland Institutional Services Ltd
Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY
Telephone: 01245 398950
Fax: 01245 398951
Website: www.maitlandgroup.com
(Authorised and regulated by the Financial Conduct Authority)

Customer Service Centre

Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY
Telephone: 0345 305 4108
Fax: 0845 280 1818
Email: Miton@maitlandgroup.com

Directors of the Authorised Unit Trust Manager

R. Ackermann (retired 31 January 2020)
P.J. Foley-Brickley
C. O'Keeffe (appointed 28 January 2020)
D. Phillips (Non-Executive Director appointed 18 December 2019)
J. Thompson (Non-Executive Director appointed 18 December 2019)

Investment Manager

Miton Asset Management Limited
6th Floor, Paternoster House, 65 St Paul's Churchyard, London EC4M 8AB
(Authorised and regulated by the Financial Conduct Authority)

Trustee

Northern Trust Global Services SE (UK Branch)
50 Bank Street, Canary Wharf, London E14 5NT
(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

Independent Auditor

Grant Thornton UK LLP
Statutory Auditors, Chartered Accountants
30 Finsbury Square, London EC2A 1AG

Investment Objective

The investment objective of the Fund is to provide an increasing level of income, over a three to five year rolling period, with the potential for capital growth.

Investment Policy

The Investment Manager aims to achieve the objective through active management of a portfolio of UK and international assets. These assets may include equities, bonds, collective investment schemes, deposits, cash, near cash (including money market instruments) and other transferable securities. Underlying investments may give indirect exposure to both property and commodities. The Fund may also use derivatives and forward transactions for efficient portfolio management purposes.

Investment Manager's Report

for the period ended 31 December 2019

Market review

If the first half of 2019 was generally considered to be the bounce back from the sell-off at the end of 2018, the second half of 2019 was a rally in its own right. A rally that saw a powerful surge in markets, which left many equity markets at, or close to, record highs.

A number of factors fed this favourable environment: recessionary fears not being met, central banks indicating a broadly accommodative stance and some positive newsflow around the US-China trade war towards year end.

The broad-based rally touched equities, property, government and corporate bonds, and commodities, including oil and gold. One of the more notable exceptions was the Hang Seng, reeling from the widespread and extended protests in Hong Kong.

Currency markets, meanwhile, were dominated by sterling strength, particularly in the fourth quarter, on the back of a higher than expected majority for the Conservative party.

Performance attribution

The Fund returned 3.7% over the period.

The major contributors to performance over the period were equities, particularly in Europe and the US. UK property was also a major contributor, benefiting from the perceived market-friendly outcome to the election. Both government and corporate bonds contributed over the period, as did gold.

Detractors were marginal but included Emerging Market equity, and Singaporean and South African property. The material strength in sterling and the potentially negative impact of overseas currencies on the fund was largely mitigated by the significant currency hedge back into sterling.

Portfolio activity

The exposure to equities fell slightly over the period but more important was the shift within equities: away from a defensive bias, to a more neutral defensive/cyclical positioning. The rationale for this was the resumption of Quantitative Easing (QE) by the Federal Reserve (FED) and some signs of stabilisation in the soft data.

In a geographic context, this meant reducing the exposure to the US, where many of the lower for longer stocks can be found, and adding to the more cyclically exposed stockmarkets, such as Japan and Europe. We also added to the UK, specifically domestic orientated stocks, reflecting our desire to hedge the UK election outcome. The small exposure to Emerging Market equities was reduced materially, largely on the basis of poor share price momentum.

Gold was also cutback, mainly due to its larger contribution to risk in the portfolio. However, it remains a material position and provides the Fund with an important hedge against geopolitical risk.

Turning to fixed income, exposure to corporate bonds increased marginally, while exposure to government bonds fell, as the long dated gilt exposure was liquidated.

Investment Manager's Report

continued

Outlook

We continue to believe that the most appropriate framework to view global assets through is one that prioritises the importance of gauging recession/reflation risk, with material consideration to geopolitical activity. This is no easy task, with both dynamics interrelated, geopolitics typically opaque and central bank policy at extremes.

Taking the economic growth environment first, much of the survey data appears to have stabilised but is yet to rebound convincingly, hence our more neutral positioning highlighted earlier. In terms of geopolitics, while markets felt some closure around Brexit and the US-China trade war towards the end of the year, we think it premature to believe this is the last we have heard of either of these.

More generally, we think we have not reached peak populism and we believe that politics will continue to play a dominant role in financial markets. We also believe that we are on the path to expansive fiscal policy, though the timing is far from clear.

As for portfolios, we remain liquid across assets in order to be able to adjust the more neutral cyclical/defensive stance, once we get more data clarity.

MI Miton Cautious Monthly Income Fund

Portfolio Statement

as at 31 December 2019

Holding	Security	Market value £	% of total net assets 2019
	OIL & GAS 2.52% (2.16%)		
	Oil & Gas Producers 1.05% (1.57%)		
225,000	BP	1,061,100	0.41
75,000	Royal Dutch Shell 'B'	1,679,625	0.64
		2,740,725	1.05
	Alternative Energy 1.47% (0.59%)		
30,700	SolarEdge Technologies	2,203,716	0.85
21,300	Vestas Wind Systems	1,625,958	0.62
		3,829,674	1.47
	BASIC MATERIALS 2.73% (5.58%)		
	Chemicals 1.18% (0.92%)		
1,300	Givaudan	3,070,627	1.18
	Industrial Metals & Mining 0.00% (0.66%)		
	Mining 1.55% (4.00%)		
60,000	Anglo American	1,303,200	0.50
70,000	Newcrest Mining	1,120,609	0.43
36,000	Rio Tinto	1,620,900	0.62
		4,044,709	1.55
	INDUSTRIALS 9.70% (6.14%)		
	General Industrials 1.14% (0.00%)		
30,000	Siemens	2,962,379	1.14
	Electronic & Electrical Equipment 2.62% (0.51%)		
7,800	Keyence	2,084,810	0.80
41,100	Omron	1,829,939	0.70
37,400	Schneider Electric	2,899,593	1.12
		6,814,342	2.62
	Industrial Engineering 1.82% (0.51%)		
15,300	Fanuc	2,160,025	0.83
140,000	Komatsu	2,568,712	0.99
		4,728,737	1.82
	Industrial Transportation 2.77% (2.52%)		
450,000	Auckland International Airport	1,998,370	0.77
1,030,000	Doric Nimrod Air Three	710,700	0.27
1,049,446	Doric Nimrod Air Two	1,469,224	0.56
660,000	Sydney Airport	3,032,792	1.17
		7,211,086	2.77
	Support Services 1.35% (2.60%)		
100,000	Howden Joinery	672,400	0.26
100,000	Recruit Holdings	2,846,484	1.09
		3,518,884	1.35

MI Miton Cautious Monthly Income Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2019
	CONSUMER GOODS 5.28% (9.47%)		
	Automobiles & Parts 0.00% (0.33%)		
	Beverages 0.00% (1.32%)		
	Food Producers 2.12% (1.34%)		
85,000	Campbell Soup	3,170,416	1.22
70,000	Mowi ASA	1,372,219	0.53
12,000	Nestle	980,168	0.37
		<hr/>	
		5,522,803	2.12
	Household Goods & Home Construction 1.59% (3.60%)		
12,500	Bellway	475,875	0.18
80,000	Bovis Homes	1,086,400	0.42
31,000	D.R.Horton	1,233,962	0.47
470	NVR	1,348,521	0.52
		<hr/>	
		4,144,758	1.59
	Personal Goods 1.57% (2.88%)		
7,500	Adidas	1,841,637	0.71
10,000	L'Oreal	2,232,672	0.86
		<hr/>	
		4,074,309	1.57
	HEALTH CARE 1.74% (1.89%)		
	Health Care Equipment & Services 1.30% (1.16%)		
20,000	Alcon	854,381	0.33
14,400	Edwards Lifesciences	2,534,865	0.97
		<hr/>	
		3,389,246	1.30
	Pharmaceuticals & Biotechnology 0.44% (0.73%)		
16,000	Novartis	1,146,118	0.44
		<hr/>	
	CONSUMER SERVICES 6.85% (6.03%)		
	General Retailers 1.15% (1.93%)		
138,623	JD Sports Fashion	1,160,829	0.45
26,000	Next	1,824,160	0.70
		<hr/>	
		2,984,989	1.15
	Media 3.58% (1.44%)		
220,000	Auto Trader	1,304,160	0.50
1,700,000	ITV	2,565,300	0.99
250,000	Rightmove	1,584,000	0.61
35,400	Walt Disney	3,862,814	1.48
		<hr/>	
		9,316,274	3.58

MI Miton Cautious Monthly Income Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2019
Travel & Leisure 2.12% (2.66%)			
3,500	Central Japan Railway	534,601	0.21
12,000	East Japan Railway	821,604	0.32
68,000	easyJet	968,320	0.37
33,900	Starbucks	2,249,423	0.86
14,400	West Japan Railway	944,316	0.36
		5,518,264	2.12
TELECOMMUNICATIONS 0.00% (2.27%)			
Fixed Line Telecommunications 0.00% (2.27%)			
UTILITIES 4.01% (3.09%)			
Electricity 2.23% (2.32%)			
8,000	NextEra Energy	1,461,282	0.57
156,000	Pattern Energy	3,150,147	1.21
82,200	SSE	1,182,447	0.45
		5,793,876	2.23
Gas, Water & Multiutilities 1.78% (0.77%)			
250,000	National Grid	2,360,750	0.91
17,000	Orsted	1,328,170	0.51
100,000	United Utilities	943,400	0.36
		4,632,320	1.78
FINANCIALS 28.35% (19.18%)			
Banks 3.47% (1.83%)			
119,000	Bank of America	3,162,074	1.21
26,000	JPMorgan Chase	2,735,427	1.05
65,000	Standard Bank	590,364	0.23
63,000	Wells Fargo	2,557,666	0.98
		9,045,531	3.47
Life Insurance 0.00% (0.78%)			
Real Estate Investment Trusts 7.14% (4.21%)			
200	Advance Residence Investment	477,192	0.18
340,800	Ascendas Real Estate Investment Trust	566,310	0.22
240,000	British Land	1,528,800	0.59
440,000	CapitaLand Commercial Trust	489,081	0.19
360,000	CapitaLand Mall	495,144	0.19
47,000	Derwent London	1,884,700	0.72
360	Frontier Real Estate Investment	1,139,010	0.44
937,175	Growthpoint Properties	1,118,563	0.43
2,000	Japan Hotel REIT Investment	1,126,646	0.43
300	Japan Real Estate Investment	1,498,259	0.57
300	Japan Retail Fund Investment	485,944	0.19
281,000	Land Securities	2,781,338	1.07
3,000,000	Redefine Properties	1,222,698	0.47

MI Miton Cautious Monthly Income Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2019
Real Estate Investment Trusts (continued)			
188,709	Segro	1,692,720	0.65
165,000	Shaftesbury	1,555,125	0.60
500,000	Suntec	513,670	0.20
		18,575,200	7.14
Financial Services 7.49% (4.15%)			
11,600	ASML Holdings	2,587,934	0.99
327,500	Banca Farmafactoring	1,479,050	0.57
65,000	JSE	415,834	0.16
190,000	Jupiter Fund Management	778,240	0.30
700,000	Juridica Investments*	–	0.00
750,000	M&G	1,777,500	0.68
10,400	Mastercard	2,341,982	0.90
70,000	Morgan Stanley	2,700,234	1.04
541,200	Nomura Holdings	2,117,177	0.81
1,500,985	Real Estate Credit Investment	2,521,655	0.97
23,000	Schroders	766,820	0.30
14,100	Visa	1,999,141	0.77
		19,485,567	7.49
Equity Investment Instruments 2.99% (2.31%)			
20,000	Aberforth Smaller Companies - GBP	307,600	0.12
1,500,000	Blackstone/GSO Loan Financing	1,035,841	0.40
700,000	Doric Nimrod Air One	458,500	0.17
400,000	Starwood European Real Estate Finance	416,000	0.16
1,700,000	TwentyFour Income Fund	1,895,500	0.73
2,000,000	TwentyFour Select Monthly Income Fund	1,876,000	0.72
2,650,000	UK Mortgages Limited Fund	1,802,000	0.69
		7,791,441	2.99
Non-equity Investment Instruments 7.26% (5.90%)			
105,000	Gold Bullion Securities	11,310,863	4.35
68,000	iShares USD High Yield Corporate Bond UCITS ETF	5,329,469	2.05
65,000	Vanguard FTSE 250 UCITS ETF	2,244,775	0.86
		18,885,107	7.26
TECHNOLOGY 4.36% (6.11%)			
Software & Computer Services 4.36% (5.69%)			
16,200	Ansys	3,146,936	1.21
19,300	Microsoft	2,294,379	0.88
81,000	Samsung Electronics	2,950,249	1.14
145,000	STMicroelectronics	2,944,967	1.13
		11,336,531	4.36

MI Miton Cautious Monthly Income Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2019
	Technology Hardware & Equipment 0.00% (0.42%)		
	DEBT INSTRUMENTS 34.01% (35.65%)		
	Brazil Denominated Bond 0.73% (0.77%)		
R\$5,000	Nota do Tesouro Nacional 10% 01.01.23	1,041,229	0.40
R\$4,000	Nota do Tesouro Nacional 10% 01.01.25	860,718	0.33
		1,901,947	0.73
	Brazil Government Bond 0.08% (0.55%)		
R\$1,000,000	Federative Republic of Brazil 12.5% 05.01.22	210,186	0.08
	Euro Denominated Bond 1.09% (2.33%)		
€2,000,000	SRLEV 9% Variable 15.04.41	1,862,062	0.71
€1,000,000	UniCredit 9.25% Variable Perpetual	982,675	0.38
		2,844,737	1.09
	Indonesian Government Bond 1.07% (1.06%)		
Rp24,000,000,000	Indonesia Government 8.125% 15.05.24	1,389,608	0.53
Rp24,000,000,000	Indonesia Government 8.25% 15.05.29	1,407,845	0.54
		2,797,453	1.07
	Mexican Denominated Bond 1.41% (0.88%)		
\$283,000	Mex Bonos Desarr Fixed Rate 7.5% 03.06.27	1,174,781	0.45
\$300,000	Mex Bonos Desarr Fixed Rate 8.5% 31.05.29	1,334,851	0.51
\$258,700	Mex Bonos Desarr Fixed Rate 10% 05.12.24	1,172,643	0.45
		3,682,275	1.41
	Singapore Government Bond 0.08% (0.08%)		
\$330,000	Singapore Government 3% 01.09.24	197,192	0.08
	South African Government Bond 1.45% (1.48%)		
R24,000,000	Republic of South Africa 7.75% 31.03.21	1,313,622	0.51
R25,000,000	Republic of South Africa 8% 31.01.30	1,258,728	0.48
R20,000,000	Republic of South Africa 10.5% 21.12.26	1,206,811	0.46
		3,779,161	1.45
	Sterling Denominated Bond 17.80% (15.54%)		
£1,002,000	Aldermore 11.875% Variable Perpetual	1,029,946	0.40
£1,557,000	American Movil SAB DE CV 6.375% 06.09.73	1,605,465	0.62
£1,500,000	Aviva 5.125% 04.06.50	1,736,505	0.67
£1,000,000	Aviva 6.625% Variable 03.06.41	1,070,780	0.41
£1,000,000	AXA 5.625% 16.1.54	1,217,842	0.47
£1,500,000	AXA Variable Perpetual	1,704,169	0.65
£1,631,000	Barclays 7.25% Variable Perpetual	1,777,246	0.68
£300,000	Barclays 9.25% Variable Perpetual	338,988	0.13
£1,500,000	Barclays Variable Perpetuals	1,693,635	0.65
£1,000,000	BHP Billiton Finance 6.5% 22.10.77	1,123,420	0.43
£1,500,000	Brit Insurance 6.625% Variable 09.12.30	1,519,286	0.58
£300,000	Burford Capital 6.5% 19.08.22	304,158	0.12
£1,200,000	CNP Assurances Variable 30.09.41	1,320,876	0.51

MI Miton Cautious Monthly Income Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2019
Sterling Denominated Bond (continued)			
£2,000,000	Credit Agricole 7.589% Variable Perpetual	2,004,024	0.77
£1,000,000	Direct Line Insurance 9.25% 27.04.42	1,171,132	0.45
£1,000,000	Electricite de France Variable Perpetual	1,093,150	0.42
£2,750,000	Enel Spa 7.75% 10.09.75	2,860,550	1.10
£94,000	Enquest 7% 15.04.22	82,490	0.03
£1,000,000	Hiscox 6.125% Variable 24.11.45	1,135,500	0.44
£1,700,000	J Sainsbury 6.5% Variable Perpetual	1,745,305	0.67
£1,500,000	Koninklijke KPN 6.875% Variable 14.03.73	1,514,508	0.58
£333,000	Legal & General 5.5% 27.06.64	397,312	0.15
£1,000,000	Lloyds Banking 7.625% Variable Perpetual	1,119,920	0.43
£1,200,000	LV Friendly Society 6.5% 22.05.43	1,342,728	0.52
£1,000,000	M&G 6.25% 20.10.68	1,201,140	0.46
£1,000,000	M&G 5% 20.07.55	1,113,190	0.43
£1,500,000	NGG Finance 5.625% 18.06.73	1,694,531	0.65
£1,000,000	Orange 5.875% Variable Perpetual	1,081,050	0.42
£2,000,000	Partnership Life Assurance 9.5% 24.03.25	2,040,880	0.78
£600,000	Premier Oil 6.5% 31.05.21	602,124	0.23
£1,000,000	RL Finance Bond 6.125% Variable 30.11.43	1,129,944	0.43
£1,600,000	Santander 7.375% Variable Perpetual	1,741,392	0.67
£650,000	Scottish Widows 7% 16.06.43	890,619	0.34
£1,000,000	Shawbrook 7.875% Variable Perpetual	997,840	0.38
£2,000,000	Telefonica Europe 6.75% Variable Perpetual	2,087,540	0.80
£310,000	Virgin Media Finance 5.125% 15.02.22	308,010	0.12
£500,000	Vodafone Variable 03.10.78	539,688	0.21
		46,336,883	17.80
UK Government Bond 0.00% (0.30%)			
US Denominated Bond 8.73% (6.08%)			
\$300,000	Banco Do Brasil 5.875% 26.01.22	238,225	0.09
\$2,000,000	BHP Billiton Finance 6.25% 19.10.75	1,553,665	0.60
\$2,100,000	BNP Paribas 7.625% Variable Perpetual	1,676,044	0.64
\$870,000	Buckeye Partners 6.375% Variable 22.01.78	485,688	0.19
\$50,000	Caixa Economica Federal 3.5% 07.11.22	38,336	0.02
\$1,000,000	Citigroup 5.95% Variable Perpetual	770,655	0.30
\$1,500,000	Credit Agricole Variable Perpetual 144A	1,249,879	0.48
\$1,500,000	Credit Suisse 7.125% Variable Perpetual	1,217,959	0.47
\$2,000,000	DCP Midstream 7.375% Variable Perpetual	1,417,619	0.55
\$530,000	First Quantum Minerals 7% 15.02.21	401,803	0.15
\$1,750,000	ING Variable Perpetual	1,434,941	0.55
\$2,000,000	Koninklijke KPN 7% 28.03.73	1,659,495	0.64
\$1,500,000	Lloyds Banking 12% Variable Perpetual	1,373,349	0.53
\$550,000	Plains All American Pipe 6.125% Variable Perpetual	389,066	0.15
\$218,000	Range Resources 5.75% 01.06.21	159,564	0.06
\$1,000,000	Royal Bank of Scotland 8% Variable Perpetual	869,504	0.33
\$1,800,000	Royal Bank of Scotland 8.625% Variable Perpetual	1,467,733	0.56
\$776,000	Select Income REIT 4.25% 15.05.24	607,126	0.23
\$2,000,000	Societe Generale 7.375% Variable Perpetual	1,603,754	0.62

MI Miton Cautious Monthly Income Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2019
US Denominated Bond (continued)			
\$1,200,000	Tullow Oil Plc 6.25% 15.04.22	818,110	0.31
\$2,000,000	UniCredit 8% Variable Perpetual	1,650,377	0.63
\$2,000,000	Vodafone Variable 03.10.78	1,648,298	0.63
		22,731,190	8.73
US Government Bond 1.57% (6.58%)			
\$4,000,000	US Treasury 4.5% 15.05.38	4,079,697	1.57
FORWARD CURRENCY CONTRACTS^ 0.37% (-0.03%)			
Forward Currency Contracts^ 0.37% (-0.03%)			
	Bought € 300,000 Sold £256,040 (30.01.20)	(1,807)	0.00
	Sold € 17,100,000 Bought £14,556,529 (30.01.20)	66,171	0.03
	Sold \$95,800,000 Bought £73,046,738 (30.01.20)	872,932	0.34
		937,296	0.37
Investment assets		260,061,514	99.92
Net other assets		200,519	0.08
Net assets		260,262,033	100.00

All investments are ordinary shares or stock units on a regulated securities market unless otherwise stated. The percentages in brackets show the equivalent % holdings as at 30.06.19.

*This is delisted security and has been valued at the Manager's best assessment of its fair value.

^At the balance sheet date, all forward currency contracts were executed with one counterparty, Brown Brothers Harriman for the purpose of Effective Portfolio Management. Collateral obligations on losses or gains for each transaction would be met using cash held by the Custodian.

Total purchases for the period: £117,971,894

Total sales for the period: £120,141,778

Analysis of direct bonds by credit rating	Market value £	% of total net assets 2019	
AAA credit rated bonds	4,276,889	1.65	
BBB+ credit rated bonds	16,437,568	6.31	
BBB credit rated bonds	3,309,634	1.27	
BBB- credit rated bonds	10,632,660	4.09	
BB+ credit rated bonds	12,654,274	4.86	
BB credit rated bonds	9,726,609	3.74	
BB- credit rated bonds	9,565,612	3.67	
B+ credit rated bonds	1,577,183	0.61	
B credit rated bonds	793,698	0.31	
B- credit rated bonds	1,219,913	0.46	
Unrated bonds	18,366,681	7.04	
		88,560,721	34.01

MI Miton Cautious Monthly Income Fund

Comparative Tables

Change in net assets per unit

	A Income
	30.06.17† p
Opening net asset value per unit	124.60
Return before operating charges [^]	7.25
Operating charges	-2.19
Return after operating charges [^]	5.06
Redemption payment	128.42
Distributions	-1.24
Closing net asset value per unit	0.00
[^] After direct transaction costs of	-0.45
Performance	
Return after charges	4.06%
Other Information	
Closing net asset value	–
Closing number of units	–
Operating charges	1.64%
Ongoing operating charges	–
Direct transaction costs	0.34%
Prices	
Highest unit price	142.70
Lowest unit price	125.17

†A Income class was disinvested on 6 January 2017.

	A Accumulation			
	31.12.19 p	30.06.19 p	30.06.18 p	30.06.17 p
Opening net asset value per unit	149.23	148.27	144.57	132.90
Return before operating charges [^]	7.41	3.30	6.11	14.03
Operating charges	-2.48	-2.34	-2.41	-2.36
Return after operating charges [^]	4.93	0.96	3.70	11.67
Distributions	-2.28	-6.53	-6.00	-5.56
Retained distributions on accumulation units	2.28	6.53	6.00	5.56
Closing net asset value per unit	154.16	149.23	148.27	144.57
[^] After direct transaction costs of	-0.11	-0.35	-0.31	-0.49
Performance				
Return after charges	3.30%	0.64%	2.56%	8.78%
Other Information				
Closing net asset value	£7,616,044	£8,002,202	£8,269,160	£7,808,149
Closing number of units	4,940,423	5,362,470	5,577,210	5,400,147
Operating charges	1.63%	1.61%	1.61%	1.64%
Ongoing operating charges	1.63%	1.61%	1.61%	1.61%
Direct transaction costs	0.07%	0.24%	0.21%	0.34%
Prices				
Highest unit price	155.11	153.32	155.08	154.43
Lowest unit price	149.88	138.00	145.18	133.74

MI Miton Cautious Monthly Income Fund

Comparative Tables

continued

Change in net assets per unit

	B Income			
	31.12.19 p	30.06.19 p	30.06.18 p	30.06.17 p
Opening net asset value per unit	123.64	129.19	130.91	123.52
Return before operating charges [^]	5.67	1.09	4.81	13.77
Operating charges	-1.10	-1.07	-1.15	-1.15
Return after operating charges [^]	4.57	0.02	3.66	12.62
Distributions	-2.11	-5.57	-5.38	-5.23
Closing net asset value per unit	126.10	123.64	129.19	130.91
[^] After direct transaction costs of	-0.09	-0.30	-0.28	-0.44
Performance				
Return after charges	3.70%	0.02%	2.79%	10.21%
Other Information				
Closing net asset value	£182,915,930	£183,580,766	£198,625,256	£173,729,177
Closing number of units	145,054,790	148,477,092	153,745,297	132,708,473
Operating charges	0.88%	0.86%	0.86%	0.89%
Ongoing operating charges	0.88%	0.86%	0.86%	0.86%
Direct transaction costs	0.07%	0.24%	0.21%	0.34%
Prices				
Highest unit price	128.28	133.14	139.07	134.95
Lowest unit price	123.60	118.28	129.73	124.30

	B Accumulation			
	31.12.19 p	30.06.19 p	30.06.18 p	30.06.17 p
Opening net asset value per unit	151.30	151.14	147.06	133.27
Return before operating charges [^]	6.98	1.43	5.39	15.05
Operating charges	-1.36	-1.27	-1.31	-1.26
Return after operating charges [^]	5.62	0.16	4.08	13.79
Distributions	-2.60	-6.65	-6.14	-5.74
Retained distributions on accumulation units	2.60	6.65	6.14	5.74
Closing net asset value per unit	156.92	151.30	151.14	147.06
[^] After direct transaction costs of	-0.11	-0.35	-0.32	-0.48
Performance				
Return after charges	3.71%	0.11%	2.77%	10.35%
Other Information				
Closing net asset value	£69,730,059	£74,275,482	£75,675,211	£59,667,379
Closing number of units	44,437,918	49,090,085	50,069,844	40,573,699
Operating charges	0.88%	0.86%	0.86%	0.89%
Ongoing operating charges	0.88%	0.86%	0.86%	0.86%
Direct transaction costs	0.07%	0.24%	0.21%	0.34%
Prices				
Highest unit price	157.87	156.19	158.46	149.51
Lowest unit price	151.97	140.23	147.70	134.15

Operating charges include indirect costs incurred in the maintenance and running of the Fund, as disclosed (but not limited to) the detailed expenses within the Statement of Total Return. The figures used within this table have been calculated by annualising the expenses incurred against the average Net Asset Value for the accounting period.

The return after charges is calculated as the closing net asset value per share plus the distributions on income units minus the opening net asset value per unit as a % of the opening net asset value per unit.

The basis of valuation of investments used to calculate net asset value per unit complies with requirements of the current Statement of Recommended Practice for UK Authorised Funds. This differs from the basis used to calculate daily published dual prices, in which listed investments are valued at 12:00 bid and offer prices.

Comparative Tables

continued

Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, which are offset (where applicable) against any dilution levies charged within the accounting period. The figures used within the table have been calculated against the average Net Asset Value for the accounting period.

Risk and Reward Profile

The risk and reward indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indicator of the future risk profile of the Fund. The shaded area in the table below shows the Funds ranking on the risk and reward indicator.



The Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past. Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Fund:

- Investing in other funds may expose investors to increased risk due to less strict regulations and the use of derivatives. The other funds can themselves invest in assets such as bonds, company shares, cash and currencies. The objectives and risk portfolio of these underlying funds may not be fully in line with those of this Fund.
- For funds investing globally, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- Bonds may be affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. If interest rates rise, the fixed income earned from bonds becomes less attractive to investors, so the demand for bonds may fall and their capital value may decrease. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts.
- The Fund can use derivatives in order to protect from price and currency movements. This may result in gains or losses that are greater than the original amount invested.
- The Fund's charges are deducted from the capital of the Fund. This may allow more income to be paid, but it may also restrict capital growth and may result in capital erosion.
- For further risk information please see the prospectus.

Risk warning

An investment in a Unit Trust should be regarded as a medium to long-term investment. Investors should be aware that the price of units and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

MI Miton Cautious Monthly Income Fund

Statement of Total Return

for the period ended 31 December 2019

		31.12.19		31.12.18	
	£	£	£	£	£
Income					
Net capital gains/(losses)		5,868,674		(24,151,548)	
Revenue	5,401,358		6,112,794		
Expenses	(1,199,752)		(1,251,387)		
Interest payable and similar charges	(2,521)		(7,424)		
Net revenue before taxation	4,199,085		4,853,983		
Taxation	(614,447)		(608,085)		
Net revenue after taxation		3,584,638		4,245,898	
Total return before distributions		9,453,312		(19,905,650)	
Distributions		(4,458,020)		(4,550,344)	
Change in net assets attributable to Unitholders from investment activities		4,995,292		(24,455,994)	

Statement of Change in Net Assets Attributable to Unitholders

for the period ended 31 December 2019

		31.12.19		31.12.18	
	£	£	£	£	£
Opening net assets attributable to Unitholders		265,858,450		282,569,628	
Amounts receivable on issue of units	12,575,513		30,572,033		
Less: Amounts payable on cancellation of units	(24,493,367)		(21,205,404)		
		(11,917,854)		9,366,629	
Change in net assets attributable to Unitholders from investment activities (see Statement of Total Return above)		4,995,292		(24,455,994)	
Retained distributions on accumulation units		1,326,145		1,363,111	
Closing net assets attributable to Unitholders		260,262,033		268,843,374	

The opening net assets attributable to unitholders for the current period do not equal the closing net assets attributable to unitholders for the comparative period as they are not consecutive periods.

MI Miton Cautious Monthly Income Fund

Balance Sheet

as at 31 December 2019

	£	31.12.19	£	£	30.06.19	£
ASSETS						
Fixed Assets						
Investments		260,063,321			259,492,097	
Current Assets						
Debtors	3,099,024			13,796,763		
Cash and bank balances	17,125			6,407,659		
Total current assets		3,116,149			20,204,422	
Total assets		263,179,470			279,696,519	
LIABILITIES						
Investment liabilities		(1,807)			(168,600)	
Creditors						
Bank overdrafts	(1,011,392)			–		
Distribution payable	(510,593)			(2,759,298)		
Other creditors	(1,393,645)			(10,910,171)		
Total creditors		(2,915,630)			(13,669,469)	
Total liabilities		(2,917,437)			(13,838,069)	
Net assets attributable to Unitholders		260,262,033			265,858,450	

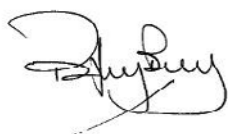
The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 and the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by the Investment Association (IA) in May 2014.

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 30 June 2019.

The financial statements have been prepared on the going concern basis.

Certification of the Interim Report by the Authorised Unit Trust Manager

This report has been prepared in accordance with the requirements of the The Financial Conduct Authority's Investment Funds Sourcebook ("the FUND Sourcebook") and the Statement of Recommended Practice issued by the Investment Association.



P.J. Foley-Brickley

C. O'Keeffe

Directors

Maitland Institutional Services Ltd

26 February 2020

MI Miton Cautious Monthly Income Fund

Distribution Tables

for the period ended 31 December 2019

Income Unit Distributions

Unit class	Distribution	Units	Net revenue p	Equalisation p	Distribution paid/payable 2019 p	Distribution paid 2018 p
B Income	First interim	Group 1	0.3520	–	0.3520	0.3442
		Group 2	0.1048	0.2472	0.3520	0.3442
	Second interim	Group 1	0.3520	–	0.3520	0.3371
		Group 2	0.0630	0.2890	0.3520	0.3371
	Third interim	Group 1	0.3520	–	0.3520	0.3371
		Group 2	0.0934	0.2586	0.3520	0.3371
	Fourth interim	Group 1	0.3520	–	0.3520	0.3371
		Group 2	0.1257	0.2263	0.3520	0.3371
	Fifth interim	Group 1	0.3520	–	0.3520	0.3371
		Group 2	0.1234	0.2286	0.3520	0.3371
	Sixth interim	Group 1	0.3520	–	0.3520	0.3371
		Group 2	0.2127	0.1393	0.3520	0.3371

Accumulation Unit Distribution

Unit class	Distribution	Units	Net revenue p	Equalisation p	Amount reinvested 2019 p	Amount reinvested 2018 p
A Accumulation	First interim	Group 1	0.3809	–	0.3809	0.3955
		Group 2	0.1008	0.2801	0.3809	0.3955
	Second interim	Group 1	0.3809	–	0.3809	0.3647
		Group 2	–	0.3809	0.3809	0.3647
	Third interim	Group 1	0.3809	–	0.3809	0.3647
		Group 2	0.0270	0.3539	0.3809	0.3647
	Fourth interim	Group 1	0.3809	–	0.3809	0.3647
		Group 2	0.0996	0.2813	0.3809	0.3647
	Fifth interim	Group 1	0.3809	–	0.3809	0.3647
		Group 2	0.0581	0.3228	0.3809	0.3647
	Sixth interim	Group 1	0.3809	–	0.3809	0.3648
		Group 2	0.0364	0.3445	0.3809	0.3648
B Accumulation	First interim	Group 1	0.4307	–	0.4307	0.4027
		Group 2	0.2050	0.2257	0.4307	0.4027
	Second interim	Group 1	0.4319	–	0.4319	0.3954
		Group 2	0.0503	0.3816	0.4319	0.3954
	Third interim	Group 1	0.4331	–	0.4331	0.3964
		Group 2	0.1582	0.2749	0.4331	0.3964
	Fourth interim	Group 1	0.4343	–	0.4343	0.3974
		Group 2	0.1676	0.2667	0.4343	0.3974
	Fifth interim	Group 1	0.4355	–	0.4355	0.3985
		Group 2	0.2142	0.2213	0.4355	0.3985
	Sixth interim	Group 1	0.4367	–	0.4367	0.3996
		Group 2	0.2445	0.1922	0.4367	0.3996

MI Miton Cautious Monthly Income Fund

Distribution Tables

continued

First interim period: 01.07.19 - 31.07.19

Second interim period: 01.08.19 - 31.08.19

Third interim period: 01.09.19 - 30.09.19

Fourth interim period: 01.10.19 - 31.10.19

Fifth interim period: 01.11.19 - 30.11.19

Sixth interim period: 01.12.19 - 31.12.19

Group 1: Units purchased prior to a distribution period

Group 2: Units purchased during a distribution period

Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It represents accrued revenue included in the purchase price of the units. After averaging, it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the units for capital gains tax purposes.

General Information

Authorised Status

MI Miton Cautious Monthly Income Fund (the “Fund”) is an Authorised Unit Trust scheme for the purposes of the Financial Services and Markets Act (2000). The Fund is a non-UCITS retail scheme, being a category of authorised scheme in the Investment Fund Sourcebook (FUND).

The Fund was authorised by the FCA pursuant to an authorisation order (number 572922) dated 2 November 2010 and was launched on 19 May 2011.

Unitholders are not liable for the debts of the Fund.

The Fund does not intend to have an interest in immovable property.

Head Office

Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY

Address for Service

The Head Office is the address in the United Kingdom for service on the Fund of notices or other documents required or authorised to be served on it.

Base Currency

The base currency of the Fund is Pounds Sterling.

Share Capital

The minimum share capital of the Fund is £1 and the maximum is £100,000,000,000. Units in the Fund have no par value. The share capital of the Fund at all times equals the sum of the net asset value of the Fund.

Units

The Fund may issue income and accumulation units.

The Fund currently has the following classes of units available for investment:

- A Accumulation
- B Income
- B Accumulation

Holders of Income units are entitled to be paid the revenue attributable to such units in respect of each annual accounting period in the currency of the relevant unit class.

Holders of Accumulation units are not entitled to be paid the revenue attributable to such units, but that revenue is retained and accumulated for the benefit of unitholders and is reflected in the price of units.

Valuation Point

The scheme property of the Fund will normally be valued at 12:00 on each dealing day for the purpose of calculating the price at which units in the Fund may be issued, sold, repurchased or redeemed.

For the purpose of the pricing of units, a business day is defined as a day on which the dealing office of the AUTM is open for the buying and selling of units. The AUTM may at any time during a business day carry out an additional valuation of the property of the Fund if the AUTM considers it desirable to do so, with the Trustee's approval.

General Information

continued

Buying, Redeeming and Switching of Units

The AUTM will accept orders for the purchase, sale and switching of units on normal business days between 08:30 and 16:30. Instructions to buy or sell units may either be in writing to:

Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY

Or by telephone to:

0345 305 4108

The AUTM has the right to establish facilities for recording telephone calls made or received on this telephone line.

A contract note giving details of the units purchased will be issued no later than the next business day after the business day on which an application to purchase units is received and instrumented by the AUTM. Certificates will not be issued in respect of units. Ownership of units will be evidenced by an entry on the register of unitholders.

Pricing Basis

The Fund will value the scheme property using the dual pricing method. The Fund calculates prices at which investors buy and sell units, in accordance with the dual-pricing method set out below. The basis of the calculation is the value of the underlying assets of the Fund.

The Fund is valued either on a bid basis or on an offer basis, as appropriate. The maximum permitted spread is wider than the spread the Fund normally quotes for dealing, but the Fund may deal at any prices calculated in accordance with the provisions set out below and notified to the Trustee.

The maximum offer price may not be more than the issue price plus any preliminary charge and the maximum bid price may not be less than the cancellation price.

The Fund will be valued on a net asset value basis to determine the price of the units ('NAV price'). Units will be redeemed at the NAV price and purchased at a price that includes a preliminary charge at the rate applying to the Fund.

The prices of units are published daily on www.maitlandgroup.com. Neither the Fund nor the AUTM can be held responsible for any errors in the publication of the prices. The units in the Fund will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Other Information

Copies of the Trust Deed and of any Supplemental Deeds of the Fund, the Prospectus and the most recent annual and half-yearly reports may be inspected at the head office of the AUTM at the address set out in the Directory and copies may be obtained free of charge upon application.

Unitholders who have complaints about the operation of the Fund should in the first instance contact the AUTM, or, following that, may make their complaint direct to the Financial Ombudsman Service, Exchange Tower, London E14 9SR.

Risk Warning

An investment in a Unit Trust should be regarded as a medium to long-term investment. Investors should be aware that the price of units and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

Maitland Institutional Services Limited

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