

Investment objective

To seek a combination of income and long-term capital appreciation, but with a focus on income, with a medium risk investment profile.

Benchmark

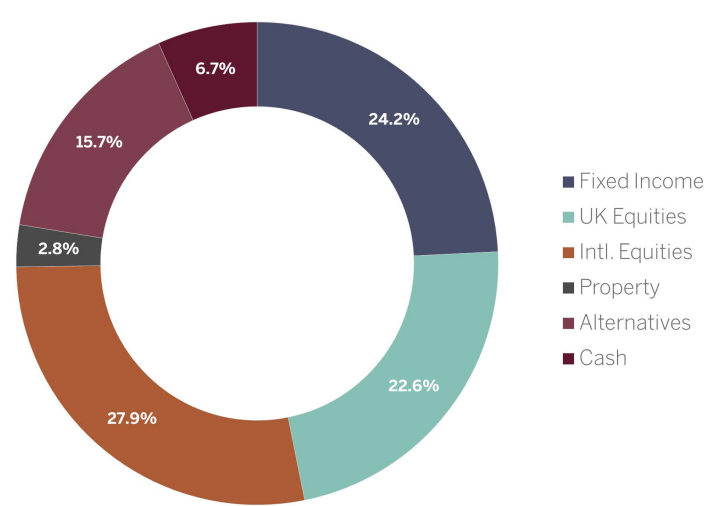
The Fund is benchmarked against the MSCI PIMFA Income Index (Total Return) and will take active positions relative to this index on both asset allocation and stock selection. The Fund's broad asset allocation (split by equities, fixed income and alternatives) will typically be restricted to a range, relative to the benchmark, set by the CSI Investment Committee.

Investment policy

In order to achieve its objective, the Fund will invest principally in a diversified portfolio of different asset classes such as equities, equity linked securities (including warrants and convertible securities), fixed and floating rate debt securities, index linked bonds, cash and cash equivalents. Debt securities (including sovereign and corporate) as well as higher yielding equities will be the dominant asset classes.

The equity part of the Fund's portfolio will contain primarily securities from the leading UK companies (FTSE 350) or their equivalents from overseas markets. The equity part of the portfolio may also consist of, but to a proportionately lesser extent, the securities of smaller companies. The bond part of the Fund's portfolio will contain mainly bonds such as sovereign debt or securities guaranteed by governments and corporate debt with the focus being on medium to high credit quality. The bond part of the portfolio may also consist of, but to a proportionately lesser extent, lower quality bonds.

Asset Allocation



Key information

Benchmark: MSCI PIMFA Income Index

Unit Price (A Acc/A Dist Shares)	£1.39/£0.97
Dividend Yield*	3.5%
Dividend Payment (month end)	Jan, Apr, Jul, Oct
Inception	15-Apr-13

Charges:

Ongoing Charges**	1.27%
Transaction Costs	0.12%
Total Cost of Ownership	1.39%

Performance Fee	n/a
Exit Charge	n/a

Acc/Dist shares SEDOL	B9MBLH7/B94L4T8
Acc/ Dist shares ISIN	LU0904711123 / LU0904711479

Fund Manager (since 26/07/19)	James Godrich, CFA
Deputy Fund Manager (since 01/07/20)	Christopher Barrett
Assistant Fund Manager (since 01/01/23)	Nina Etherton, CFA

Top 10 direct holdings

	Percentage
1 UK TREASURY 0.125% 31/01/2024	3.3%
2 UK TREASURY 5% 07/03/2025	2.2%
3 JP MORGAN CHASE	1.3%
4 BERKSHIRE HATHAWAY	1.2%
5 DANAHER	1.1%
6 JOHNSON & JOHNSON	1.1%
7 NEXT	1.1%
8 CLOSE BROS	1.0%
9 RIO TINTO	1.0%
10 COOPER COS	1.0%

Top 10 fund holdings

	Percentage
1 TWENTYFOUR ABSOLUTE RETURN	7.8%
2 VANGUARD S&P 500 ETF	6.4%
3 CHURCH HOUSE INV GRADE FXD INT	5.5%
4 CAPITAL GEARING TRUST	3.7%
5 PERSONAL ASSETS TRUST	3.7%
6 HSBC S&P 500 ETF	3.3%
7 CC JAPAN INCOME & GROWTH TRUST	2.7%
8 CG PORTFOLIO DOLLAR	2.4%
9 ISHARES II IDX-LINKED GILTS ETF	2.3%
10 SCHRODER ORIENTAL INCOME	2.2%

Cumulative performance

(% total return)

	3m	6m	1yr	3yr	5yr
CSI Income	-0.4%	-1.9%	3.9 %	6.0 %	8.5%
MSCI PIMFA Income	1.3 %	0.8%	7.6 %	11.6%	14.6%

Source: Cadelam and Factset

Discrete 12 month performance

(% total return)

	30.09.19 30.09.18	30.09.20 30.09.19	30.09.21 30.09.20	30.09.22 30.09.21	30.09.23 30.09.22
CSI Income	4.8%	-2.3%	15.8%	-11.9%	3.9%
MSCI PIMFA Income	6.4%	-3.5%	13.9%	-8.9%	7.6%

Past performance is not a reliable indicator of future results.

All performance figures shown are net of underlying fund charges.

*The yield reflects historic distributions declared over the past twelve months as a percentage of the mid-market unit price, as at the date shown and after the deduction of the funds expenses.

**Ongoing charge represents the direct costs of running a fund, which are deducted from the assets of the fund and provide a comparable number for the cost of investing. The annual management charge is included in the ongoing charge.

Fund manager commentary

During the quarter, the Fund returned -0.4% against the PIMFA Income Index that returned 1.3%. Relative underperformance was driven by stock selection in UK equities.

During the third quarter, 10 year borrowing rates in the US moved from 3.9% to 4.6%, £1 went from being able to purchase \$1.27 to buying only \$1.22 and oil prices surged by nearly 30%. That is about as much of a ratcheting up in economic tightness as anyone could have expected.

But despite this, and after more than two years of rate rises leading up to it, the global economy remains standing, soaking up the punches and even throwing the occasional one of its own. During the same quarter, the UK saw it's GDP since the start of the pandemic revised upwards significantly, US job openings posted its largest increase in two years and in China, retail sales were reported as increasing at a faster rate and ahead of expectations.

Against that backdrop, the performance of most major asset classes has been poor with the notable exceptions of the 'Magnificent 7' tech stocks in the US which are up roughly 50% year-to-date and more recently, oil and gas stocks which have dominated returns in the UK, up more than 10% year-to-date against a broadly flat index.

The Coleman Street Investment funds have avoided such concentrated exposure, to the detriment of short term performance and have continued to focus on great businesses, run by people that we trust and available at reasonable prices.

Our investment process continues to focus on the underlying strength of businesses in the long term rather than movements in the share price over the short term. We are particularly excited to see **Dunelm** grow market share in the UK homewares market whilst making long term investments in their technology platform. We are excited to see **Kering** add to their collection of globally famous luxury brands with the acquisitions of Valentino and Creed. And we are excited to see **Close Brothers** grow their loan book in a higher interest rate environment without the emergence of significant bad debts.

We continue to believe that an uncertain and volatile backdrop requires both flexibility and balance in portfolios and we see continued opportunities in such an environment.

Important information

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The value of CSI Income may go down as well as up and you may not receive back all the money you invest. Investment should be made on the basis of the Prospectus and Key Investor Information Document (KIID), available on our website. You should seek professional advice as to the suitability of the Fund before investing. Values may be affected by fluctuations in exchange rates where assets in the Fund are denominated in currencies other than sterling.

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The fund is a Luxembourg domiciled open-ended investment company (SICAV) which is an EEA UCITS fund. The Management Company of the SICAV is Cadelux S.A., the Depositary, Administrative, Corporate and Domiciliary agent, Registrar and Transfer Agent is Delen Private Bank. JM Finn is the Investment Manager as appointed by Cadelux S.A. This Fund is not offered, sold or distributed in the United States or to US persons.