

press release

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Fund in Focus: JO Hambro UK Equity Income fund

Andy Parsons, advice team manager at The Share Centre, outlines why investors seeking income from UK equity may wish to consider the JO Hambro UK Equity Income fund.

“The (un)expected withdrawal of the dividend by BP put the UK equity income sector under intense scrutiny recently as investors looked closely to see how reliant the various funds were on this company to support their underlying yield.

“With around 10 companies accounting for approximately 60% of income from the FTSE 100 and five accounting for around 45%, investors often seek to find a fund that offers something different and that is why we like the JO Hambro fund.

“UK Equity Income funds are amongst the most popular for UK investors as they seek to add and support their current income streams. This sector contains some of the most well known and respected fund managers and JO Hambro’s fund is no different.

“At the helm of this fund are Clive Beagles and James Lowen, two managers who have a combined total of over 35 years investment experience between them. Beagles is regarded as one of the best within the UK Equity income sector.

“Beagles and Lowen are able to seek out opportunities from across the entire FTSE350 spectrum, ensuring that the fund includes their very best ideas. For inclusion all companies must yield more than the FTSE All-Share index and the same strong discipline is also true for sales, such that any company that falls below the index average is sold.

“In order to support and provide a level of income, the stock selection process is key. The managers look for companies that have strong cash flows and balance sheets, alongside management

strength. Investors should remember that dividends have to be paid out of a company's cash position.

“Finally, unlike one or two of its sector competitors, this fund has a self imposed cap in place that ensures the fund can grow no larger than £750m.

“In terms of performance, the fund is currently yielding 3.79% and has a proven track record, such that on both a 3 year and 5 year cumulative period, it is top quartile with returns of 9.35% and 36.65% respectively. In addition, the fund is rated ‘AA’ by both Old Broad Street Research and S&P.”

“As the fund features in The Share Centre’s Platinum 120 range, customers wishing to invest in the JO Hambro UK Equity Income fund will not have to pay the initial charge or purchase dealing commission. Customers can also invest in the fund from as little as £10.”

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Note to editors:

MISSED OUR WEBCHAT? Could you benefit from investing UK equity income?

The Share Centre’s advice team manager Andy Parsons and JO Hambro fund manager, Clive Beagles discussed UK equity income in a live webchat last week.

To see what they discussed visit www.share.com/webchat and view the transcript

About The Share Centre's Platinum 120 range

The Share Centre launched its Platinum 120 funds range in June 2009 in order to help investors identify the funds with the best long-term prospects and strong management. Customers who invest in a Platinum 120 fund will benefit from no purchase commission on all funds and no initial charge on almost 90%. Please visit www.share.com/p120 to view the full Platinum 120 range. Please be aware that this may require registration.

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Risk Warnings:

Investing in general, and the products and services mentioned above may not be suitable for all: if in doubt, individuals should seek independent financial advice. The value of investments and the income from them can go down as well as up and investors may not get back their original investment. Past performance is not a reliable indicator of future performance.

The bases and levels of taxation relating to ISAs, CTFs and SIPP's are subject to change and the value of these tax allowances may depend upon the circumstances of the individual.

About The Share Centre:

The Share Centre was established in 1990 to provide value-for-money share services for private investors. Its range of services includes buying and selling shares (by Internet, telephone and post) and a comprehensive share administration and safe custody service. Tax-efficient investment 'wrappers' including ISAs, CTFs and SIPP's are also available.

The Share Centre's Advice team provides comment on market sectors, individual shares and funds on www.share.com. Access is available to customers and registered users of the site. Registration is free. To understand how our Advice team arrive at their views please read our [Investment Research Policy](#)

In addition, account customers can receive individual telephone advice on UK-listed shares and on funds traded via the CoFunds trading platform.

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