

F&C Managed Portfolio Trust Plc

Income Portfolio



January 2018

Manager Commentary
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In a global context the US was the focus of investor attention. The Federal Reserve continued its well flagged policy of gradually increasing interest rates by raising them 0.25% to 1.5%. In addition, the House of Representatives gave final approval to the wide ranging US tax reform which entails significant cuts in both personal taxation and corporate tax rates. As a result, estimates for growth in the world's biggest economy over the next two years were raised. Estimates for US corporate earnings growth were also increased which is supportive for

equity markets. The UK, which has been a relative laggard for most of 2017 had a strong month in terms of performance as investors responded positively to the news that the first phase of Brexit negotiations with the EU had made sufficient progress such that the second phase, discussions on a future trade deal could now take place. Against this background the FTSE All Share Index gained 4.8% whilst that of the FTSE Equity Investment Instruments Index rose by only 2.1% (all figures are total return). For once the overseas bias of the investment company sector acted against performance as illustrated by the MSCI AC World Index which rose by just 1.7% (also in total returns and adjusted for sterling).

The Net Asset Value of the Income Portfolio was ahead by 2.7% (also in total returns) The top performer was new holding Assura which is a Real Estate Investment Company focussed on

primary care properties (essentially GP surgeries and medical centres). The share rose 12% after a placing to raise new funds for development was well received.

Key facts as at 31.12.2017

Trust aims: The objective for the Income Portfolio is to provide income shareholders with an attractive level of income, with the potential for income and capital growth from a diversified portfolio of investment companies. The Income Portfolio invests in a diversified portfolio of at least 25 investment companies that have underlying investment exposures across a range of geographic regions and sectors and that focus on offering an income yield above that of the FTSE All - Share Index.

Benchmark: FTSE All-Share Index

Fund type: Investment Trust

Launch date: April 2008

Total assets - portfolio: £63.9 million

Total assets - company: £133.4 million

Share price: 141.50p

NAV: 139.03p

Discount/Premium(-/+): 1.8%

Dividend payment dates: Jan, Apr, Jul, Oct

Net dividend yield †: 3.9%

Net gearing/Net cash*: -7.6%/0.0%

Management fee rate:** 0.65%

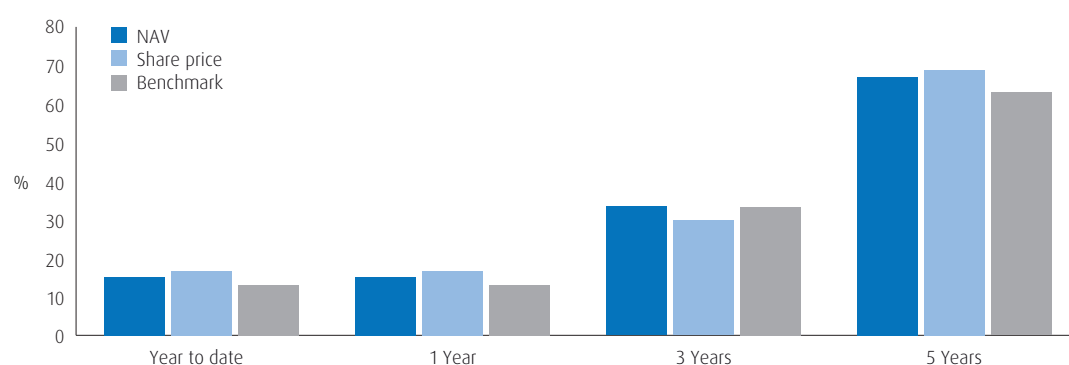
Ongoing charges:** 1.12%

Year end: 31 May

Sector: Global Equity Income

Currency: Sterling

Fund performance as at 31.12.2017



Cumulative performance (%) as at 31.12.2017

	1 Month	Year to date	1 Year	3 Years	5 Years
NAV	2.7	15.2	15.2	33.4	67.0
Share price	2.2	16.7	16.7	29.8	68.8
Benchmark	4.8	13.1	13.1	33.3	63.0

Discrete performance (%) as at 31.12.2017

	2017/2016	2016/2015	2015/2014	2014/2013	2013/2012
NAV	15.2	12.8	2.6	4.5	19.8
Share price	16.7	10.4	0.8	8.4	20.0
Benchmark	13.1	16.8	1.0	1.2	20.8

Key risks

Stock market movements may cause the value of investments and the income from them to fall as well as rise and investors may not get back the amount originally invested. Changes in rates of exchange may have an adverse effect on the value, price or income of investments. If markets fall, gearing can magnify the negative impact on performance.

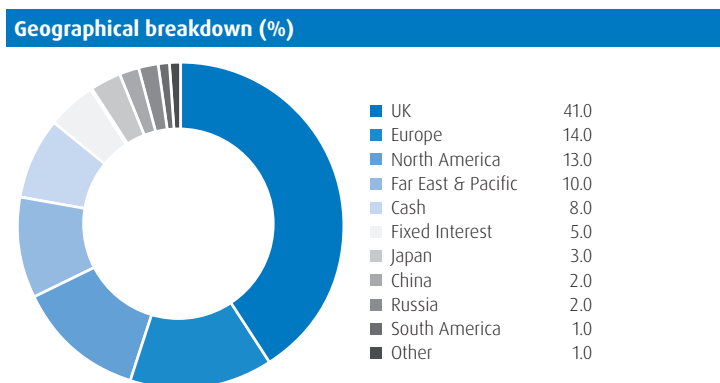
Past performance is not a guide to future performance.

Source: Lipper and F&C. Basis: Percentage growth, total return, bid to bid price with net income reinvested in sterling. The discrete performance table refers to 12 month periods, ending at the date shown.

Lines may be recorded

Trust codes	
Stock exchange code	Sedol
FMPI	B2PP3J3

Top 10 holdings (%)		
	% of net assets	Sector
Murray International Trust	3.8	Global Equity Income
Law Debenture Corporation	3.4	Global
Invesco Perpetual UK Smaller Companies Investment Trust	3.0	UK Smaller Companies
European Assets Trust	3.0	European Smaller Companies
JPMorgan Global Growth & Income	3.0	Global Equity Income
Princess Private Equity Holding	2.9	Private Equity
City of London Investment Trust	2.9	UK Equity Income
Henderson International Income Trust	2.9	Global Equity Income
BB Biotech	2.9	Biotechnology & Healthcare
NB Private Equity Partners	2.8	Private Equity



The geographical breakdown of the Portfolio's investments is on a 'look-through' basis. Source F&C and AIC.

Net dividend distributions pence per share (paid to date)

	2012	2013	2014	2015	2016	2017
January	1.00	1.10	1.10	1.15	1.20	1.25
April	1.00	1.10	1.10	1.15	1.20	1.25
July	1.50	1.30	1.50	1.55	1.60	1.70
October	1.10	1.10	1.15	1.20	1.25	1.30
Total	4.60	4.60	4.85	5.05	5.25	5.50

Glossary

Bid price	Investment trust shares are sold via the stock exchange at the bid price. This price is determined by supply and demand.
Dividend	Income paid to shareholders by the company they invest in.
Net asset value	A key measure of the value of a company or trust – the total value of assets less liabilities, divided by the number of shares.

All data as at 31.12.2017 unless otherwise stated.

All information is sourced from F&C, unless otherwise stated. Except where noted, all percentages are based on gross assets. *Net gearing is total assets less cash and cash equivalents divided by shareholders' funds and expressed as a percentage. Net cash is net exposure to cash and cash equivalents expressed as a percentage of shareholders funds after any offset against gearing. **Please refer to the latest annual report as to how the management fee and performance fee is structured along with an explanation of the calculation. Please note ongoing charges of the Company's underlying investments have not been included. The share price may either be below (at a discount) or above (at a premium) the NAV. Discounts and premiums vary continuously. Performance information excludes any product charges which can be found in the Key Investor Document ("KID") for the relevant product. The fact sheet is issued and approved by F&C Management Limited. Authorised and regulated in the UK by the Financial Conduct Authority. Registered office: Exchange House, Primrose Street, London EC2A 2NY. Registered in England & Wales No 517895. CM15130 (01/18)