

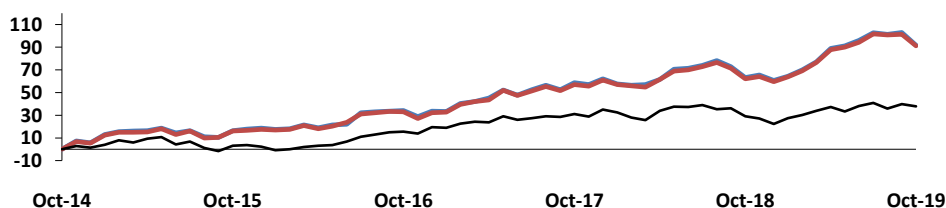


Investment Objective and Benchmark Index

Finsbury Growth & Income Trust PLC invests principally in the securities of UK listed companies with the objective of achieving capital and income growth and providing a total return in excess of that of its benchmark, the FTSE All-Share Index (net dividends reinvested).

Five Years Performance (%)

Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as arise and is not guaranteed; An investor may receive back less than the original amount invested.



Share Price (total return) +91.9%

Net Asset Value per share (total return) +91.1%

Benchmark: FTSE All-Share Index (net dividends reinvested) +37.9%

Source: Morningstar

Commentary

In October, the NAV was down 5.1% on a total return basis and the share price was down 5.5%, on a total return basis, while the index was down 1.4%.

The strategy underperformed in October for the second month. Broadly, the reason for the underperformance is that, as confidence increases that the UK will avoid a no-deal Brexit the so-called “defensive” companies that make up a significant part of your portfolio become less highly valued by investors and their share prices have fallen. (I persist in calling them “so-called defensives”, because we think this is not a useful designation for companies which have created huge wealth for their owners over long periods.) In the meantime, over 60% of the portfolio by value reported results or had some kind of a trading update during the month of October. Over time, it is the business performance of the companies we have invested in which will determine the success of our investment strategy – not swings of political sentiment.

Hargreaves Lansdown’s AGM statement revealed annualised growth in its revenues of +6% over what is obviously a difficult period for UK savers and the company itself.

Heineken’s Q3 beer volumes were up 2.3%, with bright spots being near 14% volume growth in Asia and the continued good growth of the eponymous Heineken brand, +7.4%. That growth of the Heineken brand is important because it is the biggest and most profitable in the group. It also suggests that the company (and our) thesis that consumers continue to trade up to premium global brands is intact.

London Stock Exchange reported Q3 revenues up 12%. Its information services division, FTSE Russell, grew 10%, providing some justification for the LSE’s proposed acquisition of Refinitiv, which will add more such data and information products.

Mondelez revealed organic revenue growth of 4% for the quarter, an acceleration. Its Asian and African units – where we have high hopes for further growth in the key Cadbury and Oreo brands grew at over 5%. Meanwhile, the quarterly dividend was up 9.6%.

Rathbones updated to its Q3, with a 4.4% increase in group assets under management annualised. This compared to the 1.4% decline in the FTSE 100 Index over the same period. Although not an exact comparison, the decline in the UK Equity benchmark underlines what a tough time this has been for UK asset gatherers.

RELX’s Q3 revenues were up 4%. It is important to remember that this growth rate is being retarded by the gradual but inexorable decline of its historic revenue streams in both scientific and legal journals. Underlying growth in RELX’s information analytics and software services will be rather better than the headline numbers. The company continues with its share buyback, which we see as value-creating for non-selling shareholders, like us.

Remy Cointreau’s quarterly report showed cognac sales growth slowing markedly, in part as a result of the disturbances in Hong Kong. Optimists about the company – including us – may be reassured that sales of Remy’s cognac in mainland China continued to grow at a double-digit pace – suggesting underlying demand to drink this premium product remains strong.

Schroders’ assets under management at the end of Q3 were £450bn, up from just over £400bn at the start of the year.

Unilever’s Q3 revenues were up 2.9%. That number was made up of over 5% growth in Emerging Markets and a tiny decline in sales in Developed Markets. Unilever derives c60% of its sales from Emerging Markets and if these trends persist on course EMs will become an ever-greater part of the mix and, who knows, this may result in a gradual acceleration of sales growth at group level. Unilever’s Q3 dividend was up 5.3% in Sterling. At its current price Unilever offers a dividend yield of over 3% - much higher than a government bond and growing steadily ahead of inflation.

Biography

Nick Train began his career as an Investment Manager at GT Management in 1981, having graduated from Queen’s College, Oxford with a second class honors in Modern History (1977-1980). He left GT in June 1998, after 17 years, on its acquisition by INVESCO. At his resignation he was a Director of GT Management (London), Investment Director of GT Unit Managers and Chief Investment Officer for Pan-Europe. He joined M&G in September 1998, as a Director of M&G Investment Management. In June 1999 he was appointed as Head of Global Equities at M&G. He left M&G in April 2000 to co-found Lindsell Train Limited. He is investment adviser to the Worshipful Company of Saddlers.

Portfolio Manager Profile

Portfolio management services are provided by Lindsell Train Limited (Lindsell Train). Lindsell Train was formed in December 2000. However the principals, Michael Lindsell and Nick Train had worked together at GT Management from 1992 through to GT’s takeover by INVESCO in 1998. Both Michael Lindsell and Nick Train went on to fulfill senior roles at INVESCO and M&G PLC respectively, where they continued to develop an in depth knowledge of investment processes and the world’s stock markets. Their shared investment philosophy is to invest in durable, cash generative businesses that are under-priced on their valuation analysis. They believe such businesses are rare and are under-valued by most other investors most of the time. They apply this approach by choosing a concentrated portfolio of approximately 30 stocks with the intention of holding them for the medium to long term. Lindsell Train is authorised and regulated by the Financial Conduct Authority.

Investment Policy

The Company has a concentrated portfolio of up to 30 stocks with a low turnover, and aims to provide shareholders with a total return in excess of that of the FTSE All-Share Index. The Portfolio Manager uses a bottom-up stock picking approach and looks to invest in a universe of excellent listed companies that appear mostly undervalued. Up to 20% of the portfolio, at the time of acquisition, can be invested in quoted companies outside the UK. The Company’s policy is to invest no more than 15% of its gross assets in other listed investment companies (including listed investment trusts).

Discount/ Premium Control Mechanism

The Directors have adopted an active discount management policy to establish and support an improved rating in the Company’s shares through the use of share buybacks, with a view to limiting the discount to NAV per share at which the shares trade to no more than 5%. Shares bought back may be held in treasury for reissue at later dates at no more than the discount at which they were purchased, and in any event at a discount no greater than 5% to the prevailing net asset value per share. In order to stop the share price trading at a significant premium to the NAV per share, the Company has the ability to issue new shares at a 0.7% premium to the higher of the cum or ex income NAV per share.

Finsbury Growth & Income Trust PLC conducts its affairs so that its shares can be recommended by independent financial advisers ("IFAs") to retail private investors. The shares are excluded from the Financial Conduct Authority's ("FCA's") restrictions which apply to non-mainstream investment products because they are shares in a UK-listed investment trust.

Ten Largest Holdings as at 31 October 2019 (% of total investments)

Name	Sector	Total
London Stock Exchange	Financials	10.4
RELX	Consumer Services	10.1
Diageo	Consumer Goods	9.8
Unilever	Consumer Goods	9.7
Mondelez Int.	Consumer Goods	8.3
Burberry Group	Consumer Goods	8.2
Schroders	Financials	7.9
Hargreaves Lansdown	Financials	6.9
Sage Group	Technology	6.4
Heineken	Consumer Goods	5.1
Total		82.8

Sector Breakdown as at 31 October 2019 (%)

Consumer Goods	46.3
Financials	27.6
Consumer Services	19.6
Technology	6.5
Total	100.0

Discrete Performance – Calendar Years (%)

Percentage Growth 12 Month Return	2014	2015	2016	2017	2018	YTD
NAV	6.9	11.6	12.5	21.7	-0.8	19.7
Share Price	5.9	12.4	12.6	21.5	-0.9	19.4
Index	1.2	1.0	16.8	13.1	-9.5	12.8

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Oct 14- Oct 15	Oct 15- Oct 16	Oct 16- Oct 17	Oct 17- Oct 18	Oct 18- Oct 19
NAV	16.0	14.6	18.1	3.3	17.8
Share Price	16.4	15.2	18.4	2.9	17.5
Index	3.0	12.2	13.4	-1.5	6.8

Source: Morningstar.

* Index source: FTSE International Limited ("FTSE") © FTSE 2019

Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as rise and is not guaranteed; an investor may receive back less than the original amount invested.

Risk Warnings

This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Company and has not been prepared in connection with any such offer or invitation. Before investing in the Company, or any other investment product, you should satisfy yourself as to its suitability and the risks involved, and you may wish to consult a financial adviser.

Any return you receive depends on future market performance and is uncertain. The Company does not seek any protection from future market performance so you could lose some or all of your investment. Shares of the Company are bought and sold on the London Stock Exchange (LSE). The price you pay or receive, like other listed shares, is determined by supply and demand and may be at a discount or premium to the underlying net asset value of the Company. Usually, at any given time, the price you pay for a share will be higher than the price you could sell it for. For further information on the principal risks the Company is exposed to please refer to the Company's Annual Report or Investor Disclosure Document available at www.finsburygt.com.

The Company can borrow to purchase investments, this could potentially magnify any losses or gains made by the Company.

Important Information

Finsbury Growth & Income Trust PLC (the Company) is a public limited company whose shares are premium listed on the LSE and is registered with HMRC as an investment trust.

The Company has an indeterminate life.

This financial promotion is issued by Frostrow Capital LLP which is authorised and regulated by the Financial Conduct Authority ("FCA").

**"FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. All rights in the FTSE indices and / or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and / or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Fast Facts

As at 31 October 2019

Launch Date	1926
AIC Sector	UK Equity Income
Date of Appointment of Lindsell Train	December 2000
Annual Management Fee (payable by the company) †	
Ongoing charges*	0.7%
Year / interim end	30 September/ 31 March
Capital Structure	203,351,712 Ordinary shares of 25p

Trust Characteristics

Number of Holdings	23
Net Assets (£m)	£1,788.1m
Market Capitalisation (£m)	£1,793.6m
Dividend Per Share**	16.6p
Current Net Yield	1.9%
Gearing	1.4%
Leverage***	Gross 101.4% Commitment 103.0%
Share Price (p)	882.00
NAV (p) (cum income)	879.30
Premium / (Discount) to NAV (p)	0.3%

Codes

Sedol	0781606
ISIN	GB0007816068
Legal Entity Identifier (LEI)	213800NN4ZKX2LG1GQ40
Global Intermediary Identification Number (GIIN)	QH4BH0.99999.SL.826
Bloomberg	FGT LN
EPIC	FGT

*Calculated at the financial year end, includes management fees and all other operating expenses.

**2nd Interim payable 8 Nov 19 ;(Year ended Sep 19) 8.6p
1st Interim payable 16 May 19 ;(Year ended Sep 19) 8.0p

***The Board has set the leverage limit for both the Gross and the Commitment basis at 125% of the Company's Net Asset Value.

†Lindsell Train – 0.45% pa of the Company's adjusted market capitalisation up to a value of £1 billion, such fee reducing to 0.405% pa of the Company's adjusted market capitalisation in excess of £1 billion up to a value of £2 billion, such fee reducing to 0.36% pa of the Company's adjusted market capitalisation in excess of £2 billion.

Frostrow – 0.15% pa of the Company's adjusted market capitalisation up to a value of £1 billion, such fee reducing to 0.135% pa of the Company's adjusted market capitalisation in excess of £1 billion up to a value of £2 billion, such fee reducing to 0.12% pa of the Company's adjusted market capitalisation in excess of £2 billion.

How to Contact Us

Frostrow Capital LLP
25 Southampton Buildings
London, WC2A 1AL
Tel.: 0203 008 4910
Fax: 0203 043 8889
Website: www.frostrow.com

Email: info@frostrow.com

