

# TROY INCOME & GROWTH (TIGT) 74P

IF YOU'RE TRYING to achieve an attractive dividend yield, with the prospect of some capital growth, then we think **Troy Income & Growth (TIGT)** could be a good option over the course of your retirement.

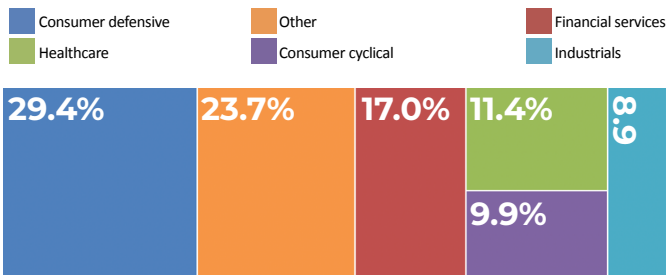
A rejig of its portfolio last year, selling out of high yielding stocks with question marks over the sustainability of the dividend and into more solid companies with strong dividend cover and potential for growth, seems to have been particularly well-timed given the coronavirus crisis.

Troy Income & Growth has already said it will maintain the dividend at the current quarterly rate of 0.695p for the current financial year to 30 September 2020, but will rebase it from that point.

**FIVE YEAR ANNUALISED PERFORMANCE: 3.55%**

**HISTORIC YIELD: 3.76%**

## SECTOR BREAKDOWN



TOP 10 HOLDINGS	%
Unilever	5.4%
Reckitt Benckiser	5.2%
RELX	5.1%
GlaxoSmithKline	4.8%
AstraZeneca	4.6%
Experian	4.2%
Nestle	3.8%
National Grid	3.7%
British American Tobacco	3.4%
Diageo	3.4%

Source: Morningstar

## AJ BELL HEAD OF ACTIVE PORTFOLIOS RYAN HUGHES SAYS:

Troy have a core UK equity exposure with a real thought to managing downside risk through a focus on high quality businesses that can generate cash.

This approach makes it a great core holding and should provide some downside protection if things get a little tricky. With a quarterly dividend, it is well placed for income seekers while an experienced team of three portfolio managers ensure that fund is positioned appropriately for what is happening in the market and economy.

As far as capital growth goes, performance has been steady with the trust five year annualised growth of 3.55% in its share price, with its net asset value rising an annualised 4.14% over five years.

We like the trust as we think it should be a good long-term option for income investors, and its new approach under managers Francis Brooke and Hugo Ure should enable to increase shareholder returns over time.

The signs were encouraging before the market selloff, with its share price rising from around 73p in the start of 2019 up to 86.4p on 21 February this year.

Its top holdings include consumer goods giant **Unilever (ULVR.)**.

Another core holding is **Reckitt Benckiser (RB.)**, which has come out of the coronavirus crash in a stronger position, along with pharma stocks **AstraZeneca (AZN)** and **GlaxoSmithKline (GSK)** and utility play **National Grid (NG.)**.

# SHARES

11 June 2020