



# Oh lord, don't you buy me...

...a Mercedes Benz

Update  
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My first car was an ancient Ford Orion which my mum had owned for many years before she handed it over to me.

It had four wheels, five seats, and one key to start the engine which I would take to pieces and repair on the drive, on one occasion using a toothpick to replace the broken axis in the choke<sup>1</sup> valve.

Once, it was stolen and used in a ram-raid on an off license. The thieves reversed it at high speed through the toughened glass window and made off with the booze. A week or so later I found the car myself, purely by accident, where it had been abandoned on the side of the A38 out of Birmingham. It had a small dent in the rear bumper but was otherwise unharmed.

It wasn't a very flashy car and it didn't do my 17-year-old street cred much good, but it was sturdy, reliable, simply built and not difficult to fix.

How times have changed.

Readers with good memories will remember me complaining about the car I now own in August. Like my old Ford Orion it has four wheels, five seats, and one key – but this key needs batteries, and sometimes locks the doors by itself for reasons I cannot fathom.

And, unlike my trusty Ford, my new car is able to disable its own perfectly functional engine if it chooses to do so, as I discovered this summer shortly after we arrived in the Dordogne, when it decided to take this course of action because it couldn't tell how much Ad-Blue<sup>2</sup> it had in it any more.

It was repaired in France by a pleasant but incomprehensible Frenchman who handed me a bottle of something that he said makes Ad-Blue not congeal in the tank – which is apparently a thing which everybody except me was aware it does, often, with great gusto.

The light came on again the following day and the countdown to self-destruct resumed.

Not fancying my chances of a refund from my Gallic garagiste, I limped it back to a garage back home in England (just shy of the distance at which the car intended to commit harakiri). They told

## Analysts:

Pascal Dowling

+44 (0)203 384 8869



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me that the Ad-Blue system was faulty; which is what I'd told them, because that's what Jean-Claude had told me, and also it said so on the dashboard.

With the countdown reset and my wallet £200 lighter, I then took it to another garage and paid a different man £1,600 to fit a new Ad-Blue tank to the car, but he couldn't programme the tank into the system properly, because Mercedes have updated their magic box to make it impossible for self-employed men in Somerset to repair their cars.

It's now back at the main-dealer's garage and it still doesn't work and, according to the increasingly desperate sounding engineers there, there is something wrong with the Ad-Blue system – zut allors – but the magic box (even though it is an official Mercedes-approved magic box) is not showing the correct pattern of fault codes, so they're not sure what it is.

Today, with two grand spent so far, they tell me they are going to try and force the magic box to produce



the correct pattern of fault codes, so they can repair it. Probably by turning it off and on again.

This rambling diatribe underlines a serious point. There is a virtue in simplicity – and this is a principle that applies as much to investing as it does to machinery. With that in mind I thought I would highlight a couple of the trusts under on our radar which, among others, are paragons of that particular virtue.

**City of London (CTY)** exemplifies the benefits of a straightforward approach. Cheap, conservatively managed, investing solely in mainstream UK equities with a clear, well defined investment approach under Job Curtis – who has managed it for more than three decades – the trust has delivered consistently on its objectives and has the longest track record of dividend growth in the entire investment companies sector.

Writing earlier this month, Kepler's William Heathcoat Amory described CTY as "A high-quality proposition to invest in the underappreciated UK market for capital and income," which has "delivered outperformance of the benchmark over one, three, five and ten years".

**Greencoat UK Wind (UKW)** is another example. It couldn't be more different to CTY as a single theme strategy stuffed with physical assets, but what it shares is a really clear, well-defined approach which leaves no room for skulduggery. The trust invests in windfarms. Only windfarms, and for the most part in windfarms which aren't levered – making the underlying financials much easier to understand.

It aims to deliver a well-covered dividend and links that dividend to RPI and to grow the NAV via surplus cashflows. That's it. No popstars, no fancy AGMs, no cooler-than-thou design for the annual report. No Ad-Blue, basically.

Like City of London, this laser focus has served the trust well. It is the largest in the AIC Renewable Energy Infrastructure Sector and, yielding 7.46%, it is easy to see why.

William covered the trust in July, and said: "For those investors who want their investments to earn a high investment return, as well as have a positive impact for society, then clearly UKW can claim to do both."

At the time the trust was trading on a discount of 15% and yielding 7.2%, and William said: "On a NAV basis prospective total returns stand at 10% per annum (on NAV) after fees if UKW's long-term assumptions play out. If the shares re-rate from the current discount, and the portfolio performs as expected, then shareholders should achieve a higher share price total return."

With the shares now yielding 7.46% on a discount of 16%, the case for UKW is now even stronger.

There are many more trusts out there which I could have used as examples here, and I choose these two simply because they were the first that came to mind.

An easy way to cut through the jargon and find more trusts like them is to think about what you want from your next investment – an income, or capital growth for starters – and let our fund finder help you narrow down your search for a trust via a short set of very simple questions which will hopefully, unlike my car, get you where you want to go.

#### [Click here to start your search](#)

<sup>1</sup> *A choke is a thing which you'd find in cars built up until the late 1980s, allowing the driver to adjust the fuel/air ratio in the engine and has nothing, repeat – nothing, to do with sex. Take note Gen Z.*

<sup>2</sup> *Ad-Blue is an additive which helps reduce diesel emissions but otherwise has no impact on the engine's performance and isn't necessary (or a legal requirement in the UK) for it to function.*



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