



# Aberforth UK Small Companies Fund

## Monthly Factsheet

30 April 2023

### Fund structure

The Fund is an authorised unit trust scheme under the Financial Services & Markets Act 2000 and also a UCITS scheme as defined by the Collective Investment Schemes Sourcebook. The Fund is open-ended and issues Accumulation (Acc) and Income (Inc) units.

### Manager: Aberforth Partners

The Fund is managed by Aberforth's investment team of six fund managers:

Sam Ford	Jeremy Hall
Euan Macdonald	Rob Scott Moncrieff
Peter Shaw	Christopher Watt

Further information on the investment team is available at [www.aberforth.co.uk](http://www.aberforth.co.uk).

### Benchmark: NSCI (XIC)

The Fund's primary investment universe is the Numis Smaller Companies Index (excluding Investment Companies). It is used as a target and comparator benchmark. The NSCI (XIC) index is rebalanced every January and its profile at the date of this Factsheet was:

Number of companies	343
Total market value	£141bn
Largest constituent	£2.3bn
Largest constituent if index rebalanced at Factsheet date	£1.7bn

### Key Fund information

Total investments	£147m
Number of investments	79
Active share	75.0%
Total net assets	£147m
Issue price (Acc)	£294.05
Cancellation price (Acc)	£288.38
Issue price (Inc)	£197.94
Cancellation price (Inc)	£194.12
Launch date	20 Mar 91
Next year-end	31 Dec 23

### Fees & charges

Ongoing charges (at 31 Dec 22 & includes Management fee)	0.83%
Management fee	0.75%
Performance fee	None
Initial/exit charges	0%
Dealing spread	1.95%

### Yield & distributions (Inc units)

Yield	3.6%
Interim distribution (paid 31 Aug 22)	362.3341p
Final distribution (paid 28 Feb 23)	337.1592p

### Objective

The investment objective of the Fund is to seek to achieve a total return, calculated on an income reinvested basis, greater than the Numis Smaller Companies Index (excluding Investment Companies) over the long term, with the focus on rolling five year periods.

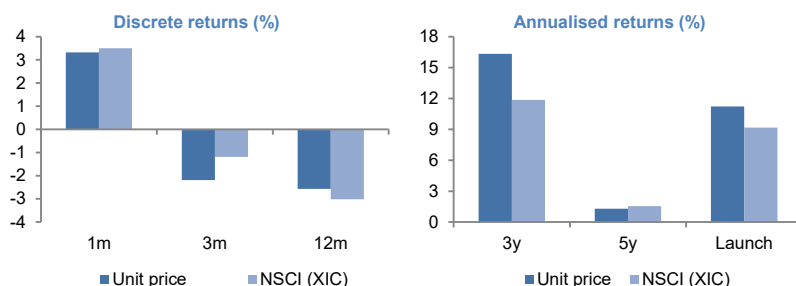
### Investment style: Value

Aberforth are value investors who buy shares in companies that they calculate to be selling below their intrinsic value. This is determined through detailed financial and industrial analysis, combined with a valuation approach that focuses on both stockmarket and corporate worth.

### Investment performance (annualised total returns)

Growth (%)	1m	3m	12m	3y	5y	Launch
Unit price	3.3	-2.2	-2.6	16.3	1.3	11.2
NSCI (XIC)	3.5	-1.2	-3.0	11.9	1.5	9.2

Notes: 1m & 3m returns not annualised; Launch date = 20 Mar 91; Unit price = Cancellation price of the Fund's Accumulation units.



### Monthly investment commentary: April

Equity markets took confidence from the measures taken to contain March's banking failures and rebounded strongly. The FTSE All-Share was up by 3.4%, while the NSCI (XIC) did fractionally better with a 3.5% rise. The Fund's gain was 3.3%. Size and style influences were not significant in the month.

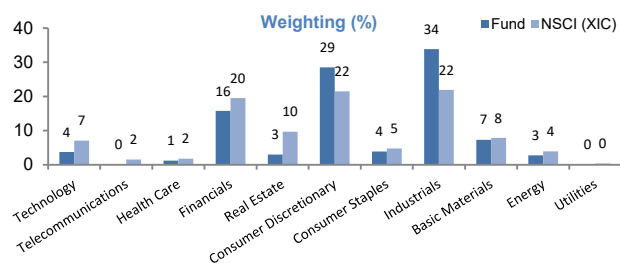
Turning to stocks, the largest winner was **Rank**, the casino and bingo operator. It issued a positive trading statement and was further boosted by the details of the government's gambling white paper. **Card Factory**, the retailer of greetings cards, was also a strong contributor – its update confirmed a continued normalisation of trading conditions after the problems posed by lockdown. The final winners of note were **Medica Group** (tele-radiology services) and **Industrials REIT** (multi-let industrial property). Both these businesses received bids from private equity. Other M&A deals so far in 2023 confirm the return of private equity interest in the UK market and highlight the extremely attractive valuations presently on offer.

Among the other companies in private equity's sights was **THG (aka The Hut Group)**. This is not a holding, so its share price rise detracted from the Fund's relative performance. Also noteworthy in the context of losers was **Wilmington**. There was no news from this publishing and training company, but its share price has weakened in the early months of 2023 following a strong performance in 2022. Finally, **EnQuest's** share price decline came against the backdrop of a lower oil price and continued concern about the impact of the North Sea windfall tax on its cash flow.

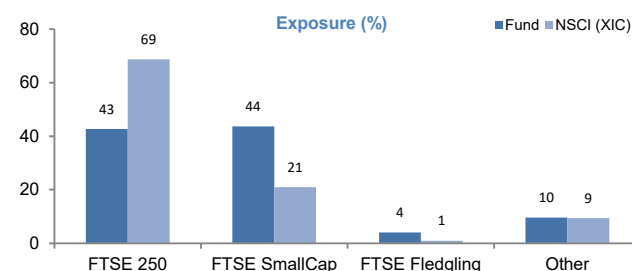
### Top 10 equity investments

Name	Activity	%
<b>FirstGroup</b>	Bus & rail operator	3.7
<b>Morgan Advanced Materials</b>	Manufacture of carbon & ceramic materials	3.0
<b>Redde Northgate</b>	Van rental	2.7
<b>SIG</b>	Specialist building products distributor	2.4
<b>Centamin</b>	Gold miner	2.4
<b>Just Group</b>	Individually underwritten annuities	2.4
<b>Wilmington</b>	Business publishing & training	2.3
<b>Senior</b>	Aerospace & automotive engineering	2.2
<b>Vesuvius</b>	Metal flow engineering	2.2
<b>Rathbones Group</b>	Private client fund manager	2.1

## Sector exposure



## Size exposure



## Dealing & pricing information

Deals in the Fund normally take place every business day between 9.00am and the Valuation Point that day - usually 4.30pm. Orders may be placed by calling the Fund's Dealing Line on 0345 608 0940 or contacting Aberforth using the details in the Subscribe & contact section.

The dealing spread shown in the Fees & charges section is the difference between the Issue and Cancellation prices and reflects the underlying spread on the Fund's portfolio.

## Data sources & calculations

All data supplied by Aberforth, except NSCI (XIC) data (from Numis/Paul Marsh and Elroy Dimson – London Business School) and FTSE data (from FTSE International Limited).

Performance returns are total returns after all expenses and assume reinvestment of dividends. Yield is based on the Fund's trailing 12 months' dividends. Active share is a measure of how the Fund's portfolio differs from the NSCI (XIC). Small companies are represented by the NSCI (XIC).

## Standardised past performance

Discrete total return performance over 12 month periods to 31 March:

Growth (%)	2023	2022	2021	2020	2019
Unit price	-7.4	4.9	76.7	-32.4	-4.5
NSCI (XIC)	-7.9	-1.1	65.6	-25.9	-1.2

Notes: the table above is updated on a calendar quarter basis in accordance with the Financial Conduct Authority's regulations; Unit price = Cancellation price of the Fund's Accumulation units.

## Security codes & other information

Acc units	Inc units	Other information
SEDOL: 0007272	SEDOL: B2N9GS7	Launched: 20 Mar 91
ISIN: GB0000072727	ISIN: GB00B2N9GS70	Next year-end: 31 Dec 23
MEXID: HIUKSC	MEXID: HIUKSI	LEI: 213800NHCS5DGL7RPF30

## Subscribe & contact

If you wish to subscribe to this Factsheet, or have any queries regarding its content, please contact Aberforth's Investor Support team:

(T) 0131 220 0733

(E) [investors@aberforth.co.uk](mailto:investors@aberforth.co.uk)

## Risk warnings

Capital may be at risk as the value of investments may go down as well as up and is not guaranteed; therefore investors may not get back the amount originally invested. Past performance is not a guide to future performance, nor a reliable indicator of future results or performance.

Investments in shares of smaller companies are generally considered to carry a higher degree of risk as the market for their shares may be less liquid than that for shares of larger companies, making shares of smaller companies more difficult to buy and sell.

The performance of shares of smaller companies may be more volatile than the shares of larger companies over short time periods; therefore investors should regard such investments as long term.

There can be no guarantee that the investment objective of the Fund will be achieved or provide the returns sought by the Fund.

An investment in the Fund is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may arise from such an investment (which may be equal to the whole amount invested). Such an investment should be regarded as long term in nature and complementary to existing investments in a range of other financial assets and should not form a major part of an investment portfolio.

The dealing spread of the Fund, which represents the difference between the buying and selling prices, will have an impact on the realisable value of any investment made in the Fund, particularly in the short term. To mitigate the impact of capital erosion, investors should regard investments in the Fund as long term.

**Neither Aberforth Partners LLP or Aberforth Unit Trust Managers Limited provide retail investors with investment advice.**

**This document has been issued for information purposes only. It does not contain any investment recommendations or an invitation to invest in the Fund. Investors should seek advice from an authorised financial adviser prior to making investment decisions.**

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