



Aberforth UK Small Companies Fund

Monthly Factsheet

31 August 2021

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 seven fund managers:

Sam Ford	Jeremy Hall
Sonya Kim	Euan Macdonald
Keith Muir	Peter Shaw
Christopher Watt	

Further information on the investment team is available at www.aberforth.co.uk.

Benchmark: NSCI (XIC)

The Fund's benchmark and primary investment universe is the Numis Smaller Companies Index (excluding Investment Companies). More information on the use of this benchmark can be found in the Investment Strategy section of the

Fund's Prospectus. This index is rebalanced every January and its profile at the date of this Factsheet was:

Number of companies	322
Total market value	£171bn
Largest constituent	£3.3bn
Largest constituent if index rebalanced at Factsheet date	£1.7bn

Key Fund information

Total investments	£280m
Number of investments	77
Active share	75.5%
Total net assets	£288m
Issue price (Acc)	£341.46
Cancellation price (Acc)	£335.41
Issue price (Inc)	£241.03
Cancellation price (Inc)	£236.76
Launch date	20 Mar 91
Next year-end	31 Dec 21

Fees & charges

Ongoing charges (at 30 Jun 21 & includes Management fee)	0.77%
Management fee	0.75%
Performance fee	None
Initial/exit charges	0%
Dealing spread	1.79%

Yield & distributions (Inc units)

Yield	1.4%
Interim distribution (paid 31 Aug 21)	220.9820p
Final distribution (paid 26 Feb 21)	111.9923p

Objective

The Fund's objective is to achieve a total return greater than that of the NSCI (XIC) over the long term by investing in a diversified portfolio of small UK quoted companies.

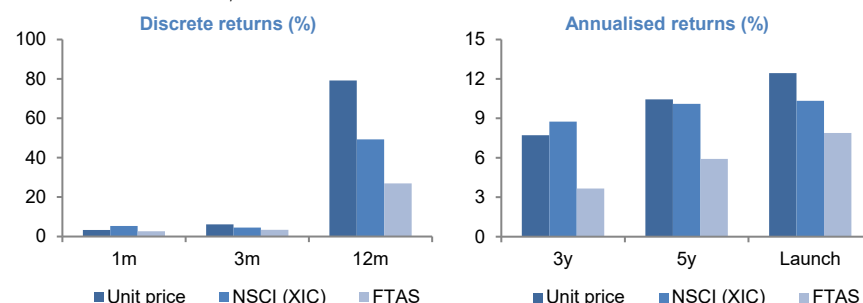
Investment style: Value

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	6.2	79.2	7.7	10.4	12.4
NSCI (XIC)	5.4	4.6	49.3	8.7	10.1	10.3
FTAS	2.7	3.4	26.9	3.7	5.9	7.9

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



Monthly investment commentary: August

The Fed's Jackson Hole meeting offered reassurance that Jay Powell is on top of the inflationary pressures and that aggressive tapering is unnecessary. Bond yields therefore changed little over the month, while stockmarkets continued their ascent. The FTSE All-Share returned 2.7% and the NSCI (XIC) rose by 5.4%, led by its larger constituents. The Fund has a relatively low exposure to these, which detracted from performance and resulted in a monthly return of 3.3%.

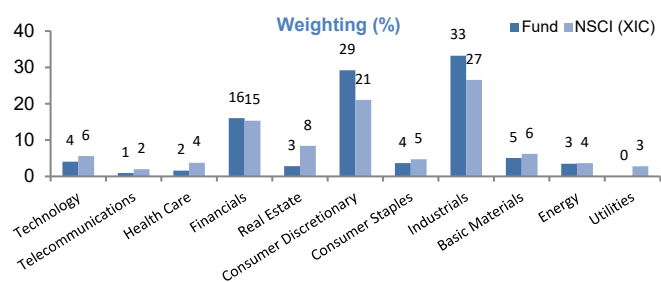
Turning to stocks, August's biggest impacts came from **Medica** (healthcare services), **Wincanton** (logistics) and **Bakkavor** (fresh prepared foods). None of the three issued updates over the month. Their share price weakness comes after good gains in recent months, with each of the three well placed for reopening. However, there were signs that the market's attention moved from recovery to secular growth in August. This may reflect supply chain issues that threaten recovery momentum: it is likely that company trading updates through coming months will be peppered with comments about wage inflation, component shortages and elevated freight costs.

So far, the portfolio's holdings appear to be coping with these pressures. **SIG**, the building products distributor, performed well in August – it is enjoying a good recovery in demand and has been able to pass through cost increases to protect its margins. Elsewhere, **Provident Financial** responded well to results that cast light on the strengths of its specialist banking unit Vanquis. This follows the exit from its home-collected credit division. Finally, not holding Avon Protection was helpful. It warned of sales delays and cost pressures, which led to significant cuts to forecast earnings.

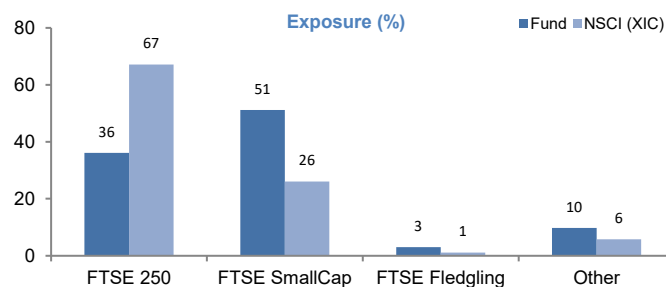
Top 10 equity investments

Name	Activity	%
Reach	UK newspaper publisher	4.7
Redde Northgate	Van rental	2.9
Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.8
Vitec Group	Photographic & broadcast accessories	2.8
Provident Financial	Personal credit provider	2.7
Brewin Dolphin Holdings	Private client fund manager	2.6
Rathbone Brothers	Private client fund manager	2.4
TI Fluid Systems	Automotive parts manufacturer	2.4
FirstGroup	Bus & rail operator	2.4
SIG	Specialist building products distributor	2.3

Sector exposure



Size exposure



Dealing & pricing information

Dealings 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). Large companies are represented by the FTAS.

Standardised past performance

Discrete total return performance over 12 month periods to 30 June 2021:

Growth (%)	2021	2020	2019	2018	2017
Unit price	70.8	-23.8	-10.1	9.6	34.4
NSCI (XIC)	49.8	-15.0	-5.4	7.6	29.1

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 21
MEXID: HIUKSC	MEXID: HIUKSI	LEI: 2138000NHC5DGL7RPF30

Subscribe & contact

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(T) 0131 220 0733

(E) investors@aberforth.co.uk

Risk warnings

Covid-19: in the context of market price risk, please note the exceptional circumstances arising from the Covid-19 pandemic and the responses to it. These have profoundly affected macro-economic activity, the operations of companies around the world and their stockmarket valuations. Aberforth Partners LLP and the Directors of Aberforth Unit Trust Managers Limited continue to monitor market developments as the impact of the pandemic and the vaccine roll-out progresses.

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 recommendation 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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