



Aberforth UK Small Companies Fund

Monthly Factsheet

31 July 2019

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:

Jeremy Hall	Euan Macdonald
Keith Muir	Peter Shaw
Christopher Watt	Alistair Whyte

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	346
Total market value	£151bn
Largest constituent	£2.3bn
Largest constituent if index rebalanced at Factsheet date	£1.5bn

Key Fund information

Total investments	£176m
Number of investments	79
Active share	77.6%
Total net assets	£176m
Issue price (Acc)	£247.38
Cancellation price (Acc)	£242.54
Issue price (Inc)	£180.54
Cancellation price (Inc)	£177.01
Launch date	20 Mar 91
Next year-end	31 Dec 19

Fees & charges

Ongoing charges (at 30 Jun 19 & includes Management fee)	0.78%
Management fee	0.75%
Performance fee	None
Initial/exit charges	0%
Dealing spread	1.98%

Yield & distributions (Inc units)

Yield	3.0%
Interim distribution (payable 30 Aug 19)	279.1645p
Final distribution (paid 28 Feb 19)	262.5189p

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.

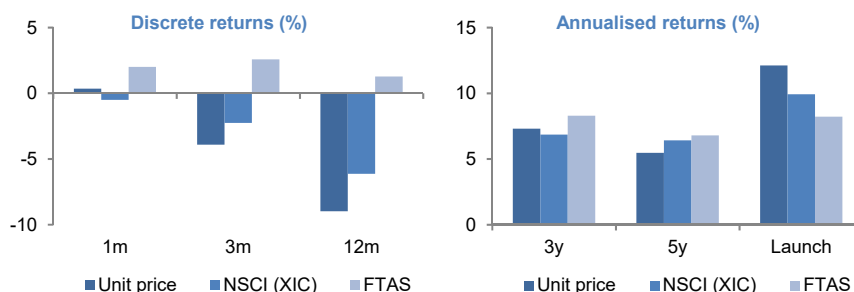
Investment style: Value

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	0.3	-3.9	-9.0	7.3	5.5	12.1
NSCI (XIC)	-0.5	-2.3	-6.1	6.9	6.4	9.9
FTAS	2.0	2.6	1.3	8.3	6.8	8.2

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.



Investment commentary

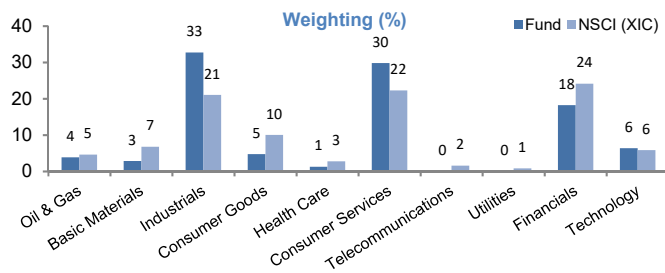
Britain's new prime minister promised that Britain will leave the EU by 31 October "come what may". Responding to heightened risk of a no deal Brexit, sterling weakened and small companies under-performed large: the NSCI (XIC) fell by 0.5%, while the FTSE All-Share rose by 2.0%. As was the case in June, it would seem likely that the well-publicised problems of a high-profile fund management house intensified the aversion to less liquid asset classes, including the "smaller small" companies within the NSCI (XIC). Against this backdrop, size again hindered performance since the Fund retains its bias towards the smaller smalls. But, after a torrid start to the year, the value style out-performed growth in the month. This helped the Fund out-perform with a modest but positive return of 0.3%.

Despite continuing worries about Brexit, there has been a pick-up in corporate activity. Ei Group responded positively to the news that they are to be acquired by the private equity firm that owns Stonegate Pubs. Against the background of Advent's approach for Cobham, the share price of portfolio holding Ultra Electronics performed well. Elsewhere, media company Future responded positively to a trading update and to the news they are buying SmartBrief, a US based digital media publisher. Bus and rail company FirstGroup reversed some previous month's poor performance. Conversely, performance was hindered by international recruiter Robert Walters, despite robust results. De La Rue was blighted by uncertainty over the outcome of a SFO investigation and Speedy Hire weakened, but on no news.

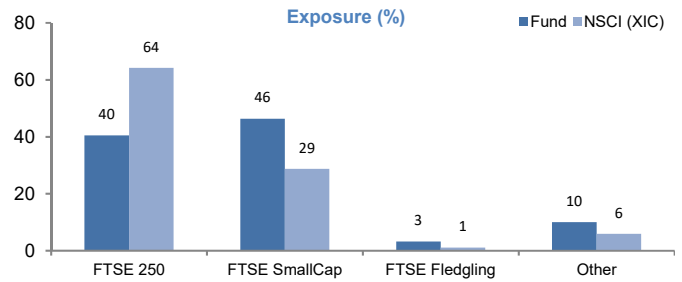
Top 10 equity investments

Name	Activity	%
FirstGroup	Bus & rail operator	3.9
Urban&Civic	Property - investment & development	3.5
Future	Special interest consumer publisher	3.2
Ultra Electronics Holdings	Specialist electronic & software technologies	3.2
Brewin Dolphin Holdings	Private client fund manager	3.0
Mitchells & Butlers	Operator of restaurants, pubs & bars	2.9
Ei Group	Leased & managed pub operator	2.8
Grainger	Property - residential rentals	2.6
Vitec Group	Photographic & broadcast accessories	2.6
Huntsworth	Public relations	2.4

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:

Growth (%)	2019	2018	2017	2016	2015
Unit price	-10.1	9.6	34.4	-14.5	13.5
NSCI (XIC)	-5.4	7.6	29.1	-6.6	10.4

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 19
MEXID: HIUKSC	MEXID: HIUKSI	LEI: 2138000NHC5DGL7RPF30

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(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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