



Aberforth UK Small Companies Fund

Monthly Factsheet

30 June 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.

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	339
Total market value	£135bn
Largest constituent	£2.6bn
Largest constituent if index rebalanced at Factsheet date	£1.7bn

Key Fund information

Total investments	£133m
Number of investments	78
Active share	75.6%
Total net assets	£136m
Issue price (Acc)	£287.10
Cancellation price (Acc)	£282.32
Issue price (Inc)	£193.26
Cancellation price (Inc)	£190.04
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	1.68%

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.

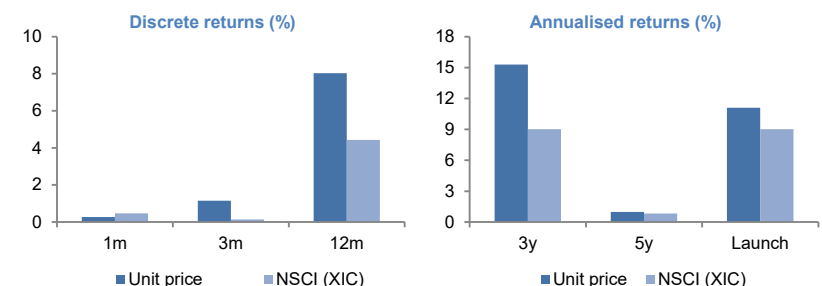
Investment style: Value

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	0.3	1.1	8.0	15.3	1.0	11.1
NSCI (XIC)	0.5	0.1	4.4	9.0	0.8	9.0

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



Monthly investment commentary: June

June was a good month for global equity markets – the FTSE All-World rose by 3.0%. The familiar trend of US market leadership continued whilst the UK market lagged. The UK's labour market strength has continued and risks prolonging acute inflationary headwinds. In response, the Bank of England's larger than expected interest rate hike will add further pressure to the slowdown in the domestic economy. The FTSE All-Share rose by 1.0% and outperformed mid-caps as the FTSE 250 fell by 1.3%. The value style was unhelpful to the Fund's gain of 0.3%, which lagged the 0.5% increase of the NSCI (XIC).

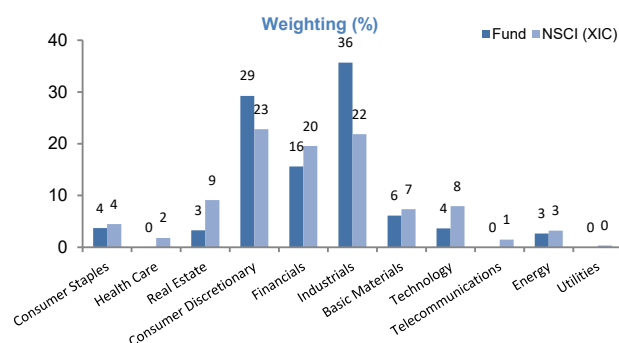
Performance was held back by strong performance of non-holdings with large index weights. Carnival Cruises' inclusion in the NSCI (XIC) is a quirk of its 10% secondary listing in the UK. It reported second quarter results that eased balance sheet concerns as travel demand continues to recover. Aston Martin Lagonda also had another good month after revealing lofty growth targets and a partnership with luxury EV manufacturer, Lucid. Among holdings, the housebuilder **Crest Nicholson** suffered after reporting a 30% decline in private home completions. The broader sector also performed poorly in June, reflecting concerns on customer affordability amid rising mortgage costs.

The biggest positive contribution to performance came from **FirstGroup**, the Fund's largest investment. The bus and rail operator reported a strong profit recovery as passenger volumes grew by 20% and operational improvements were realised. Elsewhere, the theme of corporate interest in small UK quoted companies continued. This saw **Lookers**, the car retailer, contribute to performance after it was approached by a Canadian operator seeking to enter the UK market.

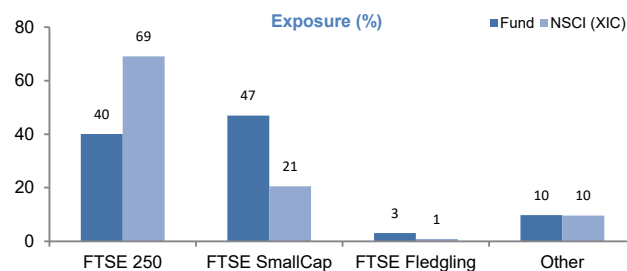
Top 10 equity investments

Name	Activity	%
FirstGroup	Bus & rail operator	4.0
Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.7
Redde Northgate	Van rental	2.7
Wilmington	Business publishing & training	2.5
Lookers	Motor vehicle retailer	2.5
Senior	Aerospace & automotive engineering	2.5
Wincanton	Logistics	2.3
Vesuvius	Metal flow engineering	2.2
International Personal Finance	Home credit provider	2.2
Just Group	Individually underwritten annuities	2.2

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).

Standardised past performance

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

Growth (%)	2023	2022	2021	2020	2019
Unit price	8.0	-16.9	70.8	-23.8	-10.1
NSCI (XIC)	4.4	-17.2	49.8	-15.0	-5.4

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 23
MEXID: HIUKSC	MEXID: HIUKSI	LEI: 2138000NHCS DGL7RPF30

Subscribe & contact

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(T) 0131 220 0733

(E) 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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