



Aberforth UK Small Companies Fund

Monthly Factsheet

30 November 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	314
Total market value	£155bn
Largest constituent	£3.6bn
Largest constituent if index rebalanced at Factsheet date	£1.6bn

Key Fund information

Total investments	£209m
Number of investments	77
Active share	77.5%
Total net assets	£206m
Issue price (Acc)	£300.84
Cancellation price (Acc)	£294.27
Issue price (Inc)	£212.36
Cancellation price (Inc)	£207.72
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	2.21%

Yield & distributions (Inc units)

Yield	1.6%
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.

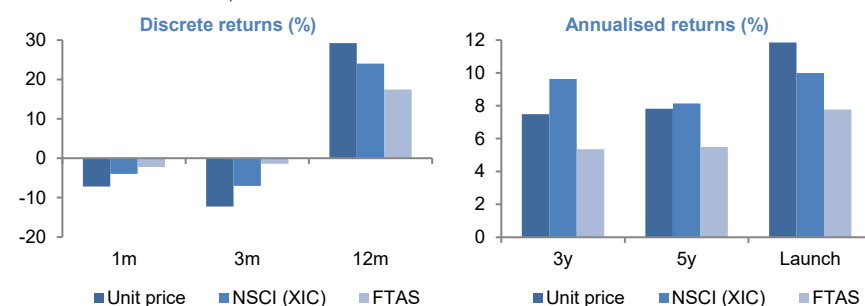
Investment style: Value

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	-7.2	-12.3	29.2	7.5	7.8	11.8
NSCI (XIC)	-4.0	-7.0	24.0	9.6	8.1	10.0
FTAS	-2.2	-1.4	17.4	5.3	5.5	7.8

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: November

Volatility returned to global equity markets as the Omicron variant increased uncertainty about economic recovery. Additionally, inflation is proving to be non-transitory, with the CPI up by 4.2% in the UK, the highest rate in a decade, and by 6.2% in the US, the highest in three decades. Jay Powell's language is duly turning more hawkish, though the pace of monetary tightening will be affected by the development of the Omicron variant. Against this backdrop, smaller companies struggled, with the NSCI (XIC) (-4.0%) under-performing FTSE All-Share (-2.2%). The Fund (-7.2%) trailed the NSCI (XIC), hampered for the first time in several months by its substantial exposure to smaller small companies.

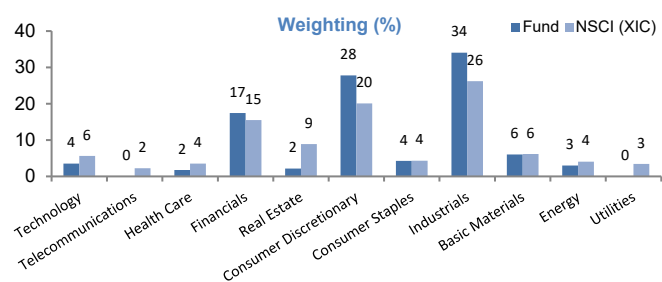
Turning to stocks, positive contribution came from **U and I Group** (property developer), which received a cash offer from Land Securities. **Morgan Advanced Materials** (manufacturer of carbon & ceramic materials) and **Vitec Group** (photographic & broadcast accessories) held up well in a falling market. Both issued trading updates, which suggested better-than-expected outlooks despite some supply chain challenges.

Holdings with weakest performance were **Reach** (news publisher) and **EnQuest** (oil and gas E&P). The former noted an increase in the cost of print production, though the digital strategy continues to demonstrate healthy growth. The latter announced a production downgrade following operational issues, which coincided with a weakening oil price through the month. The other main detractors from relative performance were non-holdings. Notable among these was Vivo Energy (fuel distributor), which accepted a bid from Vitol and continued the theme of resurgent M&A activity among small UK quoted companies.

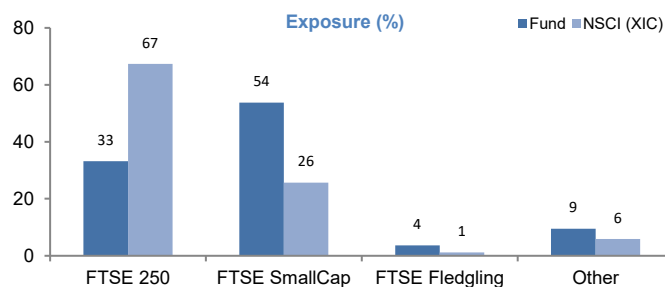
Top 10 equity investments

Name	Activity	%
Reach	UK newspaper publisher	3.3
Provident Financial	Personal credit provider	3.0
Redde Northgate	Van rental	2.9
Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.8
Robert Walters	Recruitment	2.8
Vitec Group	Photographic & broadcast accessories	2.8
FirstGroup	Bus & rail operator	2.7
Rathbone Brothers	Private client fund manager	2.4
Brewin Dolphin Holdings	Private client fund manager	2.4
SIG	Specialist building products distributor	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 September 2021:

Growth (%)	2021	2020	2019	2018	2017
Unit price	77.6	-28.1	-5.2	2.9	25.8
NSCI (XIC)	45.9	-9.6	-4.1	1.4	20.2

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 21
MEXID: HIUKSC	MEXID: HIUKSI	LEI: 213800NHC5DGL7RPF30

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

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.

Aberforth Partners LLP and Aberforth Unit Trust Managers Limited are authorised & regulated by the Financial Conduct Authority in the UK.

FTSE® is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data and no party may rely on any FTSE indices, ratings and/or underlying data contained in this communication. No further distribution of FTSE data is permitted without FTSE's express written consent. FTSE does not promote, sponsor or endorse the content of this communication.