



# Aberforth UK Small Companies Fund

## Monthly Factsheet

30 September 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	334
Total market value	£133bn
Largest constituent	£2.3bn
Largest constituent if index rebalanced at Factsheet date	£1.6bn

### Key Fund information

Total investments	£132m
Number of investments	78
Active share	74.9%
Total net assets	£134m
Issue price (Acc)	£287.84
Cancellation price (Acc)	£282.60
Issue price (Inc)	£190.09
Cancellation price (Inc)	£186.63
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	1.84%

### Yield & distributions (Inc units)

Yield	3.7%
Interim distribution (paid 31 Aug 23)	365.7168p
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.

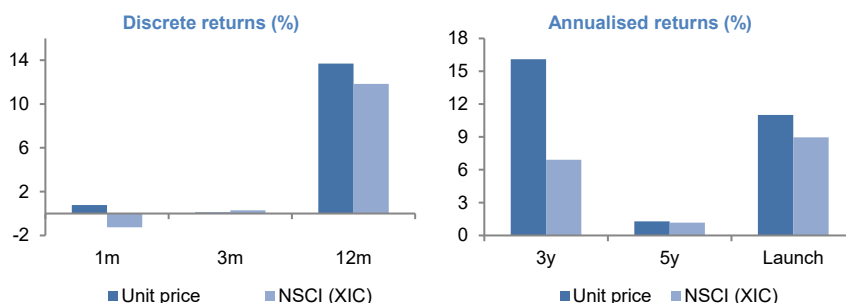
### Investment style: Value

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	0.8	0.1	13.7	16.1	1.3	11.0
NSCI (XIC)	-1.3	0.3	11.8	6.9	1.2	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: September

The cost of energy, in the form of oil, and the cost of money, in the form of government bond yields, rose in September. The oil price was up by 11%, while the US ten year yield added nearly 50bps, to end the month at a level last recorded in 2007. UK equities proved relatively resilient. While the S&P 500 fell by 4.9%, the FTSE All-Share gained 1.8%, helped by lower starting valuations and by its oil & gas weighting. The Fund's gain of 0.8% compared favourably with the NSCI (XIC)'s decline of 1.3%.

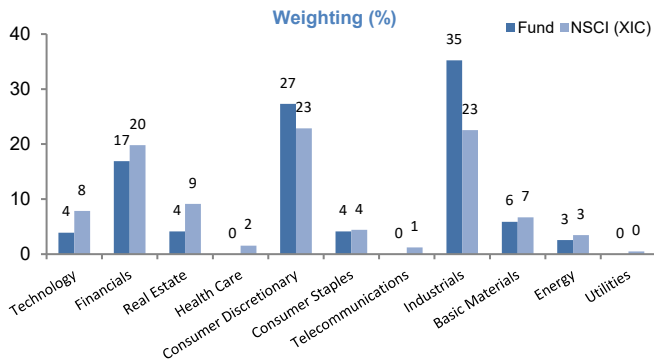
Winners for the Fund included **Galliford Try**, the contractor, which reported improved profits and steady progress towards its targets for 2026. Shares in **Wincanton**, the logistics company, reacted well to the announcement of much improved terms for its triennial pension valuation. Its significant actuarial deficit in 2020 has swung into surplus, meaning the company can cease additional contribution payments to the scheme. Two non holdings, Aston Martin Lagonda and The Hut Group, also helped the Fund's relative performance in the month: both companies have been strong performers this year but gave back some of their gains in September.

The main loser in the month was **Videndum**. This supplier of photographic and broadcast accessories has been afflicted by a weaker consumer backdrop and by the Hollywood writers' strike. Delayed interim results revealed the impact on the balance sheet and raised the prospect of disposals or equity issuance. The company's medium term prospects still appear good, but clarity about funding and the resolution of the strike are the immediate priority.

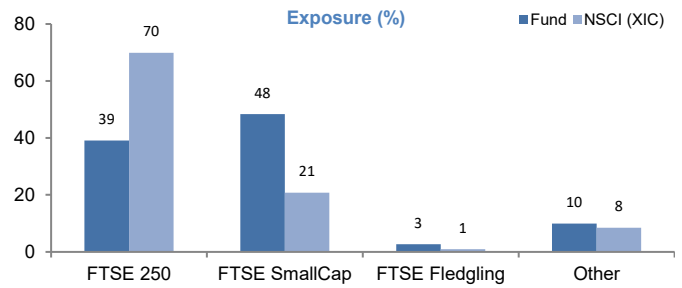
### Top 10 equity investments

Name	Activity	%
<b>FirstGroup</b>	Bus & rail operator	3.0
<b>Wilmington</b>	Business publishing & training	2.9
<b>Wincanton</b>	Logistics	2.6
<b>Vesuvius</b>	Metal flow engineering	2.5
<b>Redde Northgate</b>	Van rental	2.5
<b>International Personal Finance</b>	Home credit provider	2.5
<b>Morgan Advanced Materials</b>	Manufacture of carbon & ceramic materials	2.4
<b>SIG</b>	Specialist building products distributor	2.1
<b>Close Brothers Group</b>	Bank, stockbroker & private client fund manager	2.1
<b>Just Group</b>	Individually underwritten annuities	2.0

## 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 September:

Growth (%)	2023	2022	2021	2020	2019
Unit price	13.7	-22.5	77.6	-28.1	-5.2
NSCI (XIC)	11.8	-25.1	45.9	-9.6	-4.1

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 23
MEXID: HIUKSC	MEXID: HIUKSI	LEI: 213800ONHCS5DGL7RPF30

## 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.**

**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.