



Aberforth UK Small Companies Fund

Monthly Factsheet

31 August 2024

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	Rowan Marron
Rob Scott Moncrieff	Peter Shaw

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

Benchmark: DNSCI (XIC)

The Fund's primary investment universe is the Deutsche Numis Smaller Companies Index (excluding Investment Companies). It is used as a target and comparator benchmark. The DNSCI (XIC) index is rebalanced every January and its profile at the date of this Factsheet was:

Number of companies	335
Total market value	£151bn
Largest constituent	£2.5bn
Largest constituent if index rebalanced at Factsheet date	£1.8bn

Key Fund information

Total investments	£166m
Number of investments	79
Active share	72.9%
Total net assets	£167m
Issue price (Acc)	£364.09
Cancellation price (Acc)	£357.96
Issue price (Inc)	£232.10
Cancellation price (Inc)	£228.19
Launch date	20 Mar 91
Next year-end	31 Dec 24

Fees & charges

Ongoing charges (at 31 Dec 23 & includes Management fee)	0.82%
Management fee	0.75%
Performance fee	None
Initial/exit charges	0%
Dealing spread	1.70%

Yield & distributions (Inc units)

Yield	3.3%
Interim distribution (paid 30 Aug 24)	356.8716p
Final distribution (paid 28 Feb 24)	392.8468p

Objective

The investment objective of the Fund is to seek to achieve a total return, calculated on an income reinvested basis, greater than the Deutsche Numis Smaller Companies Index (excluding Investment Companies) over the long term, with the focus on rolling five year periods.

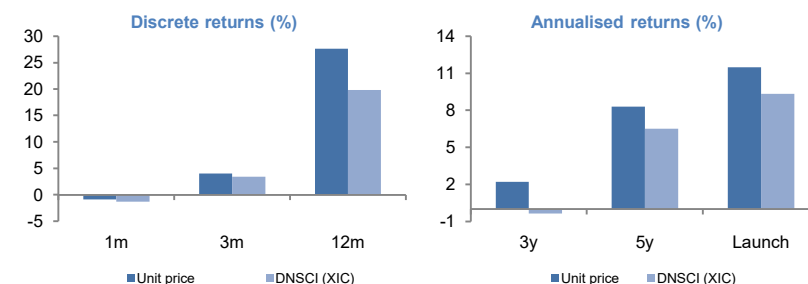
Investment style: Value

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	-0.9	4.0	27.6	2.2	8.3	11.5
DNSCI (XIC)	-1.3	3.4	19.8	-0.4	6.5	9.3

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



Monthly investment commentary: August

Global stockmarkets were volatile in August. The Bank of England's interest rate cut at the start of the month was quickly overshadowed by a major sell-off in Japanese stocks, which fed through to sharp drawdowns elsewhere. Large cap indices were quick to reverse losses and finished the month slightly higher, with the FTSE All-Share delivering a 0.5% total return. Smaller companies lagged, as the Fund's benchmark, the DNSCI (XIC), fell by 1.3%. The Fund was down by 0.9%, helped at the margin by its value positioning and exposure to the index's "smaller small" companies.

Among the Fund's relative winners was **Just Group**, the annuity provider. It delivered a good set of interim results, which continued the record of strong and profitable growth. Other better performers included **XP Power** and **Dialight**, both in the electronics space. **XP** reported an in-line set of first half results, which reassured the market following a difficult period of customer destocking. **Dialight's** shares rose on thin volumes as the market digested its delayed full year results announcement from the end of July.

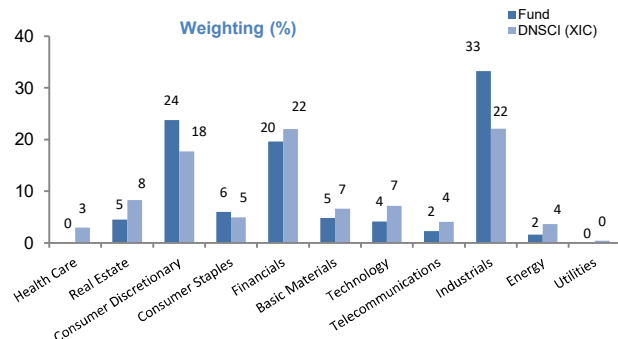
The on-going M&A theme was mixed for the Fund, with two proposed takeovers failing to consummate in August. The Fund's relative performance benefited as Sidara's approach for Wood Group, which was not a holding, fell away. However, **Crest Nicholson's** share price also fell after Bellway, a larger peer in the housebuilding sector, announced a decision not to proceed with an all-share offer.

Another developing theme through the summer has been pressure on the share prices of industrial-exposed companies. Recent economic data-points from China and the US have prompted fears about weaker demand in coming months. This has affected **Morgan Advanced Materials**, the carbon and ceramic materials manufacturer, whose first half results in August contained few surprises.

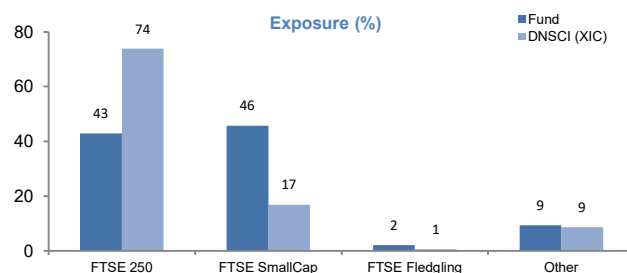
Top 10 equity investments

Name	Activity	%
Just Group	Annuity provider	3.1
Wilmington	Business publishing & training	3.0
CMC Markets	Financial derivatives trading platform	2.8
Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.7
ZIGUP	Van rental	2.5
International Personal Finance	Home credit provider	2.5
Bakkavor Group	Food manufacturer	2.3
Vesuvius	Metal flow engineering	2.3
Centamin	Gold miner	2.2
Zegona Communications	Telecommunications	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 DNSCI (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 DNSCI (XIC). Small companies are represented by the DNSCI (XIC).

Standardised past performance

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

Growth (%)	2024	2023	2022	2021	2020
Unit price	21.1	8.0	-16.9	70.8	-23.8
DNSCI (XIC)	14.5	4.4	-17.2	49.8	-15.0

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 24
MEXID: HIUKSC	MEXID: HIUKSI	LEI: 2138000NHCSGDL7RPF30

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.

Further information on the Fund, including the Key Investor Information Document, is available on request or via the Aberforth website www.aberforth.co.uk.

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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