



Aberforth UK Small Companies Fund

Monthly Factsheet

31 October 2022

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 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	315
Total market value	£110bn
Largest constituent	£2.5bn
Largest constituent if index rebalanced at Factsheet date	£1.5bn

Key Fund information

Total investments	£120m
Number of investments	78
Active share	73.5%
Total net assets	£125m
Issue price (Acc)	£265.08
Cancellation price (Acc)	£259.52
Issue price (Inc)	£181.55
Cancellation price (Inc)	£177.74
Launch date	20 Mar 91
Next year-end	31 Dec 22

Fees & charges

Ongoing charges (at 30 June 22 & includes Management fee)	0.83%
Management fee	0.75%
Performance fee	None
Initial/exit charges	0%
Dealing spread	2.12%

Yield & distributions (Inc units)

Yield	3.3%
Interim distribution (paid 31 Aug 22)	362.3341p
Final distribution (paid 28 Feb 22)	237.1483p

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.

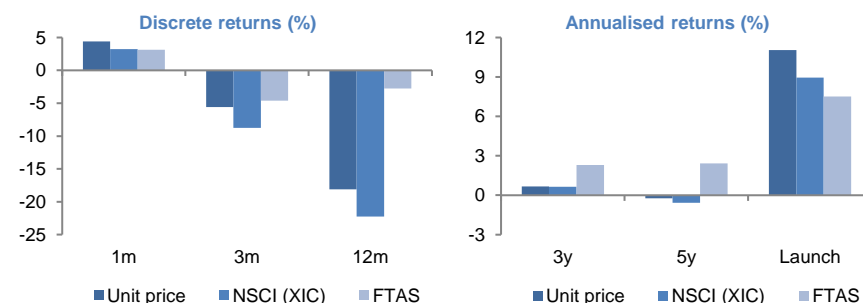
Investment style: Value

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	4.4	-5.6	-18.1	0.7	-0.2	11.0
NSCI (XIC)	3.2	-8.8	-22.3	0.6	-0.6	8.9
FTAS	3.1	-4.6	-2.8	2.3	2.4	7.5

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: October

October was a generally positive month for equity markets. Performance was driven by the hope, perhaps more than the expectation, that central banks would take their foot off the interest rate hiking pedal. Political turmoil in the UK subsided under another new Chancellor and Prime Minister. This appeared to settle nervousness, as sterling rose and gilt yields fell across the curve. It also played favourably for the stockmarket's domestically exposed sectors, which helped the mid-cap FTSE 250 (+4.5%) out-perform the FTSE 100 (+3.0%). The NSCI (XIC) rose by 3.2% and the Fund by 4.4%. Style influences were neutral in the month, with the out-performance driven by stock selection.

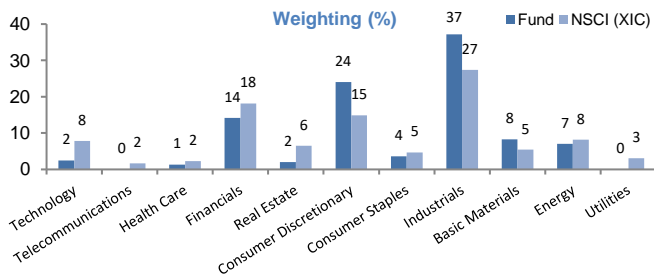
Positive contributors within the Fund included **Reach**, the newspaper publisher. After a period of falling advertising spend and rising print costs, it reported a mixed trading update, which pointed to benefits to come from increased cover prices and anticipation of improved advertising yields. Elsewhere in the media sector, **Wilmington**, the risk and compliance training provider, reported strong results, which evidenced its increasingly defensive characteristics. The car retailer **Lookers** recovered from a poor September after announcing improved profit expectations and the commencement of a share buyback.

The detractors from performance were led by **RPS Group**, which is subject to an agreed bid from Tetra Tech at a good valuation. Its share price fell in October, after the original bidder, WSP, did not return with a competing offer. Aberforth's participation in the takeover process included signing an irrevocable undertaking. This prevents the sale of shares until after the shareholder vote, which takes place in early November. Meanwhile, the holding in **Rank Group**, the multi-channel gaming operator, was also a negative performer. Its mid-month trading update reported weak customer spend levels and quantified the increased energy costs that the business faces.

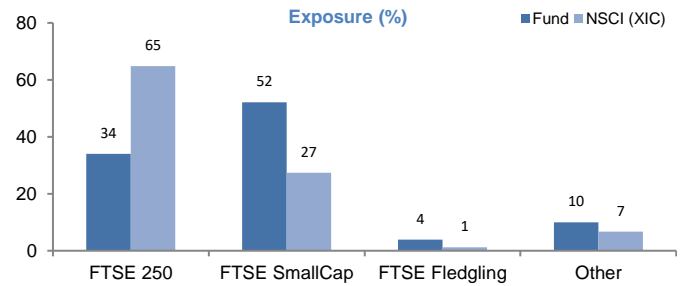
Top 10 equity investments

Name	Activity	%
RPS Group	Energy & environmental consulting	5.9
FirstGroup	Bus & rail operator	3.7
EnQuest	Oil & gas exploration and production	3.0
Videndum	Photographic & broadcast accessories	2.8
Redde Northgate	Van rental	2.7
Wincanton	Logistics	2.7
Wilmington	Business publishing & training	2.7
Rathbones Group	Private client fund manager	2.5
Robert Walters	Recruitment	2.3
Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.3

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:

Growth (%)	2022	2021	2020	2019	2018
Unit price	-22.5	77.6	-28.1	-5.2	2.9
NSCI (XIC)	-25.1	45.9	-9.6	-4.1	1.4

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 22
MEXID: HIUKSC	MEXID: HIUKSI	LEI: 2138000NHC5DGL7RPF30

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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