

# Aberforth UK Small Companies Fund

## Monthly Factsheet

30 September 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](http://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	333
Total market value	£148bn
Largest constituent	£2.6bn
Largest constituent if index rebalanced at Factsheet date	£1.8bn

### Key Fund information

Total investments	£160m
Number of investments	77
Active share	73.3%
Total net assets	£159m
Issue price (Acc)	£355.18
Cancellation price (Acc)	£349.41
Issue price (Inc)	£226.42
Cancellation price (Inc)	£222.74
Launch date	20 Mar 91
Next year-end	31 Dec 24

### Fees & charges

Ongoing charges (at 30 Jun 24 & includes Management fee)	0.80%
Management fee	0.75%
Performance fee	None
Initial/exit charges	0%
Dealing spread	1.64%

### 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.

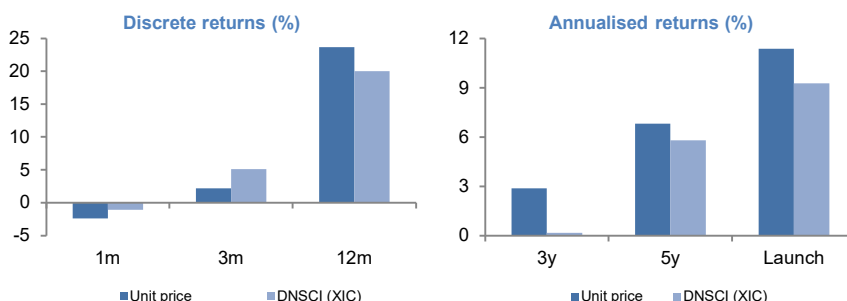
### Investment style: Value

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	-2.4	2.2	23.6	2.9	6.8	11.4
DNSCI (XIC)	-1.1	5.1	20.0	0.2	5.8	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: September

As the Federal Reserve joined other central banks in cutting interest rates, September saw modest moves among western equity markets. UK stocks under-performed, with some of the divergence explained by sterling's strength. The FTSE All-Share fell by 1.3%, while the Fund's benchmark DNSCI (XIC) fell by a similar 1.1%. The Fund was down by 2.6%, with the shortfall explained by stock specific issues.

In a continuation of a recently highlighted theme, the Fund saw weaker trading updates from two holdings that earn most of their profits outside the UK. **Videndum** downgraded expectations for the full year owing to a slower than expected recovery from last year's Hollywood strike and to continued weak demand from amateur and professional photographers. **TT Electronics** also commented on sluggish demand, with the impact exacerbated by production issues in two US plants. **Card Factory's** results were in-line but its shares fell sharply after a strong run into the release. **Close Brothers**, which faces on-going regulatory uncertainty, also fell on the release of its results and news of the disposal of its wealth management business.

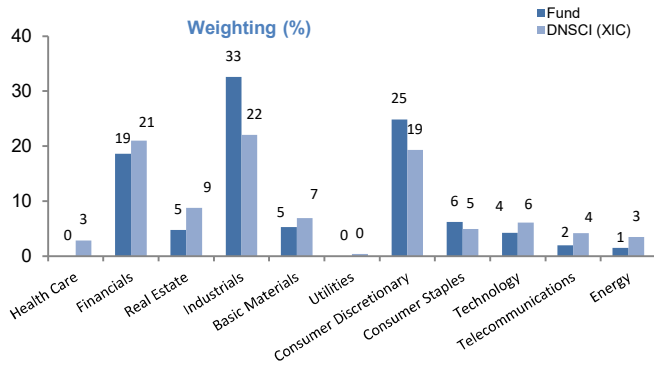
M&A had a mixed effect on the Fund's performance. Playtech, which is not held, confirmed that it had reached an agreement to sell its 'Snaiotech' division to Flutter for €2.3bn. **Centamin**, a Fund holding, announced an agreed takeover from AngloGold Ashanti, a gold-mining peer. Another holding, **TI Fluid Systems**, confirmed that it had been approached by Apollo regarding a possible offer for the company.

Performance was helped by **NCC Group**, which upgraded its guidance thanks to improvements in its cyber security division. **Rank Group** continued a share price recovery that began upon release of its results in August and **Eurocell** furthered its improved run of performance.

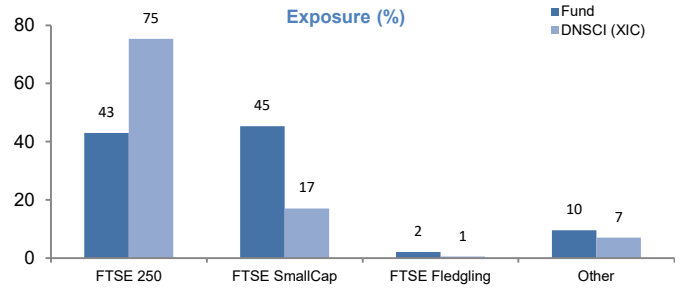
### Top 10 equity investments

Name	Activity	%
<b>Wilmington</b>	Business publishing & training	3.2
<b>Just Group</b>	Annuity provider	3.0
<b>CMC Markets</b>	Financial derivatives trading platform	2.8
<b>Centamin</b>	Gold miner	2.6
<b>Morgan Advanced Materials</b>	Manufacture of carbon & ceramic materials	2.5
<b>Bakkavor Group</b>	Food manufacturer	2.4
<b>ZIGUP</b>	Van rental	2.4
<b>NCC Group</b>	IT security	2.4
<b>Vesuvius</b>	Metal flow engineering	2.3
<b>International Personal Finance</b>	Home credit provider	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 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 September:

Growth (%)	2024	2023	2022	2021	2020
Unit price	23.6	13.7	-22.5	77.6	-28.1
DNSCI (XIC)	20.0	11.8	-25.1	45.9	-9.6

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: 213800NHCS5DGL7RPF30

## 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.

Further information on the Fund, including the Key Investor Information Document, is available on request or via the Aberforth website [www.aberforth.co.uk](http://www.aberforth.co.uk).

**Neither Aberforth Partners LLP or Aberforth Unit Trust Managers Limited provide retail investors with investment advice.**

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