



Aberforth UK Small Companies Fund

Monthly Factsheet

30 September 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	322
Total market value	£167bn
Largest constituent	£3.4bn
Largest constituent if index rebalanced at Factsheet date	£1.6bn

Key Fund information

Total investments	£273m
Number of investments	78
Active share	76.1%
Total net assets	£270m
Issue price (Acc)	£327.02
Cancellation price (Acc)	£320.90
Issue price (Inc)	£230.84
Cancellation price (Inc)	£226.52
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	1.89%

Yield & distributions (Inc units)

Yield	1.5%
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.

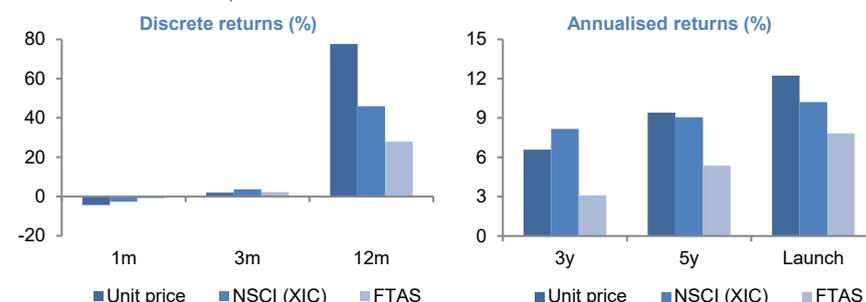
Investment style: Value

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	-4.3	2.0	77.6	6.6	9.4	12.2
NSCI (XIC)	-2.6	3.6	45.9	8.2	9.0	10.2
FTAS	-1.0	2.2	27.9	3.1	5.4	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: September

Global equities experienced their worst month since March 2020. Negative sentiment was propagated by supply bottlenecks driving higher prices for energy and consumer goods and services, systemic risk from the Evergrande crisis and growing regulatory risks in China. Meanwhile, the Fed's suggestion that tapering could begin as early as this year raised bond yields, which could herald a return to favour for the value style.

The NSCI (XIC) returned -2.6%, underperforming the FTSE All-Share index, which fell by 1.0%. The former's larger weights in Consumer Discretionary and Industrials – sectors most impacted from supply chain disruptions – detracted from performance, as did its lower exposure to Energy. The Fund's return was -4.3%, with similar sectoral biases versus the NSCI (XIC) being headwinds to relative performance.

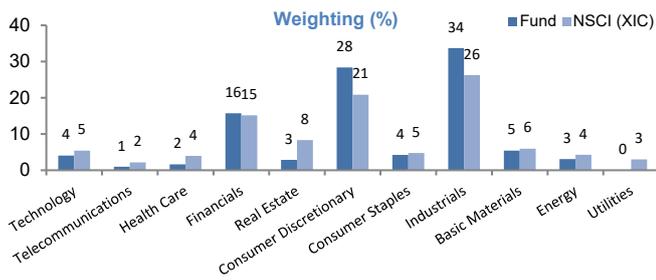
The winners were largely led by re-opening trades, such as **Bakkavor** (fresh prepared foods), **Robert Walters** (recruitment services provider) and **RPS** (energy & environmental consultant). In each case, interim results showed a rebound in profits and a continuing normalisation of trading as lockdown restrictions ease. Bakkavor is facing supply chain challenges in the form of labour availability and raw materials inflation, though it is mitigating the pressure by passing on elevated costs.

Holdings with weakest performance included **Reach** (news publisher), which succumbed to profit taking on the back of previous strong performance, and **TI Fluid Systems** (auto parts manufacturer), whose volumes have declined as a result of a chip shortage hampering global auto production. The effect of supply chain problems on the portfolio continues to be closely monitored through dialogue with the companies' management teams.

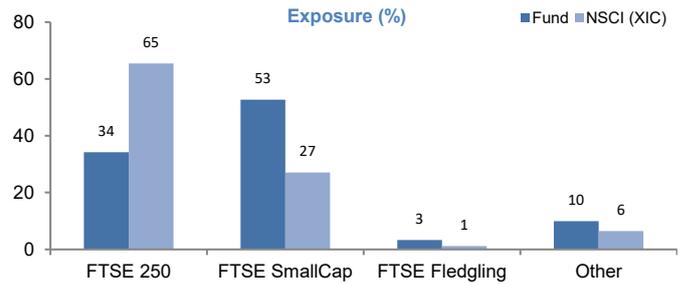
Top 10 equity investments

Name	Activity	%
Reach	UK newspaper publisher	4.2
Redde Northgate	Van rental	2.7
Morgan Advanced Materials	Manufacture of carbon & ceramic materials	2.7
Vitec Group	Photographic & broadcast accessories	2.6
Provident Financial	Personal credit provider	2.6
Brewin Dolphin Holdings	Private client fund manager	2.5
Rathbone Brothers	Private client fund manager	2.5
Robert Walters	Recruitment	2.5
FirstGroup	Bus & rail operator	2.4
Senior	Aerospace & automotive engineering	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 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: 2138000NHC5DGL7RPF30

Subscribe & contact

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(T) 0131 220 0733

(E) investors@aberforth.co.uk

Risk warnings

Covid-19: in the context of market price risk, please note the exceptional circumstances arising from the Covid-19 pandemic and the responses to it. These have profoundly affected macro-economic activity, the operations of companies around the world and their stockmarket valuations. Aberforth Partners LLP and the Directors of Aberforth Unit Trust Managers Limited continue to monitor market developments as the impact of the pandemic and the vaccine roll-out progresses.

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 recommendation 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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