

# VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – January 2019



**TEVIOT PARTNERS**  
investment managers

Key Facts		
<b>Launch Date:</b> 29.08.17	<b>Fund Size:</b> £54m	
Price at 31.01.19 (12:00)	<b>Accumulation</b> 114.4687p	<b>Income</b> 111.3767p
Sedol	BF6X212	BF6X223
ISIN	GB00BF6X2124	GB00BF6X2231
<b>Annual Management Fee</b>	0.75%	
<b>Ongoing Charges</b>	0.89%	
<b>Minimum Investment</b>	£1,000	
<b>Dilution Levy:</b> (effective 1 February 2019)	Purchases: 1.57% Redemptions: 1.28%	
Dilution levy is updated monthly. For more information visit <a href="http://www.teviotpartners.com">www.teviotpartners.com</a>		

Summary Investment Objective
The objective of the fund is to achieve a total return (of growth and income, after fees) greater than the Numis Smaller Companies Index (including AIM but excluding Investment Companies).

Fund Attributes
❖ A value investment style
❖ Small unit size of investment confers a significant advantage in an illiquid asset class
❖ Broad and diverse investment universe
❖ Invest in less than 1 in 12 companies of the available universe
❖ Active Share 91%
❖ Bottom up driven with an asset allocation overview

## Monthly Manager Commentary

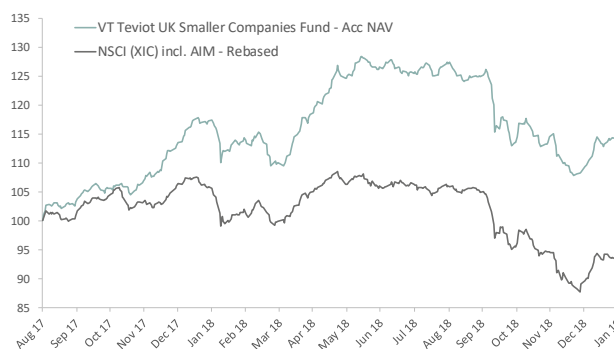
The rise in the Market over the month has to be viewed in the context of the fall in the preceding three months. It would be hard to suggest any of the macro concerns are resolved. The risk from rising interest rates has moderated in response to softening economic data, with weakness in the Eurozone becoming more evident. Sterling strengthened as hopes increased that we move closer towards some greater clarity on Brexit. The longer the period of uncertainty then the more impact it will have on UK companies. Perhaps the one thing that we can predict are further bouts of volatility.

Size exposure was a significant feature over the month with our benchmark index propelled by the larger, mid-cap companies and the smaller constituents lagging the recovery. This was a headwind for the Fund over the month, having helped in the preceding quarter.

Clarkson recovered sharply from an oversold position at the beginning of the year. Having added to the position, we are now recycling capital after a 35% rise over the month. Cairn Energy was another position where we added after share price weakness. News is expected shortly on it's tax dispute with the Indian government which could be material.

Staffline, a leading provider of agency labour, fell after announcing a delay to its results. The precise reasons for the delay are unclear at this stage. Findel was soft after a poorly handled sell order has been overhanging the market. It's post Christmas trading update was very positive and the shares should recover once the seller is cleared.

## Performance



Returns (%)	1 m	3 m	6 m	12 m	Since Launch
The Fund	+4.7%	-0.0%	-8.9%	-1.7%	+14.5%
NSCI (XIC) incl. AIM	+5.4%	-1.9%	-11.1%	-9.6%	-5.6%

Yearly Discrete Returns (%)	2018
The Fund	-3.6%
NSCI (XIC) incl. AIM	-15.8%

Past performance is not necessarily a guide to future performance. Fund launched on 29 August 2017. Fund performance is illustrated by the Accumulation Share Class NAV. Discrete performance is updated on a calendar quarter basis and reflects all available discrete periods since launch.

## How to Invest

Details of how to invest in the VT Teviot UK Smaller Companies Fund are available from our website at: [www.teviotpartners.com](http://www.teviotpartners.com)

Application forms and other supporting documents are also available at:

[www.valu-trac.com/teviot](http://www.valu-trac.com/teviot)

+44 (0)1343 880344

## Platforms

AJ Bell  
Allfunds  
Hargreaves Lansdown  
Transact  
7IM

## Authorised Corporate Director & Administrator

\*Valu-Trac Administration Services  
Orton, Moray, IV32 7QE

Tel: +44 (0)1343 880344

Fax: +44 (0)1343 880267

[www.valu-trac.com](http://www.valu-trac.com)

## Teviot Partners LLP

46 Charlotte Square  
Edinburgh EH2 4HQ

Tel: +44 (0)131 510 7280

[info@teviotpartners.com](mailto:info@teviotpartners.com)

[www.teviotpartners.com](http://www.teviotpartners.com)

## VT Teviot UK Smaller Companies Fund

### Top 10 Holdings

Holding	Sector	% of Portfolio
1. TT Electronics	Electronics	3.2
2. Anglo Pacific Group	Mining royalties	2.9
3. Kin and Carta	Digital marketing	2.6
4. Lookers	Motor retail	2.6
5. Findel	Online retail	2.5
6. Mothercare	Global retail franchise	2.5
7. Sabre Insurance Group	Motor insurance	2.4
8. Future	Digital media	2.2
9. TI Fluid Systems	Automotive supplier	2.2
10. Morses Club	Home collected credit	2.2
<b>Total</b>		<b>25.3</b>

### Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	10.1	7
£500m - £1bn	11.4	7
£250m - £500m	28.2	15
£100m - £250m	20.1	15
Below £100m	26.5	26
Cash	3.7	
<b>Total</b>	<b>100.0</b>	<b>70</b>

### Listing

	%
Main Market	59.8
Aim	36.5
Cash	3.7

## Fund Managers



### Andy Bamford

Andy has a 26-year track record of investing in UK smaller companies, running large and prestigious mandates.

He is a trained accountant who worked with General Accident and Edinburgh Fund Managers before joining Aberforth Partners in 2001 where he became a partner. Aberforth is a respected value investor and Andy had a successful 15-year career with the firm. Passionate about investing in small companies, Andy set up Teviot Partners in November 2016.



### Barney Randle

Barney has a 24-year career working for a variety of investment banks including Merrill Lynch, JP Morgan and latterly Arden Partners.

He has always specialised in UK smaller companies and enjoys a strong reputation for original and rigorous investment analysis. His non-consensual and value orientated approach was well received by some of the largest and most successful investors in the asset class.

## Important Information / Risk Warnings

This fund invests in smaller companies and carries a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid and their performance more volatile over shorter time periods. The fund can also invest in smaller companies listed on the Alternative Investment Market (AIM) which also carry the risk described above.

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