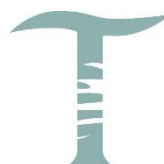


VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – June 2018



TEVIOT PARTNERS
investment managers

Key Facts			Summary Investment Objective			
Launch Date: 29.08.17		Fund Size: £49m		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).		
Price at 29.06.18 (12 noon)	Accumulation 126.6182p	Income 124.4709p				
Sedol	BF6X212	BF6X223				
ISIN	GB00BF6X2124	GB00BF6X2231				
Annual Management Fee		0.75%		Fund Attributes <ul style="list-style-type: none"> ❖ 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 13 companies of the available universe ❖ Active Share 92% ❖ Bottom up driven with an asset allocation overview 		
Ongoing Charges		1.00%				
Minimum Investment		£1,000				
Dilution Levy: (effective 1 July 2018)		Purchases: 1.38% Redemptions: 1.08%				
Dilution levy is updated monthly. For more information visit www.teviotpartners.com						

Monthly Manager Commentary

Over the first half of 2018 the Numis Smaller Companies Index (incl. AIM, XIC) fell by 0.4%. This largely neutral result obscures some powerful forces acting both positively and negatively. Corporate performance has been generally positive, the global backdrop has been supportive and the UK economy bucked the consensual bearish position of many investors. Set against this, yields are on the rise, trade tensions are escalating and the path of Brexit remains unresolved. Market liquidity was tighter and this contributed to greater volatility, however this should be seen as providing good conditions for active managers. The NSCI (incl. AIM, XIC) fell by 0.35% in June and has risen 5.9% since Fund inception.

In June, the Fund asset value increased to 126.6p.* The distribution to income holders for the six months to 30th June 2018 will be 1.2369p.

WYG was the largest contributor to performance. In mid-April the valuation was below 0.2x Ev/Sales and despite significant price appreciation, the valuation is still only 0.3x with clear signs that the new management is implementing better financial disciplines on a business with some interesting market positions. Findel announced results which confirmed continued momentum in its online gifts business. The rating of the company continues to be at odds with more recognisable online retailers. STV recovered from a heavily oversold position as the new Chief Executive's Strategic Review was well received.

On the negative tack, two of the Fund's larger positions, Ricardo and Mothercare, drifted after good performance. We were premature in acquiring a position in Countrywide where the turnaround strategy is taking time to gain traction in the face of a difficult market.

Cash holdings at the end of the month were 5.7% reflecting inflows close to the month end.

**In order to comply with the regulation on financial promotions(Cobs 4.6.2R), Teviot can not present past performance of the Fund until the first anniversary of the Fund launch. Accordingly, we can not express the Fund price change as a percentage.*

Month End Price History - Fund Accumulation Shares (p)

29.8.17 (Launch)	Sept 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar18	Apr 18	May 18	June 18
100.0	103.8	105.3	107.8	113.5	116.5	114.0	110.1	118.6	125.1	126.6

How to Invest

Details of how to invest in the VT Teviot UK Smaller Companies Fund are available from our website: www.teviotpartners.com

Application forms and other supporting documents are also available at: www.valu-trac.com/teviot
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Platforms

AJ Bell
Allfunds
Hargreaves Lansdown
Transact
7IM

Authorised Corporate Director & Administrator

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VT Teviot UK Smaller Companies Fund

Top 10 Holdings

Holding	Sector	% of Portfolio
1. Ricardo	Business Consultancy	3.8
2. Anglo Pacific Group	Mining Royalties	2.5
3. Morses Club	Home Collected Credit	2.5
4. Findel	Online Retail	2.5
5. Lookers	Motor Retail	2.5
6. Drax	Electricity Producer	2.4
7. TT Electronics	Electronics	2.3
8. Cairn Energy	Oil Exploration & Production	2.3
9. TI Fluid Systems	Automotive Supplier	2.2
10. Mothercare	Global Retail Franchise	2.2
Total		25.2

Source: Teviot Partners LLP

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	7.7	4
£500m - £1bn	19.8	11
£250m - £500m	18.7	11
£100m - £250m	23.0	17
Below £100m	25.1	24
Cash	5.7	
Total	100.0	67

Listing

	%
Main	60.0
Aim	34.3
Cash	5.7

Fund Managers



Andy Bamford

Andy has a 25-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 23-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.

This document is provided for general information purposes only and should not be interpreted as investment advice. It is not a personal recommendation and it should not be regarded as a solicitation or an offer to buy or sell any securities or instruments mentioned in it. We recommend retail investors seek the services of a Financial Adviser. Full details of the VT Teviot UK Smaller Companies Fund (the "Fund"), including risk warnings are published in the Key Investor Information document and Prospectus all available from www.valu-trac.com/teviot. The Fund is subject to normal stock market fluctuations and other risks inherent in such investments.

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