

VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – July 2019



TEVIOT PARTNERS
investment managers

Key Facts		
Launch Date: 29.08.17	Fund Size: £62m	
Price at 31.07.19 (12:00)	Accumulation 122.8315p	Income 117.7918p
Sedol	BF6X212	BF6X223
ISIN	GB00BF6X2124	GB00BF6X2231
Annual Management Fee	0.75%	
Ongoing Charges	0.89%	
Minimum Investment	£1,000	
Dilution Levy: (effective 1 August 2019)	Purchases: 1.45% Redemptions: 1.13%	
Dilution levy is updated monthly. For more information visit www.teviotpartners.com		

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 11 companies of the available universe
- ❖ Active Share 92%
- ❖ Bottom up driven with an asset allocation overview

Monthly Manager Commentary

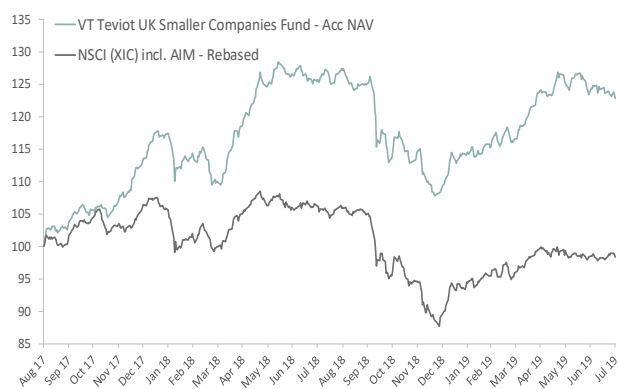
The new government in the UK has wasted little time in ratcheting up the rhetoric around the prospect of a no deal Brexit. This impacted the value of sterling but the UK small cap indices were broadly unchanged on the month. Company statements reflect the ongoing uncertainty and the thin volumes often served to exaggerate the movement of share prices. Without question, there is more M&A happening in the market, attracted by the value that has resulted from ongoing uncertainty.

The largest contributor to returns was Aptitude Software which has rerated following the sale of its Financial Systems division. This focuses the business on a fast growing, strategically valuable business. Future recovered after weakness the previous month. There was further evidence of the strong prospects and scalable strategy.

Mothercare was the largest detractor from performance over the month. Its update pointed to continuing challenges in the UK business despite the restructuring. The company noted that it will review strategic options for the UK which, if successful, would prove transformational for the prospects. Studio Retail Group (formerly Findel) succumbed to profit-taking after strong performance. Its update confirmed good prospects for the business.

The smaller constituents of the index underperformed over the month which was unhelpful.

Performance



Returns (%)	1 m	3 m	6 m	YTD	12 m	Since Launch
The Fund	-0.5	-1.0	+7.3	+12.3	-2.3	+22.8
NSCI (XIC) incl. AIM	+0.1	-1.4	+4.2	+9.9	-7.4	-1.6

Yearly Discrete Returns (%) - To End Q2 2019

The Fund	-2.5%
NSCI (XIC) incl. AIM	-7.2%

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: 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
Aviva
Hargreaves Lansdown
Interactive Investor
Transact
7IM

Authorised Corporate Director & Administrator

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Top 10 Holdings as at 31/07/19

Holding	Sector	% of Portfolio
1. Studio Retail Group	Online Retail	3.4
2. Mothercare	Global Retail Franchise	2.9
3. CareTech Holdings	Specialist Care Services	2.8
4. Drax Group	Electricity Producer	2.8
5. Countryside Properties	Housebuilding	2.5
6. Future	Digital Media	2.4
7. Eurocell	Building Materials	2.4
8. Renewi	Waste Services	2.4
9. Vitec Group	Specialist Engineering	2.3
10. Ricardo	Business Consultancy	2.2
Total		26.1


Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	7.7	4
£500m - £1bn	15.6	10
£250m - £500m	25.2	16
£100m - £250m	25.4	19
Below £100m	22	22
Cash	4.1	
Total	100.0	71

Listing


Listing	%
Main	63.0
Aim	32.9
Cash	4.1

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.

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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