

# VT Teviot UK Smaller Companies Fund

## Monthly Fact Sheet – August 2020



Key Facts		
<b>Launch Date:</b> 29.08.17	<b>Fund Size:</b> £72m	
Price at 28.8.20 (12:00)	<b>Accumulation</b> 119.3206p	<b>Income</b> 112.9459p
Sedol	BF6X212	BF6X223
ISIN	GB00BF6X2124	GB00BF6X2231
<b>Annual Management Fee</b>	0.75%	
<b>Ongoing Charges</b>	0.88%	
<b>Minimum Investment</b>	£1,000	
<b>Dilution Levy:</b> (effective 1 September 2020)	Purchases: 1.74%	Redemptions: 1.42%
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 circa 1 in 9 companies of the available universe
- ❖ Active Share 87%
- ❖ Bottom up driven with an asset allocation overview

### Monthly Manager Commentary

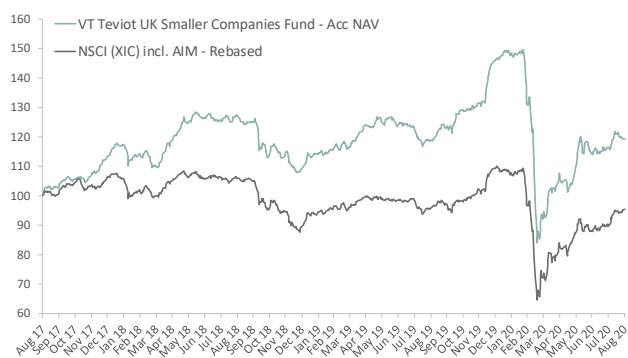
With the easing of lockdown restrictions, most areas of the UK economy are experiencing recovery. In certain sectors, notably housing, there has been surprising buoyancy. However confidence in the recovery has to be tempered by the effects of pent-up demand from lockdown, the imminent withdrawal of furlough support leading to rising unemployment and increasing infection rates.

The Fund rose by 2.4% in August, lagging the benchmark index rise of 6.3%. Relative headwinds came from size and style as well as the continued outperformance of the AIM market relative to Main market, where the Fund is underweight. The AIM constituents of the NSCI (XIC incl. AIM) are now marginally positive year to date compared to Main market constituents down by 19.9%. As detailed below, it was not a case of disappointments from our holdings but not participating in some exceptional stock specific movements illustrated by Blue Prism, Plus 500, Purplebricks. William Hill was another notable performer.

Performance was broadly based in August without notable outliers. The largest contributors to performance were Scapa and Zotefoams which both provided reassuring trading updates. The largest detractors to performance were IG Design and Card Factory. Director share sales at IG Design unsettled the share price and Card Factory was volatile following the previous month's positive capital markets day.

Cash at the month end was 2.3%

### Performance



Returns (%)	1 m	3 m	YTD	1 Year	3 Years	Since Launch
The Fund	+2.4%	+10.0%	-18.3%	+0.6%	+17.3%	+19.3%
NSCI (XIC) incl. AIM	+6.3%	+9.9%	-12.7%	-0.2%	-5.8%	-4.5%
Yearly Discrete Returns (%) - To End Q2				2020	2019	
The Fund				-7.1%	-2.5%	
NSCI (XIC) incl. AIM				-10.7%	-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
<p>Details of how to invest in the VT Teviot UK Smaller Companies Fund are available from our website: <a href="http://www.teviotpartners.com">www.teviotpartners.com</a></p> <p>Application forms and other supporting documents are also available at <a href="http://www.valu-trac.com/teviot">www.valu-trac.com/teviot</a> +44 (0)1343 880344</p>
Platforms
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VT Teviot UK Smaller Companies Fund		
Top 10 Holdings as at 28/08/20		
Holding	Sector	% of portfolio
1. De La Rue	Banknote & Authentication Solutions	5.0
2. Future	Digital Media	3.2
3. Drax Group	Electricity Provider	3.1
4. Randall & Quilter	Non-Life Insurance	2.5
5. Studio Retail Group	Online Retail	1.9
6. Premier Foods	Food Producer	1.9
7. IG Design Group	Giftware Manufacturer & Designer	1.8
8. Indivior	Speciality Pharmaceuticals	1.7
9. Chemring Group	Defence	1.7
10. Headlam Group	Carpet Distributor	1.6
Total		24.4

Market Cap Breakdown		
	% of Portfolio	No. of Stocks
Above £1bn	10.6	6
£500m - £1bn	14.3	11
£250m - £500m	25.6	20
£100m - £250m	31.4	29
Below £100m	15.8	21
Cash	2.3	
Total	100.0	87

Listing	%
Main	63.9
Aim	33.8
Cash	2.3

Fund Managers		
	<p><b>Andy Bamford</b> Andy has a 27-year track record of investing in UK smaller companies, running large and prestigious mandates.</p> <p>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.</p>	
		<p><b>Barney Randle</b> Barney has a 25-year career working for a variety of investment banks including Merrill Lynch and JP Morgan.</p> <p>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.</p>

Important Information / Risk Warnings
<p>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.</p> <p>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 <a href="http://www.valu-trac.com/teviot">www.valu-trac.com/teviot</a>. The Fund is subject to normal stock market fluctuations and other risks inherent in such investments.</p> <p>The information contained in this document has been obtained from sources that Teviot Partners LLP ("TP") considers to be reliable. However, TP cannot guarantee the accuracy or completeness of the information provided, and therefore no investment decision should be based solely on this data. Past performance is not a guide to future performance. This document is issued by TP, authorised and regulated by the Financial Conduct Authority (FCA), registration number 766508.</p> <p>Valu-Trac Administration Services are the Authorised Corporate Director of this fund. * Valu-Trac Administration Services is a trading name of Valu-Trac Investment Management Limited. Registered in England No. 2428648. Authorised and regulated by the Financial Conduct Authority (FCA), registration number 145168.</p>