

VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – September 2020



Key Facts		
Launch Date: 29.08.17	Fund Size: £71m	
Price at 30.9.20 (12:00)	Accumulation 119.0305p	Income 112.6713p
Sedol	BF6X212	BF6X223
ISIN	GB00BF6X2124	GB00BF6X2231
Annual Management Fee	0.75%	
Ongoing Charges	0.88%	
Minimum Investment	£1,000	
Dilution Levy: <i>(effective 1 October 2020)</i>	Purchases: 1.69% Redemptions: 1.37%	
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 circa 1 in 9 companies of the available universe
❖ Active Share 87%
❖ Bottom up driven with an asset allocation overview

Monthly Manager Commentary

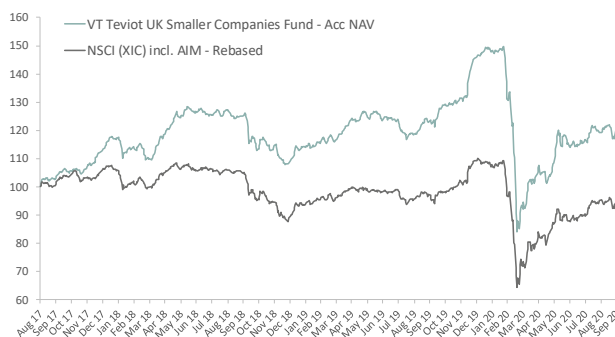
September produced a slew of results from UK companies, reflecting the latitude granted by the FRC for reporting timetables. Whilst it clarified the impact of the Covid pandemic, most companies were pointing to an improving trend when compared to the position earlier in the year and some felt sufficiently confident to re-instate previously withdrawn dividends although these are still in a minority. Their outlook is shrouded by uncertainty as the end of furlough approaches, the trend of infections is rising sharply, with restrictions being reimposed. Increasing the uncertainty, we can add the Brexit negotiations and the US election. Size and style were marginal headwinds reflecting the pattern in the year to date.

Mothercare performed strongly. Its results highlighted the fact that it has transformed into an international franchise operation with good prospects for profitability and a low risk business model. Future confirmed that results would be ahead of expectations, driven by its strong digital capabilities which are increasingly relevant as consumer purchasing patterns increasingly shift online.

The largest detractor from relative performance was a non-holding, William Hill. The company received a bid from its US partner who is keen to enhance its market position as the US sports betting market opens up. International Personal Finance weakened on results. IFRS 9 dictates that all consumer finance companies make impairment provisions with a forward looking lens and current uncertainties resulted in increased provisions. The company is generating strong cashflow which should allow it to conclude refinancing which would be a major catalyst for the shares.

Cash at the month end was 2.4%

Performance



Returns (%)	1 m	3 m	YTD	1 Year	3 Years	Since Launch
The Fund	-0.2%	+3.8%	-18.5%	-3.5%	+14.6%	+19.0%
NSCI (XIC) incl. AIM	-1.1%	+7.7%	-13.6%	-2.8%	-7.2%	-5.6%
Yearly Discrete Returns (%) - To End Q3				2020	2019	2018
The Fund				-3.5%	-1.3%	+20.4%
NSCI (XIC) incl. AIM				-2.8%	-7.3%	+3.0%

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
Pershing
Transact
7IM

Authorised Corporate Director & Administrator

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Top 10 Holdings as at 30/09/20

Holding	Sector	% of portfolio
1. De La Rue	Banknote & Authentication Solutions	4.7
2. Future	Digital Media	3.5
3. Drax Group	Electricity Provider	3.0
4. Randall & Quilter	Non-Life Insurance	2.5
5. Studio Retail Group	Online Retail	2.2
6. Mothercare	Global Retail Franchise	2.0
7. Premier Foods	Food Producer	2.0
8. Indivior	Speciality Pharmaceuticals	1.9
9. IG Design Group	Giftware Manufacturer & Designer	1.7
10. Anglo Pacific Group	Mining Royalties	1.7
Total		25.2

Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	10.4	6
£500m - £1bn	11.8	9
£250m - £500m	25.4	20
£100m - £250m	34.8	32
Below £100m	15.2	20
Cash	2.4	
Total	100.0	87

Listing

Listing	%
Main	65.5
Aim	32.1
Cash	2.4

Fund Managers



Andy Bamford

Andy has a 27-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 25-year career working for a variety of investment banks including Merrill Lynch and JP Morgan.

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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