

# VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – October 2020



Key Facts		
<b>Launch Date:</b> 29.08.17	<b>Fund Size:</b> £70m	
Price at 30.10.20 (12:00)	<b>Accumulation</b> 120.7630p	<b>Income</b> 114.3112p
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 November 2020)	Purchases: 1.71% Redemptions: 1.38%	
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 88%
  - ❖ Bottom up driven with an asset allocation overview

## Monthly Manager Commentary

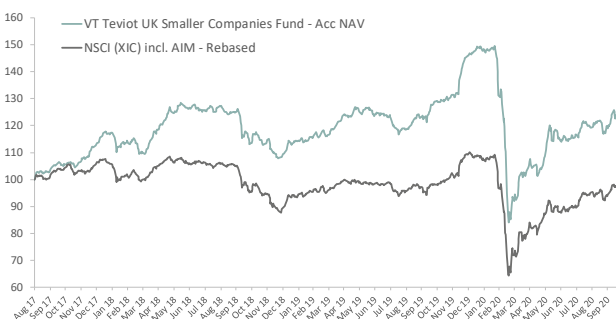
October started very positively for Markets; up to the 23rd October, the NSCI (XIC) incl. AIM increased by 4.3%. Familiar factors were at play, with optimism on scientific advances for the treatment of Covid, the possibility of some form of Brexit deal and the likelihood of a decisive US election as well as continued government stimulus. During this period some of the worst affected sectors during the crisis, and by extension more value-orientated, began to perform. This momentum ceased with the upsurge in Covid cases and the corresponding increase in restrictions in the UK and across the world. The NSCI (XIC) incl. AIM ended the month up 0.9%. The Fund rose 1.5%, with style and size positive influences on performance.

Emphasising the volatility in Markets, the biggest contributor and detractor to *relative* performance were non-holdings. Centamin fell sharply on revised production guidance, while AO World demonstrated that the switch to online retail has been accelerated during Covid.

Performance was broadly based. The holdings that contributed most positively to performance were lead by Jet2 which is expected to prosper in a post-Covid environment. Xaar also performed strongly as confidence builds in the turnaround potential of this technology rich company. The notable negative contributors were Indivior and Keller. Indivior has legacy legal issues which are close to resolution but still overshadow a very positive growth outlook for its new opioid management treatments. Keller drifted on no news.

Cash at the month end was 1.4%

## Performance



Returns (%)	1 m	3 m	YTD	1 Year	3 Years	Since Launch
The Fund	+1.5%	+3.7%	-17.3%	-6.3%	+14.7%	+20.8%
NSCI (XIC) incl. AIM	+0.9%	+6.1%	-12.9%	-2.6%	-9.1%	-4.7%
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](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)  
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## Platforms

AJ Bell  
Allfunds  
Aviva  
Hargreaves Lansdown  
Interactive Investor  
Pershing  
Transact  
7IM

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## VT Teviot UK Smaller Companies Fund

Top 10 Holdings as at 30/10/20

Holding	Sector	% of portfolio
1. De La Rue	Banknote & Authentication Solutions	4.3
2. Drax Group	Electricity Provider	3.0
3. Future	Digital Media	3.0
4. Randall & Quilter	Non-Life Insurance	2.6
5. Studio Retail Group	Online Retail	2.2
6. Premier Foods	Food Producer	2.1
7. Mothercare	Global Retail Franchise	1.9
8. Indivior	Speciality Pharmaceuticals	1.9
9. IG Design Group	Giftware Manufacturer & Designer	1.7
10. ECO Animal Health Group	Veterinary Pharmaceuticals	1.7
Total		24.4

## Market Cap Breakdown

	% of Portfolio	No. of Stocks
Above £1bn	10.0	7
£500m - £1bn	14.5	11
£250m - £500m	20.7	16
£100m - £250m	38.7	34
Below £100m	14.7	20
Cash	1.4	
Total	100.0	88

## Listing

Listing	%
Main	65.7
Aim	32.9
Cash	1.4

## 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.

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