

VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – November 2020



Key Facts		
Launch Date: 29.08.17	Fund Size: £80m	
Price at 30.11.20 (12:00)	Accumulation 143.0070p	Income 135.3668p
Sedol	BF6X212	BF6X223
ISIN	GB00BF6X2124	GB00BF6X2231
Annual Management Fee	0.75%	
Ongoing Charges	0.88%	
Minimum Investment	£1,000	
Dilution Levy: (effective 1 December 2020)	Purchases: 1.62%	Redemptions: 1.31%
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 88%
- ❖ Bottom up driven with an asset allocation overview

Monthly Manager Commentary

News of progress in vaccine trials propelled markets towards record returns over the month. The prospects for recovery in 2021 improved as investors looked beyond the currently damaging effects of the pandemic. Stocks and sectors, that for eight months had been shunned as "Covid losers", witnessed a sharp return to favour and conversely some of the "Covid beneficiaries" lagged. By extension, the value style performed strongly as the prospects improved. This reversal of style leadership was beneficial to Fund returns and was further helped by the size exposure. Economic recovery, a return of dividends and increased M&A activity are all supportive of a broader based market recovery but before anyone gets too carried away, we have to recognise the economic scarring of Covid will be with us for a long time and current stimulus measures will be reigned in.

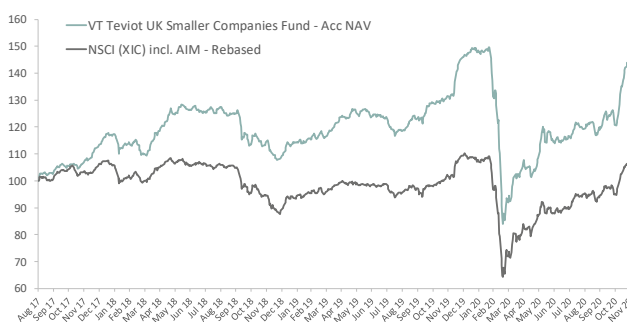
The returns were broadly spread with the share prices of 37 portfolio companies increasing by over 20% in the month. Leisure names were particularly strong with Jet2 being the largest contributor to relative returns. The prospect of a strong rebound in demand in a market with reduced supply augurs well. Renewi also performed strongly as Covid was shown not to have impaired the recovery potential.

Negative contributors were relatively few. Future fell as the Market absorbed news of an all share offer for Goco. Future's final results were strong so share price weakness appears to be due to technical factors. The next most significant negative contributor was a non-holding, ITM Power where the valuation takes a very long term view on the transition to hydrogen power.

In terms of M&A, the Fund benefitted from the corporate interest in Countrywide. Mears announced a transformational disposal.

Cash at the month end was 3.4%

Performance



Returns (%)	1 m	3 m	YTD	1 Year	3 Years	Since Launch
The Fund	+18.4%	+19.9%	-2.1%	+8.7%	+32.7%	+43.0%
NSCI (XIC) incl. AIM	+11.1%	+10.9%	-3.2%	+3.8%	+2.5%	+5.9%
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 +44 (0)1343 880344
Platforms
AJ Bell Allfunds Aviva Hargreaves Lansdown Interactive Investor Pershing Transact 7IM
Authorised Corporate Director & Administrator
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VT Teviot UK Smaller Companies Fund		
Top 10 Holdings as at 30/11/20		
Holding	Sector	% of portfolio
1. De La Rue	Banknote & Authentication Solutions	4.1
2. Drax Group	Electricity Provider	2.8
3. Randall & Quilter	Non-Life Insurance	2.6
4. IG Design Group	Giftware Manufacturer & Designer	2.0
5. Studio Retail Group	Online Retail	1.9
6. Headlam Group	Carpet Distributor	1.9
7. Future	Digital Media	1.7
8. Renewi	Waste Services	1.7
9. Mothercare	Global Retail Franchise	1.7
10. Spire Healthcare Group	Private Hospitals	1.6
Total		22.0

Market Cap Breakdown		
	% of Portfolio	No. of Stocks
Above £1bn	9.4	6
£500m - £1bn	14.3	13
£250m - £500m	25.1	21
£100m - £250m	36.1	31
Below £100m	11.7	18
Cash	3.4	
Total	100.0	89

Listing	%
Main	62.5
Aim	34.1
Cash	3.4

Fund Managers		
	<p>Andy Bamford 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>Barney Randle 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 www.valu-trac.com/teviot. 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>