

VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – January 2019



Key Facts

Launch Date: 29.08.17		Fund Size: £54m
Price at 31.01.19 (12:00)	Accumulation 114.4687p	Income 111.3767p
Sedol	BF6X212	BF6X223
ISIN	GB00BF6X2124	GB00BF6X2231
Annual Management Fee		0.75%
Ongoing Charges		0.89%
Minimum Investment		£1,000
Dilution Levy: (effective 1 February 2019)		Purchases: 1.57% Redemptions: 1.28%
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 12 companies of the available universe
- ❖ Active Share 91%
- ❖ Bottom up driven with an asset allocation overview

Monthly Manager Commentary

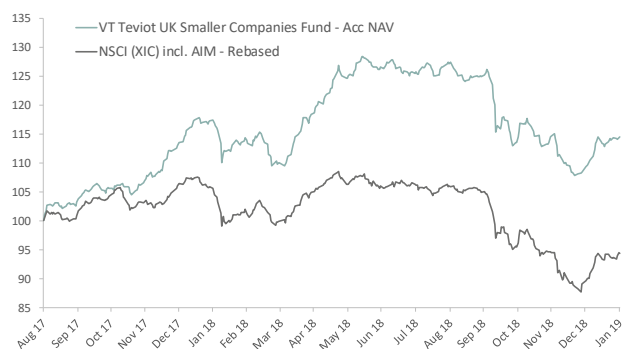
The rise in the Market over the month has to be viewed in the context of the fall in the preceding three months. It would be hard to suggest any of the macro concerns are resolved. The risk from rising interest rates has moderated in response to softening economic data, with weakness in the Eurozone becoming more evident. Sterling strengthened as hopes increased that we move closer towards some greater clarity on Brexit. The longer the period of uncertainty then the more impact it will have on UK companies. Perhaps the one thing that we can predict are further bouts of volatility.

Size exposure was a significant feature over the month with our benchmark index propelled by the larger, FT-250 companies and the smaller constituents lagging the recovery. This was a headwind for the Fund over the month, having helped in the preceding quarter.

Clarkson recovered sharply from an oversold position at the beginning of the year. Having added to the position, we are now recycling capital after a 35% rise over the month. Cairn Energy was another position where we added after share price weakness. News is expected shortly on its tax dispute with the Indian government which could be material.

Staffline, a leading provider of agency labour, fell after announcing a delay to its results. The precise reasons for the delay are unclear at this stage. Findel was soft after a poorly handled sell order has been overhanging the market. It's post Christmas trading update was very positive and the shares should recover once the seller is cleared.

Performance



Returns (%)	1 m	3 m	6 m	12 m	Since Launch
The Fund	+4.7%	-0.0%	-8.9%	-1.7%	+14.5%
NSCI (XIC) incl. AIM	+5.4%	-1.9%	-11.1%	-9.6%	-5.6%

Yearly Discrete Returns (%)

	2018
The Fund	-3.6%
NSCI (XIC) incl. AIM	-15.8%

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: www.teviotpartners.com</p> <p>Application forms and other supporting documents are also available at: www.valu-trac.com/teviot +44 (0)1343 880344</p>
Platforms
<p>AJ Bell Allfunds Hargreaves Lansdown Transact 7IM</p>
Authorised Corporate Director & Administrator
<p>*Valu-Trac Administration Services Orton, Moray, IV32 7QE</p> <p>Tel: +44 (0)1343 880344 Fax: +44 (0)1343 880267 www.valu-trac.com</p>
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<p>46 Charlotte Square Edinburgh EH2 4HQ</p> <p>Tel: +44 (0)131 510 7280 info@teviotpartners.com www.teviotpartners.com</p>

VT Teviot UK Smaller Companies Fund		
Top 10 Holdings		
Holding	Sector	% of Portfolio
1. TT Electronics	Electronic & Electrical Equipment	3.2
2. Anglo Pacific Group	Mining	2.9
3. Kin and Carta	Support Services	2.6
4. Lookers	Retailers	2.6
5. Findel	Retailers	2.5
6. Mothercare	Retailers	2.5
7. Sabre Insurance Group	Nonlife Insurance	2.4
8. Future	Media	2.2
9. TI Fluid Systems	Automobiles & Parts	2.2
10. Morses Club	Financial Services	2.2
Total		25.3

Market Cap Breakdown		
	% of Portfolio	No. of Stocks
Above £1bn	10.1	7
£500m - £1bn	11.4	7
£250m - £500m	28.2	15
£100m - £250m	20.1	15
Below £100m	26.5	26
Cash	3.7	
Total	100.0	70

Listing	%
FTSE 250	18.8
FTSE Small-Cap	41.0
Aim	36.5
Cash	3.7

Fund Managers		
	<p>Andy Bamford</p> <p>Andy has a 26-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>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>	<p>Barney Randle</p> <p>Barney has a 24-year career working for a variety of investment banks including Merrill Lynch, JP Morgan and latterly Arden Partners.</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.</p> <p>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>