

VT Teviot UK Smaller Companies Fund

Monthly Fact Sheet – November 2018



Key Facts

Launch Date: 29.08.17		Fund Size: £50m
Price at 30.11.18 (12 noon)	Accumulation 114.6955p	Income 112.7405p
Sedol	BF6X212	BF6X223
ISIN	GB00BF6X2124	GB00BF6X2231
Annual Management Fee		0.75%
Ongoing Charges		0.89%
Minimum Investment		£1,000
Dilution Levy: (effective 1 December 2018)		Purchases: 1.53% Redemptions: 1.24%
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 13 companies of the available universe
- ❖ Active Share 92%
- ❖ Bottom up driven with an asset allocation overview

Monthly Manager Commentary

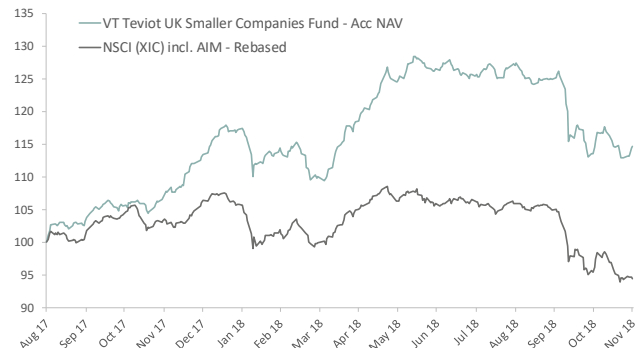
A more conciliatory tone from the Federal Reserve and further sharp falls in the oil price would often be interpreted positively by Markets. However political uncertainties remain and the UK Market, in particular, should expect further volatility given the wide range of potential outcomes on Brexit. Business, Markets and consumers crave certainty and almost any outcome, other than a “No Deal” scenario, are likely to be greeted with relief. Recent results have reflected the skittish mood of investors where the typical reaction has been to accentuate the negative and ignore the positives.

The biggest contributor to performance was Future where results exceeded expectations benefitting from organic growth and well executed acquisitions. The company has found favour with growth investors who are helping the shares to re-rate and we have reduced into this demand. Kin & Carta performed strongly as investors responded to new management and a more attractively positioned group of businesses. The re-rating potential of this company is significant.

Mothercare’s share price fell as it reported interim results covering the period of its financial restructuring. Now a £55m market cap. company, the results showed resilient international profits, a major program to reduce overheads and the company forecasts being debt free in 2019. These positives were overlooked in the face of disrupted UK trading from a store base that will shortly be radically cut. TI Fluids trading update reflected the slowdown in global automotive demand and, despite a low valuation, sentiment remains against it.

In current markets where trading volumes are thin, Teviot’s relatively small unit size of investment and consequent liquidity advantage, allows us to reposition capital as opportunities arise.

Performance



Returns (%)	1 m	3 m	6 m	YTD	12 m	Since Launch
The Fund	+0.2%	-10.0%	-8.3%	+1.1%	+6.4%	+14.7%
NSCI (XIC) incl. AIM	-1.8%	-10.8%	-11.2%	-11.2%	-8.6%	-5.6%

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.

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
AJ Bell Allfunds Hargreaves Lansdown Transact 7IM
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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VT Teviot UK Smaller Companies Fund		
Top 10 Holdings		
Holding	Sector	% of Portfolio
1. Anglo Pacific Group	Mining	3.0
2. Kin and Carta	Support Services	3.0
3. TT Electronics	Electronic & Electrical Equipment	2.9
4. Sabre Insurance Group	Nonlife Insurance	2.9
5. Ricardo	Support Services	2.7
6. Findel	Retailers	2.6
7. Mothercare	Retailers	2.6
8. IG Design Group	Household Goods	2.6
9. Future	Media	2.5
10. Lookers	Retailers	2.3
Total		27.1

Market Cap Breakdown		
	% of Portfolio	No. of Stocks
Above £1bn	5.4	3
£500m - £1bn	12.3	7
£250m - £500m	29.6	15
£100m - £250m	21.6	15
Below £100m	29.1	28
Cash	2.0	
Total	100.0	68

Listing	%
FTSE 250	11.2
FTSE Small-Cap	46.6
Aim	40.2
Cash	2.0

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

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>