

SF Webb Capital Smaller Companies Growth Fund

The fund's aim is to achieve long term capital growth from making value based investments in UK smaller companies

Fund Fact Sheet

Nov 2017
Issue 061

Fund Objective

The investment objective of the Fund is to achieve long term capital growth in excess of the Numis Smaller Companies Index from making value based investments in UK smaller companies. UK smaller companies are incorporated in the UK and have a market capitalisation no greater than £500 million at the time of investment.

Share Price, p (monthly change)

As at 30 Nov 2017

'A' Shares: **50.24** (3.02%)

'B' Shares: **74.55** (3.08%)

Fund Size

As at 30 Nov 2017

£0.702m

Number of holdings

As at 30 Nov 2017

31

Investment Manager

Peterhouse Capital Asset
Management

ACD Sharefunds Limited

Depository

BNP Paribas Securities Services

Structure

Open Ended Investment Company
UK domiciled UCITS regulated
Eligible for ISA

Launch Date

19 Nov 2007

SEDOL Code

'A' shares: B28R5W3

'B' shares: BNGMZ8

	'A' Shares	'B' Shares
Initial Charge	0.0%	0.0%
OCF*	4.22%	3.71%
	*OCF figure inclusive of 1.5% AMC	*OCF figure inclusive of 1.0% AMC

Fund Manager's Commentary

The Fund performed well during November and company news flow was quite positive. TLA Worldwide that had de-listed from AIM earlier in the year returned to market and gave a good boost to performance with a share price gain on book cost of 58%.

Interims from CML Microsystems were excellent as was a trading statement from XL Media where numbers continue to surprise on the upside. Avation acquired options on more ATR aircraft and Just Group reported ongoing cost savings greater than expected following the merger of Just Retirement Group and Partnership Assurance Group last year. dotDigital announced a substantial acquisition.

Several new investments were made as the Fund had excess liquidity following the sale of Aldermore that had been the subject of a bid.

The new investments included fast growing and acquisitive Xpediator, a freight forwarding and logistics business recently listed on AIM; Oxford Instruments, a provider of high technology products and systems for industry and research; Bilby Plc, a gas heating, electrical and building services provider serving numerous Housing Associations in the South East of England and Arena Events, the global supplier of equipment and services to major sporting and leisure venues.

There was one negative statement at Xaar where delays with new product deliveries has had an adverse impact on forecasts. However, the company has good technology and a new partnership with Xerox that I believe is of major corporate significance.

Following the write down of problematic investments last month your Manager is confident that the Fund is on a more stable basis than at any time in the past.

Ongoing uncertainty over the impact of Brexit on the UK economy and the recent rise in base rates has led to a marked slowdown in UK consumer confidence. Economic forecasters are notoriously bad at predicting the future but the share prices of cyclicals are reflecting expectations of a sharp slowdown in growth in the year ahead.

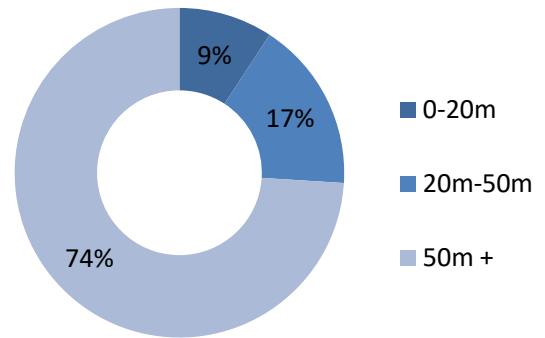
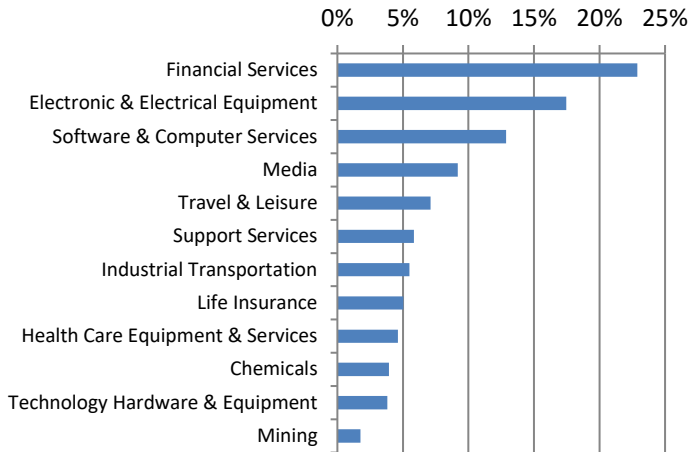
For the time being momentum remains in favour of companies with significant overseas earnings but domestically focussed companies will attract interest at some point should share prices continue their underperformance and economic conditions prove more favourable than expected.

10 largest holdings as at 30 Nov 2017 (Source: Peterhouse Capital)

Stock Name	% Fund	Stock Name	% Fund
Lighthouse Grp Plc	9.72%	Lombard Cap Plc	4.92%
Renishaw Plc	7.47%	Everyman Media Plc	4.82%
XL Media Plc	7.45%	FDM Group Hldgs Plc	4.69%
XP Power Plc	4.96%	Caretech Hldgs Plc	4.55%
Just Grp Plc	4.95%	Dotdigital Grp Plc	4.54%

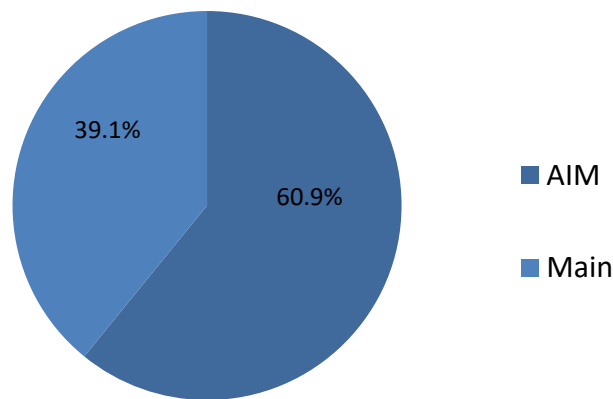
Portfolio sector breakdown as at 30 Nov 2017

Holdings by Market Cap, £ as at 30 Nov 2017



Source: Peterhouse Capital

Portfolio breakdown by LSE market listing, as at 30 Nov 2017



RISK WARNING

The value of your investment can go down as well as up and you may not get back a significant proportion of your investment.

Past performance is not a reliable indicator of future results. Forecasts in this publication are estimates based on data and market sentiment, and should be taken as so.

Webb Capital is not authorised to give advice, if you are in any doubt as to the suitability of an investment, you should seek independent financial advice.