

## Fund Fact Sheet

May 2017

Issue 055

### 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 31 May 2017

'A' Shares: **51.87** (-0.46)

'B' Shares: **76.76** (-0.42%)

### Fund Size

As at 31 May 2017

**£0.901m**

### Number of holdings

As at 31 May 2017

**35**

### Investment Manager

Webb Capital Asset Management

Peter Webb

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%	Initial Charge	0.0%
OCF*	4.22%	OCF*	3.71%
*OCF figure inclusive of 1.5% AMC		*OCF figure inclusive of 1.0% AMC	

## Fund Manager's Commentary

The unit price of the Fund fell modestly in May. The main contributor to the fall in unit price was NEX listed Milamber Ventures, the early stage business incubator, whose share price fell 24% on tiny volume. This is despite the company issuing shares for services and investment stakes at significant premiums.

Elsewhere, TLA Worldwide (event announcements), 1PM (fund raise and acquisitions), APC Technology (small share subscription) and Condor Gold (drilling updates) failed to impress investors.

On a more positive note, strong share price performances were achieved at Renishaw (sales ahead of budget), Avation (recovering from an oversold position) and CML Microsystems (trading update). XL Media and Dotdigital also performed well.

There were also updates on new business from Just Group (formerly JRP) and Aldermore as well as an AGM update from Accesso that was very encouraging. SDI issued a statement confirming that trading was in line with market expectations.

Since our last update a UK Election has come and gone and the political situation in the country is far worse than when we started. Brexit and the arguments over a hard or soft approach to discussions look set to continue and with it considerable uncertainty as to the future direction of economic policy and sterling.

This is exactly what the country did not need and Theresa May and her advisors deserve criticism for thrusting this situation upon us.

My stance is to stay liquid particularly with so much uncertainty about and as we enter the Summer period when markets are traditionally quiet.

In recent weeks investors have become more cautious as to the outlook for domestic companies and share price ratings have begun to fall to discount lower growth ahead. Overseas earners have continued to do well with sterling weakness still benefitting competitiveness.

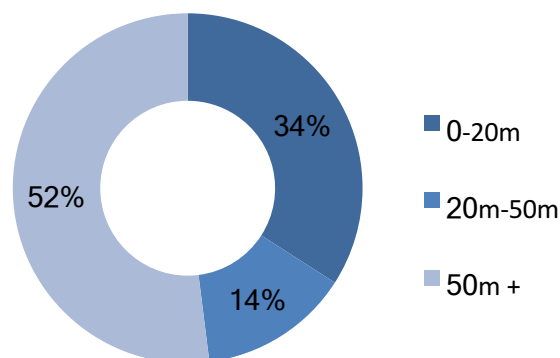
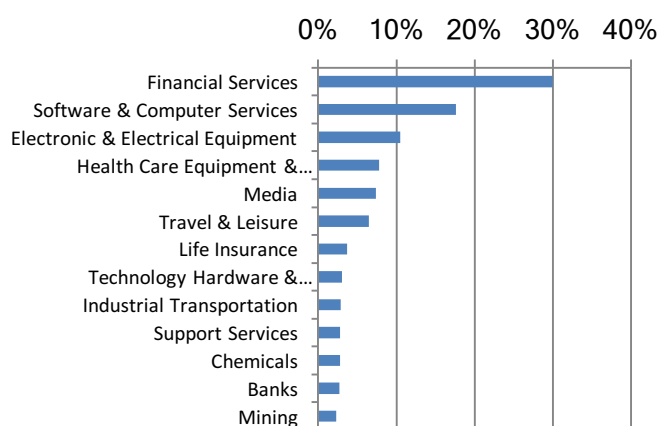
M&A activity has abated in the short term but is likely to remain a feature in markets as overseas companies look to take advantage of lower sterling and pick up companies cheaper than they were just a short while ago.

### 10 largest holdings as at 31 May 2017 (Source: Webb Capital)

Stock Name	% Fund	Stock Name	% Fund
Lombard Cap	6.60%	Scientific Digital Imaging Gbp	3.48%
Lighthouse Grp	6.17%	Syqic	3.35%
Milamber Ventures	4.47%	Arbuthnot Banking Grp	3.29%
Renishaw	4.12%	Caretech Hldgs	3.25%
Xlmedia	3.79%	Just Grp	3.20%

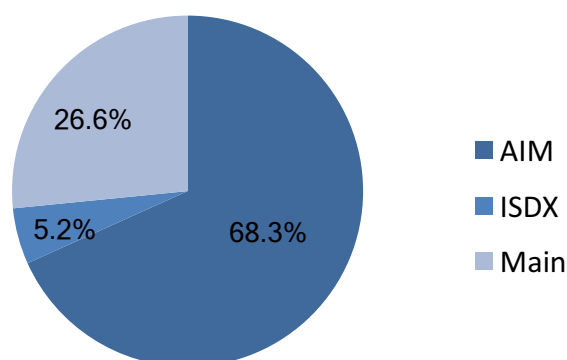
## Portfolio sector breakdown as at 31 May 2017

## Holdings by Market Cap, £ as at 31 May 2017



Source: Webb Capital

## Portfolio breakdown by LSE market listing, as at 31 May 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.**