

WS Gresham House UK Smaller Companies Fund

January 2024

Fund objective

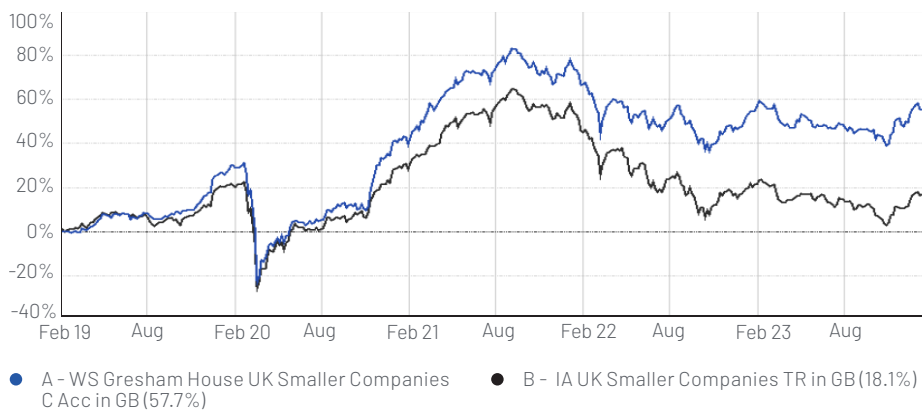
To provide capital growth over the long term (in excess of five years), after all costs and charges have been taken. **Capital invested is at risk and there is no guarantee the objective will be achieved over the time period.** The fund seeks to directly invest at least 70% of its assets in shares of smaller-sized UK companies. These are listed companies with a market capitalisation within the lowest 10% of the listed UK equities markets.

Fund rank

FE Analytics rank 4/47 over 3 years to 31 January 2024 .

Fund performance

Source: FE Analytics based on the returns of the C share class, net of charges, since launch to 31 January 2024



Cumulative performance

Source: FE Analytics, net of charges, as at 31 January 2024

Cumulative returns month ending 31 January 2024	1 month	3 months	YTD	1 year	3 years	5 years	Since launch (1 Feb 2019)
WS Gresham House UK Smaller Companies Fund	-0.8%	12.4%	-0.8%	0.5%	12.9%	N/A	57.7%
IA UK Smaller Companies	-0.1%	13.4%	-0.1%	-2.7%	-8.2%	17.9%	18.1%
Quartile	4	3	4	2	1	-	1

Discrete performance

Source: FE Analytics, net of charges, as at 31 January 2024

Discrete annual returns	YTD 2024	2023	2022	2021	2020	2019
WS Gresham House UK Smaller Companies Fund	-0.8%	7.3%	-16.0%	25.5%	10.9%	-
IA UK Smaller Companies	-0.1%	0.5%	-25.2%	22.9%	6.5%	25.3%

Performance

Performance in the WS Gresham House UK Smaller Companies Fund decreased by 0.8% during the month, underperforming the IA UK Smaller Companies sector which decreased by 0.1%.

Key positive contributions came from **Team 17** (+50%), following an update which showed strong trading over Black Friday and Christmas and reaffirmed recently revised full-year profit guidance; **Craneware** (+25%) following a positive interim trading update which indicated accelerated revenue growth and debt reduction alongside an extension of the share buyback scheme; and **Trustpilot** (+19%) following a full-year trading update which demonstrated an EBITDA performance ahead of market expectations.

The largest detractors to performance were **Elixirr** (-14%) despite the release of an in-line full-year 2023 trading update; and **XPS Pensions Group** (-11%) which de-rated on no specific news following a strong share price performance during 2023.

Capital at risk. Past performance is not a reliable indicator of future performance. Portfolio investments in smaller companies typically involve a higher degree of risk. Charts and graphs are provided for illustrative purposes only as there is no official benchmark for this fund.

Fund managers



Co-Manager
Ken Wotton
23 years' experience

Fund information

Launch date 1 February 2019

Fund size £120.3mn

Fund sector IA UK Smaller Companies

Number of holdings 38

Fund price 157.73p C Acc (as at 31 January 2024)

Pricing 12:00 noon (GMT)

ISA eligible Yes

Ratings 

Platforms hosting the Fund

- 7iM
- Aegon
- AJ Bell
- Allfunds
- Asentric
- Aviva
- BNY Mellon
- CoFunds
- FundsNetwork
- Hargreaves Lansdown
- Hubwise
- James Hay
- Novia
- Nucleus
- Platform Securities
- Praemium
- Raymond James
- SECCL
- Seven
- Standard Life Wrap
- Transact
- Wealthtime

Fund statistics¹

Source: FE Analytics, based on three years to 31 January 2024. Volatility, Alpha, Beta, Sharpe and Info Ratio are benchmarked against the Fund's own sector average

Risk ratios month ending 31 January 2024	Volatility	Alpha	Beta	Sharpe	Information Ratio
WS Gresham House UK Smaller Companies Fund	13.92	5.90	0.82	0.05	1.11
IA UK Smaller Companies	15.49	0.00	1.00	-0.01	0.00

Top 10 holdings

Holding	Description	NAV
XPS Pensions Group	Actuarial consultancy	3.7%
Trustpilot	Digital platform for consumer reviews	3.7%
Elixirr	Business management consulting firm	3.6%
Sabre Insurance	Insurance services provider	3.2%
Team17	Games label by independent developers	3.2%
Smart Metering Systems	UK smart meter provider	3.1%
Craneware	Develops and sells billing software analysis tools	3.0%
Keywords Studios	Technical and consulting services in the video game industry	3.0%
Ricardo	Engineering and environmental consultancy	2.9%
Franchise Brands	A collection of market-leading franchise businesses	2.8%

Portfolio activity

The Fund made no new investments during the period.

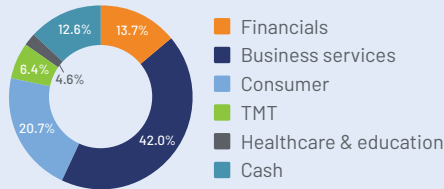
The Fund made several selective follow-on investments, including into **Ascential**, a leading international media company which recently disposed of two non-core business segments, leaving a pure-play events business with market leading brands, that trades at an attractive valuation relative to recent precedent transactions; **Keywords Studios**, the leading player in the global video game outsourcing market with a strong track record of earnings growth and cash generation since IPO; and **Team17**, an independent video game developer which had de-rated following a detailed review in wake of an unexpected profit warning in November. The Manager continues to believe the company has attractive business fundamentals and trades at a trough valuation, offering an attractive opportunity to add to the Fund's position.

The Fund made two full exits during the period; from **Watkin Jones**, following a period of underperformance due to uncertainty and delays to projects in its end market; and from **Ten Entertainment**, following the completion of its takeover by Trive Capital, a US private equity investor.

Primary share class information

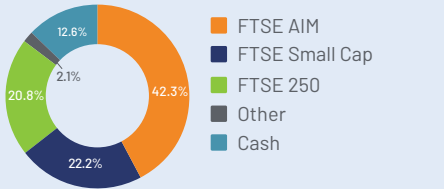
C Sterling		
Type	Acc	Inc
Minimum investment	£10,000	£10,000
Minimum top up	£1,000	£1,000
Minimum regular savings plan	n/a	n/a
Initial charge (fully discounted)	2.5%	2.5%
Annual management charge	0.90%	0.90%
Ongoing Charges	0.85%	0.85%
ISIN code	GB00BH416G53	GB00BH416F47
SEDOL code	BH416G5	BH416F4
MEX ID	LIUYA	LIOKJ

Sector allocation



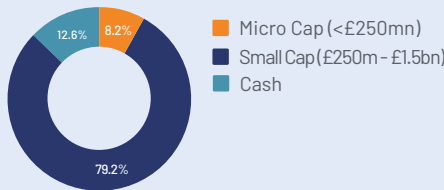
Source: Gresham House Asset Management Limited (portfolio at 31 January 2024)

Index weighting



Source: Gresham House Asset Management Limited (portfolio at 31 January 2024)

Market cap breakdown



1. Fund statistics definitions

Volatility is a statistical measurement that, when applied to an investment fund, expresses its volatility, or risk. It shows how widely a range of returns varied from the fund's average return over a particular period.

Alpha is a measure of a fund's over-or-underperformance in comparison to the benchmark of the fund. Alpha represents the extra value the manager's activities have contributed, the greater the alpha, the greater the outperformance.

Beta is a statistical estimate of a fund's volatility in comparison to its benchmark. It depicts how sensitive the fund is to movements in the section of the market that comprises the benchmark.

Sharpe is the level of a fund's return over and above the return of a notional risk-free investment, such as cash or government bonds. The difference in returns is then divided by the fund's standard deviation (volatility). This is an indication of the amount of excess return generated per unit of risk. In general it is considered that the higher the Sharpe ratio, the better.

Information ratio is a risk-adjusted measure of actively managed fund performance. It assesses the degree to which a manager uses skill and knowledge to enhance the fund returns. The higher the information ratio, the better. It is generally considered that a figure of 0.5 reflects a good performance, 0.75 very good, and 1 outstanding.

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Portfolio manager

Gresham House Asset Management Ltd (GHAM)

As the operating business of Gresham House, GHAM manages and advises funds and co-investments across a range of differentiated alternative investment strategies for third-party clients. Gresham House is a specialist asset manager and adviser with c.£8.3bn AUM.

Source: Gresham House as at 30 June 2023.

Key risks

- The value of the Fund and the income from it is not guaranteed and may fall as well as rise. As your capital is at risk you may get back less than you originally invested
- Past performance is not a reliable indicator of future performance
- Funds investing in smaller companies may carry a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid than securities in larger companies

Important information

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