

# UK Micro Cap Fund

## Fund objective

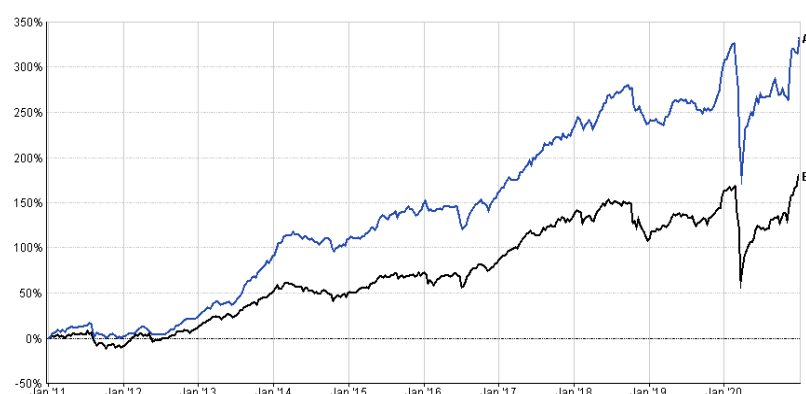
To achieve long-term capital growth through investment primarily in equities of UK companies. Investment will primarily be in an actively managed portfolio of equities of smaller UK companies traded on AIM and other UK markets which are considered to have potential for capital growth.

Investing in smaller companies, including AIM companies, can carry greater risks than those usually associated with investing in larger companies and your capital is at risk.

## Fund rank

Financial Express (FE) Rank 4/44 over 10 years to 31 December 2020.

## Fund performance



- A - LF Gresham House UK Micro Cap A Acc in GB (332.83%)
- B - IA UK Smaller Companies TR in GB (179.87%)

Source: Data from Financial Express based on the returns of the A share class, 10-year return to 31 December 2020.

## Cumulative performance

Cumulative returns	1 month	1 year	3 year	5 year	10 year	Since launch (19 May 2009)
LF Gresham House UK Micro Cap Fund	4.3%	6.5%	30.1%	73.2%	332.8%	429.4%
IA UK Smaller Companies	7.5%	6.5%	17.8%	61.9%	179.9%	363.5%
Quartile	4	2	2	2	1	2

## Discrete performance

Discrete annual returns to month ending 31 December	2020	2019	2018	2017	2016
LF Gresham House UK Micro Cap Fund	6.5%	20.4%	1.5%	27.3%	4.6%
IA UK Smaller Companies	6.5%	25.3%	-11.7%	27.2%	8.1%

Source: Financial Express

## Fund statistics

Risk ratios month ending 31 December	Volatility	Alpha	Beta	Sharpe	Info Ratio
LF Gresham House UK Micro Cap Fund	19.87	3.46	0.89	0.28	0.58
IA UK Smaller Companies	21.66	0.00	1.00	0.10	0.00

Source: Financial Express, based on 3 years to 31 December 2020.

Volatility, Alpha, Beta, Sharpe and Info Ratio are benchmarked against the Fund's own sector average.

## Fund Managers



**Lead Manager**  
Ken Wotton  
20 years' experience



**Co-Manager**  
Brendan Gulston  
10 years' experience

## Fund information

**Launch date**  
19 May 2009

**Fund size**  
£259.4m

**Fund sector**  
IA UK Smaller Companies

**Number of holdings**  
50

**Portfolio turnover rate**  
42%

**Fund price**  
204.71p C Acc, (as at 31 December 2020)

**Pricing**  
12:00 noon (GMT)

**ISA eligible**  
Yes

### Ratings



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## Useful 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 Ratio**  
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.

## Top 10 holdings

Holding	Description	NAV
Mattioli Woods	Pensions consultancy	4.1%
XPS Pensions Group	Actuarial consultancy	4.0%
Kape Technologies	Online security platform and software solutions	3.9%
Loungers	Café and bar/lounge operator	3.5%
Costain Group	Technology based construction and engineering company	3.4%
Angling Direct	Specialist fishing tackle retailer	3.4%
Inspired Energy	Energy procurement consultancy	3.3%
Randall & Quilter	Legacy acquisitions and programme management services	3.1%
Alpha Financial Markets Consulting	Financial consultancy services	3.1%
Mortgage Advice Bureau	Advisory network	3.1%

## Platforms hosting the Fund

+ Aegon	+ FNZ	+ Raymond James
+ All funds	+ FundsNetwork	+ Seven Investment Management
+ Alliance Trust	+ Hubwise	+ Standard Life Wrap
+ Ascentric	+ James Hay	+ Standard Life Elevate
+ Aviva	+ Novia	+ Transact
+ Black Diamond	+ Nucleus	+ Zurich
+ BNY Mellon	+ Parmenion	
+ Defaqto		

## Primary share class information

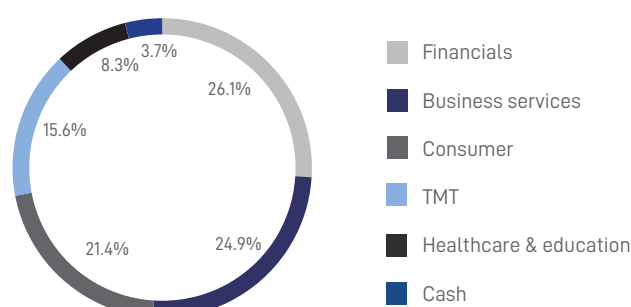
C Institutional Class		
Type	Acc	Inc
Minimum investment	£10,000	£10,000
Minimum top up	£1,000	£1,000
Minimum regular savings plan	n/a	n/a
Initial charge (fully discounted)	Up to 2.50%	Up to 2.50%
Annual management charge	0.90%	0.90%
Ongoing Charges	0.98%	0.98%
ISIN code	GB00BV9FYS80	GB00BV9FYT97
SEDOL code	BV9FYS8	BV9FYT9
MEX ID	CGAAOU	CGAAOV

## Contact details

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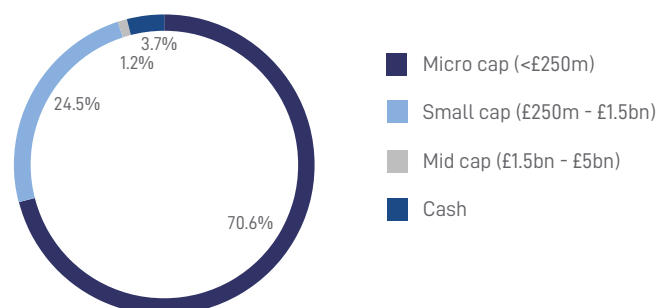
**Andy Gibb**  
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a.gibb@greshamhouse.com

## Sector allocation



Source: Gresham House Asset Management (portfolio at 31 December 2020)

## Market cap breakdown



Source: Gresham House Asset Management (portfolio at 31 December 2020)

## Index weighting

FTSE AIM	77.6%
FTSE Small Cap	15.7%
Other	3.0%
Cash	3.7%

## Portfolio Manager

### Gresham House Asset Management Ltd (GHAM)

As the operating business of Gresham House plc, GHAM manages funds and co-investments across a range of differentiated alternative investment strategies for third-party clients. Gresham House plc (ticker: LON:GHE) is a London Stock Exchange quoted specialist asset manager with c.£3.3bn assets under management, as at 30 June 2020.

## 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
- + You should note that your tax treatment in relation to any investments will depend on your individual circumstances and may be subject to change in the future. Governments may change the tax rules which affect you or the funds in which you have invested.

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