

# WS Gresham House UK Micro Cap Income Fund

February 2024

## Fund objective

To achieve capital growth over any five-year period, after all costs and charges have been taken. **Capital invested is at risk and there is no guarantee the objective will be achieved over any time period.** The fund targets to invest, up to 70% of the portfolio, in the shares of UK companies.

## Fund rank

FE Analytics rank 9/40 over 10 years to 29 February 2024.

## Fund performance

Source: FE Analytics based on the returns of the A share class, net of charges, ten-year return to 29 February 2024



● A - WS Gresham House UK Micro Cap A Acc in GB (88.9%) ● B - IA UK Smaller Companies TR in GB (57.8%)

## Cumulative performance

Source: FE Analytics, net of charges, as at 29 February 2024

| Cumulative returns month ending 29 February 2024 | 1 month | YTD   | 1 year | 3 years | 5 years | 10 years | Since launch (19 May 2009) |
|--------------------------------------------------|---------|-------|--------|---------|---------|----------|----------------------------|
| WS Gresham House UK Micro Cap Fund               | 0.7%    | 0.9%  | -0.6%  | -14.1%  | 19.1%   | 88.9%    | 391.6%                     |
| IA UK Smaller Companies                          | -1.5%   | -1.6% | -4.0%  | -13.0%  | 15.1%   | 57.8%    | 321.6%                     |
| Quartile                                         | 1       | 1     | 1      | 3       | 2       | 1        | 2                          |

## Discrete performance

Source: FE Analytics, net of charges, as at 29 February 2024

| Discrete annual returns            | YTD 2024 | 2023 | 2022   | 2021  | 2020 | 2019  |
|------------------------------------|----------|------|--------|-------|------|-------|
| WS Gresham House UK Micro Cap Fund | 0.9%     | 5.0% | -30.1% | 25.4% | 6.5% | 20.4% |
| IA UK Smaller Companies            | -1.6%    | 0.5% | -25.2% | 22.9% | 6.5% | 25.3% |

## Performance

Performance in the WS Gresham House UK Micro Cap Fund increased by 0.7% during the month, outperforming the IA UK Smaller Companies sector which decreased by 1.5%.

Key contributions came from **AdvancedADVT** (+13%) on no specific newsflow; **XPS Pensions Group** (+10%) following a trading statement which confirmed expectations of achieving full-year results at least in line with previously upgraded guidance; and **Franchise Brands** (+8%) following a well attended Capital Markets Day which outlined its medium-term growth targets.

The largest detractors to performance were **Diaceutics** (-8%) despite an announcement to enter into a strategic alliance with KPMG to facilitate joint marketing of commercialisation solutions to life sciences customers; and **Costain** (-6%) on no specific newsflow reflecting profit taking after a strong recent run in the share price.

**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



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

## Fund information

**Launch date** 19 May 2009

**Fund size** £181.4mn

**Fund sector** IA UK Smaller Companies

**Number of holdings** 41

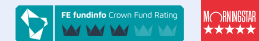
**Portfolio turnover rate** 31%  
(12-month period to 29 February 2024)

**Fund price** 190.11p C Acc (as at 29 February 2024)

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

**ISA eligible** Yes

**Ratings**



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## Platforms hosting the Fund

- Aegon
- AJ Bell
- Allfunds
- Alliance Trust
- Ascentric
- Aviva
- Black Diamond
- BNY Mellon
- Canada Life Investments
- Defaqto
- Embark
- FNZ
- FundsNetwork
- Hubwise
- James Hay
- Nexus
- Novia
- Nucleus
- Platform Securities
- Parmenion
- Raymond James
- Seven Investment Management
- Standard Life Wrap
- Standard Life Elevate
- Transact
- Wealthtime
- Zurich

## Fund statistics<sup>1</sup>

Source: FE Analytics, based on three years to 29 February 2024. Volatility, Alpha, Beta, Sharpe and Info Ratio are benchmarked against the Fund's own sector average

| Risk ratios month ending 29 February 2024 | Volatility | Alpha | Beta | Sharpe | Information Ratio |
|-------------------------------------------|------------|-------|------|--------|-------------------|
| WS Gresham House UK Micro Cap Fund        | 13.94      | -2.12 | 0.78 | -0.01  | -0.05             |
| IA UK Smaller Companies                   | 15.32      | 0.00  | 1.00 | -0.01  | 0.00              |

## Top 10 holdings

| Holding                      | Description                                         | NAV  |
|------------------------------|-----------------------------------------------------|------|
| Netcall                      | Communication equipment provider                    | 4.9% |
| Elixirr                      | Digital design and business regulation service      | 4.4% |
| Franchise Brands             | A collection of market leading franchise businesses | 4.4% |
| Fintel                       | Outsourced regulatory services provider             | 4.3% |
| Costain Group                | Construction and engineering company                | 4.3% |
| Windward                     | Maritime artificial intelligence operator           | 4.1% |
| AdvancedAdvT                 | Provides aquisition opportunities in software       | 3.7% |
| City Pub Group               | Managed pub operator                                | 3.7% |
| Angling Direct               | Specialist fishing tackle retailer                  | 3.6% |
| Strategic Equity Capital plc | Specialist UK smaller companies investment trust    | 3.4% |

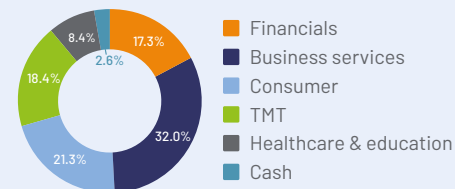
## Portfolio activity

The Fund made no full exits or no new investments during the period.

## Primary share class information

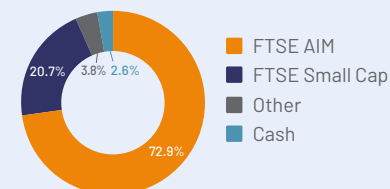
|                                   | A Class      |              | C Institutional Class |            |
|-----------------------------------|--------------|--------------|-----------------------|------------|
|                                   | Acc          | Inc          | Acc                   | Inc        |
| Type                              | Acc          | Inc          | Acc                   | Inc        |
| Minimum investment                | £100,000     | £10,000      | £10,000               | £10,000    |
| Minimum top up                    | £10,000      | £1,000       | £1,000                | £1,000     |
| Minimum regular savings plan      | N/A          | N/A          | N/A                   | N/A        |
| Initial charge (fully discounted) | Up to 5%     | Up to 2.5%   | Up to 2.5%            | Up to 2.5% |
| Annual management charge          | 0.90%        | 0.90%        | 0.90%                 | 0.90%      |
| Ongoing Charges                   | 0.97%        | 0.97%        | 0.97%                 | 0.97%      |
| ISIN code                         | GB00B55S9X98 | GB00BV9FYS80 | GB00BV9FYT97          |            |
| SEDOL code                        | B55S9X9      | BV9FYS8      | BV9FYT9               |            |
| MEX ID                            | SWBAAJ       | CGAAOU       | CGAAOV                |            |

## Sector allocation



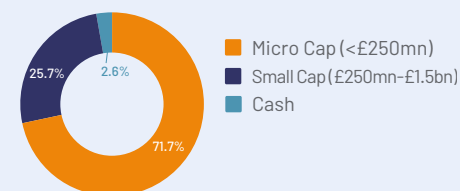
Source: Gresham House Asset Management Limited (portfolio at 29 February 2024)

## Index weighting



Source: Gresham House Asset Management Limited (portfolio at 29 February 2024)

## Market cap breakdown



Source: Gresham House Asset Management Limited (portfolio at 29 February 2024)

## 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.£8.5bn AUM.

Source: Gresham House as at 31 December 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

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