



WS Amati UK Listed Smaller Companies Fund

Fund Objective

The Fund aims to achieve long-term capital growth over periods of 5 years or longer. The Fund invests in UK smaller companies. For further information on our objectives and policy, please view the Key Investor Information Document (KIID) [here](#).

Contact Details

Investment Manager ACD of the Fund

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Key Information

Launch Date December 1998

Fund Size £434m

B Share Class 1,077.08p

Dealing Line +44(0)115 988 8275

IA Sector UK Smaller Cos

No. of Holdings 65

Minimum Investment £1,000

Net Dividend Yield 2.5%

Min Lump Sum Regular £50/month

Share Type Accumulation

Scheme Type UK UCITS

ISIN GB00B2NG4R39

Benchmark Deutsche Numis Smaller Cos Index (plus AIM ex. Investment Cos), Total Return

Charges (no initial) Ongoing: 0.86% (inc 0.75% Annual Mgt Charge plus research charge of up to 0.10%)

Investment Team



Dr Paul Jourdan
CEO & Fund Manager



David Stevenson
Director & Fund Manager



Dr Gareth Blades
Analyst



Scott McKenzie
Fund Manager

Ratings, Awards & Signatories



To view all fund awards, please [click here](#)

10 Largest Holdings

% OF TOTAL ASSETS

Qinetiq Group	4.0%
OSB Group	3.4%
Vistry Group	3.1%
Alpha Group	2.5%
Trainline	2.4%
MJ Gleeson	2.4%
Gamma Communications	2.4%
Indivior	2.3%
TT Electronics	2.3%
Polar Capital	2.2%

Cumulative Performance

(B CLASS)#

	Fund Return #(%)	Benchmark Return (%)	Avg Sector ##(%)	Q'tile Rank
1 month	-3.32	-2.19	-1.53	4
3 months	4.18	4.47	5.27	4
6 months	-1.92	1.22	3.78	4
1 year	-10.81	-5.80	-4.02	4
3 years	-29.65	-11.61	-12.99	4
5 years	1.62	11.92	15.12	4
10 years	88.98	33.73	57.79	1
Since take-on*	627.90	228.84	319.39	1

Cumulative performance data as at 29/02/2024

Total return, after all charges, net of UK tax.

IA UK Smaller Cos Sector Total Return.

* Since take-on 31/08/2000

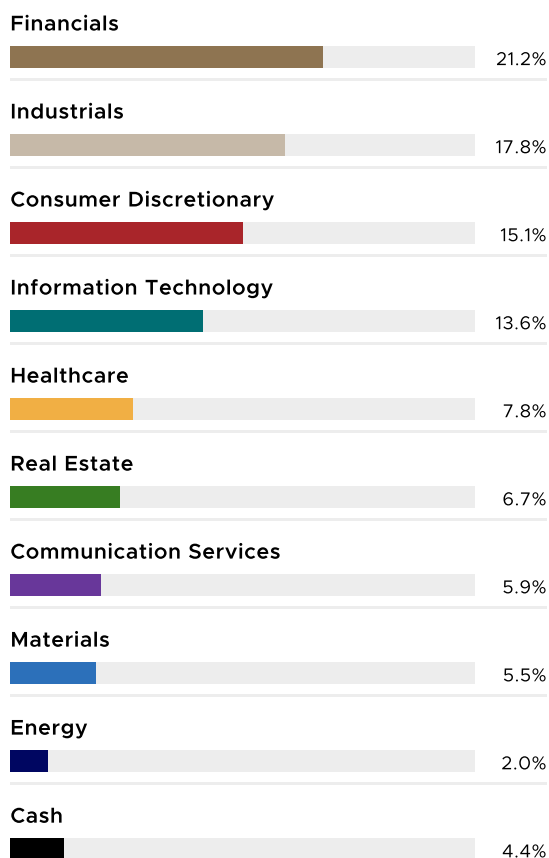
Past performance is not a reliable indicator of future performance.

Discrete Annual Performance

(B CLASS)#

	Fund Return (%)	Benchmark Return (%)
29/02/2024	-10.81	-5.80
28/02/2023	-14.76	-7.54
28/02/2022	-7.47	1.48
26/02/2021	31.49	24.88
28/02/2020	9.86	1.40

Sector Weightings



Source: Amati Global Investors as at 29/02/2024

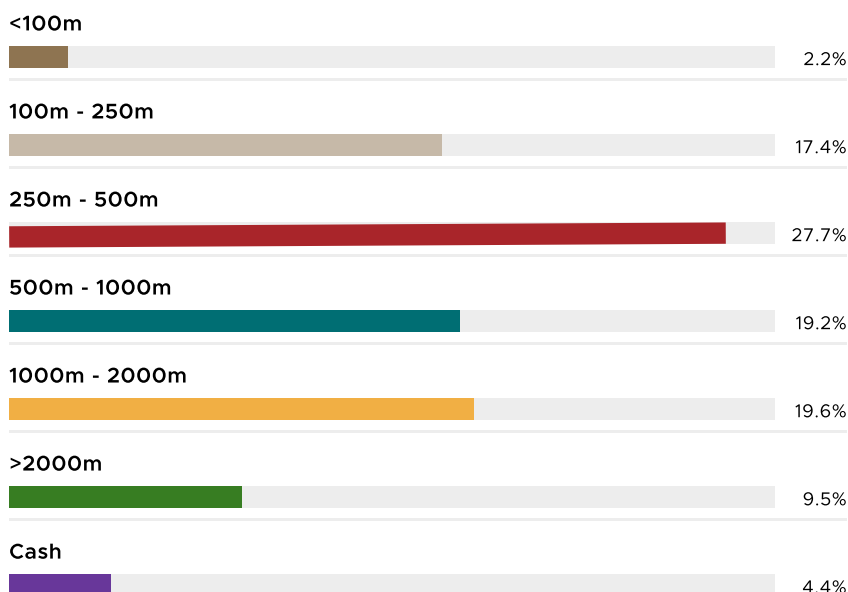
Geographical Distribution by Revenue



	United Kingdom	53.8%
	Europe (ex UK)	13.3%
	North America	17.8%
	Rest of the World	15.1%

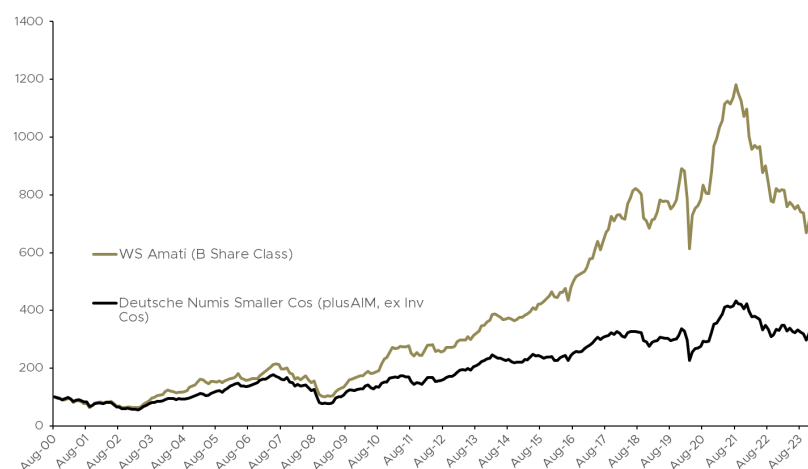
Source: Amati Global Investors as at 29/02/2024

Market Cap (£)



Source: Amati Global Investors as at 29/02/2024

Performance vs Benchmark



Source: Amati Global Investors as at 29/02/2024

*WS Amati UK Listed Smaller Companies Fund, Total Return, since Paul Jourdan take-on of predecessor fund (31 August 2000). See Key Investor Information Document p.2.


**Deutsche Numis Smaller Companies Index (plus AIM, excluding Investment Companies), Total Return. The stocks comprising the index are aligned with the Fund's objectives, and on that basis, the index is considered an appropriate performance comparator for the Fund. Please note that the Fund is not constrained by or managed to the index.

##The Investment Association's UK Smaller Companies sector return gives investors an indication of how the Fund is performing compared with others investing in a similar, but not identical, investment universe. Sources: Waystone Management (UK) Limited, Financial Express Analytics and Deutsche Numis Securities. Information in this factsheet is at the last valuation point of the month, except where indicated.

The Fund was launched on 18 December 1998 as the First State British Smaller Companies Fund, of which Paul Jourdan was appointed manager on 31 August 2000. The present Fund was created as a new investment structure in July 2008 by the transfer of the assets to Capita Financial Managers, at which time the name was changed to CF Noble UK Smaller Companies Fund and later to CF Amati UK Smaller Companies Fund. The Fund was renamed TB Amati UK Smaller Companies Fund on 1 August 2012 following the appointment of T Bailey Fund Services as Authorised Corporate Director (ACD). On 31 August 2022 the Fund was renamed TB Amati UK Listed Companies Fund. On 3 October 2023 the Fund was renamed WS Amati UK Listed Smaller Companies Fund following the acquisition of T Bailey by Waystone Management (UK) Limited.

Past performance is not a reliable indicator of future performance.

 Investment Report

Please [click here](#) for audio 

Global equity markets continued their upward trend in February on the back of positive corporate results (particularly from Big Tech) and an improving economic growth backdrop. Momentum effects were strong with many of the largest index constituents continuing to lead the charge in markets such as the US and Europe. Japan hit a thirty-four year high too. However, the UK equity market remained a laggard, with the large cap index flat and small and midcaps down over the month. Rate cut expectations continued to be tempered across the UK, US and Europe and we saw rising government bond yields, with ten-year gilt yields increasing from 3.75% to 4.2% and US Treasury yields moving from 3.9% to 4.2%. This led to a reversal in some of the more interest-rate sensitive sectors which had recovered well in prior months, as well as smaller companies in general.

UK economic data overall remains mixed and the fourth quarter GDP figures did confirm a shallow recession. Most commentators see this as being relatively short-lived, however, and the recent OBR forecasts suggest some recovery in UK GDP, with +0.8% expected in 2024 and +1.8% in 2025. Services inflation remains stubbornly high, but there appears to be a path towards lower inflation over the next few months. We still expect to see real income growth and low levels of unemployment. There are now signs of better conditions in the mortgage market and improving house prices again. Whilst cuts are not expected immediately, rates should be in a position to start falling in 2024, bringing some respite to mortgage holders, businesses and governments. The outlook remains somewhat muted and volatile ahead of the election later this year but overall the UK economy feels more stable than it has in recent years.

Market sentiment towards UK equities (and smaller companies in particular) remains fragile and it is disappointing to see further outflows from UK equity funds, continuing the weak trend of recent years. It is crucial that action is taken to re-establish the UK as an attractive place for companies to list and raise capital, leading to improved liquidity at the lower end of the UK stock market. There is now a far broader acknowledgement of the issues which have been holding back UK capital markets, with a wide range of possible solutions emerging to incentivise increased investment and listings in UK growth businesses. These initiatives are broadly supported across the political spectrum.

February was a reminder that the path to recovery will not be straight and a number of companies have warned for the year ahead in recent weeks. The forthcoming results season is therefore important. It should not take much for confidence to improve and we have recently seen takeover bids for businesses such as Wincanton, Virgin Money and Spirent as well as significant numbers of quoted companies doing share buybacks. This supports our belief that there is compelling value on offer in UK public markets right now.

The Fund had a poor month, falling by -3.3% in February compared to the Numis Smaller Companies & AIM benchmark return of -2.2%.

Performance suffered from several company-specific profit warnings during the period. Despite concluding its equity raise in late 2023 and rallying, **XP Power** fell by 28% as it warned of ongoing destocking in its industrial and medical markets. **Halfords** also issued a warning in late February in relation to its motoring and cycling retailing businesses. This came towards the end of its financial year and left profits well below the base level we had hoped to see. Another notable laggard was **Bytes Technology**, where the CEO resigned unexpectedly and the shares fell by 15%. The Fund had taken some profit prior to this but the stock had been highly rated and this was an unexpected development.

Two of our early-stage investments saw setbacks during the month. **Creo Medical** fell sharply on its trading update, having performed very strongly prior to that. The long term thesis remains intact here we believe, but the shares saw profit taking as investors took varying views on its potential. Of greater concern was the sad demise of e-drives business **Saietta**, where the holding was sold for a nominal sum ahead of the business appointing administrators, after discussions with a trade funding partner broke down at a late stage.

Our most notable positive was pharma group **Indivior**, which rose 27% on increased sales guidance for 2024. With litigation concerns now increasingly behind them the future appears much brighter here. Some of our tech-related holdings made good gains, with **Alpha Group**, **Gamma Communications** and **Advanced ADVT** all making positive contributions. Our housebuilding holdings, **Vistry** and **MJ Gleeson**, both continued to perform well despite challenges in the new housing market and we see both as being well placed to benefit from an increased focus on affordable housing. **Franchise Brands** shares rose nicely after a well-received capital markets event.

We introduced two new holdings to the portfolio, both of which are in the alternative asset management sector. **Foresight Group** specialises in infrastructure and real assets as well as regional private equity and has also developed a large presence in Australia since IPO. Despite strong growth in assets the shares remain very modestly valued. **Pollen Street** has recently emerged as a quoted private equity and private credit manager, having reversed into an investment trust they had previously managed. It is not yet well known amongst UK investors and we have established a position ahead of them reaching a wider audience. Two holdings were sold – **Saietta** and **Amaroq Minerals**. The latter had performed strongly, having made a number of mineral discoveries recently. Profits were taken in several larger positions which had performed well, including **Ashtead Technology**, **Bytes** and **Craneware**. It is also worth noting that in the early part of March we received an agreed cash takeover bid for the Fund's holding in **Spirent** at a substantial premium to the end of February price.



Written by
Scott McKenzie

 **Risk Warnings**

This factsheet is issued by Amati Global Investors Ltd, which is authorised and regulated by the Financial Conduct Authority.

The value of your investment is not guaranteed and may go down as well as up and you may not get back the amount invested. This is because the share price is determined by the changing conditions in the markets in which the Fund invests. You should regard your investments as long-term. A dilution levy may be applied to the share price whenever the Fund is expanding or contracting. Should you buy when the Fund is expanding and sell when the Fund is contracting, this will have an adverse impact on the return from your investments. Full details of the WS Amati UK Listed Smaller Companies Fund, including costs and risk warnings, are published in the Prospectus of the WS Amati Investment Funds. This factsheet does not provide you with all the facts that you need to make an informed decision about investing in the Fund. You need to read the associated Key Investor Information Document (KIID) and the Supplementary Information Document (SID) and decide whether to contact an authorised intermediary. If you do not already have a copy, please contact Waystone Fund Services (UK) Limited on 0115 988 8275 (<https://www.waystone.com/our-funds/waystone-fund-services-uk-limited/>). The SID details your cancellation rights (if any) and the KIID shows you how charges and expenses might affect your investment. Tax rates, as well as the treatment of OEICs, could change at any time.

Smaller Companies - Investment in smaller companies can be higher risk than investment in well established blue chip companies. Funds investing significantly in smaller companies can be subject to more volatility due to the limited marketability of the underlying asset.

Please ensure you read the Risk Warnings above. Before making an investment, you should ensure that you have read and understood the relevant Key Investor Information Document, available from Smaller Companies Fund Literature.