

Amati AIM IHT Portfolio Service

Fund Objective

The Service operates on the basis of a Model Portfolio of AIM-quoted stocks, which provides the template for the discretionary management of portfolios held by clients of wealth managers and other intermediaries. The stocks chosen for the Model Portfolio are those that to the best of our knowledge are likely to qualify for Business Property Relief ("BPR"), and as such could potentially provide up to 100% inheritance tax relief after a holding period of two years (subject to the final determination of HMRC). Dividends received from portfolio companies are reinvested.

Contact Details

Investment Manager

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Key Information

Total Assets	£55.3m
Minimum Investment	£50,000
Launch Date	29 August 2014
ISAable	Yes
No. of Holdings	30
Market Cap Range	£54m - £3,008m
Weighted Average Market Cap	£517m
Yield	2.27%

Shares must have been held for at least two years and must continue to be held as shares meeting the requirements of BPR legislation, until the death of the donor, so it is advisable to ensure that the client's will clearly identifies which beneficiary is to inherit the shares.

Standardised portfolio, based on Amati's Model Portfolio template

Tax relief can be restricted where a portfolio company owns 'excepted' assets not used for the purposes of the trade

Shareholdings must be in companies whose businesses are not wholly, or mainly, that of dealing in securities; land & buildings; or the making and holding of investments. For further information, please visit our IHT page [here](#).

Investment Team



Dr Paul Jourdan
CEO & Fund Manager



David Stevenson
Director & Fund Manager



Dr Gareth Blades
Analyst



Scott McKenzie
Fund Manager

Ratings & Signatories



Charges

Investment Management Fee	Annual 1% plus VAT on portfolio value, paid monthly in arrears No initial charges No additional platform or manager fees for dealing
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Administration and Custody Charges	Annual 0.3% on portfolio value, subject to a £120 minimum and a £3,000 maximum, paid quarterly in arrears Annual £35 nominee fee No additional charge for the ISA wrapper HMRC-approved probate valuations £25
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Other charges	Advisory charges as agreed between the client and their financial adviser
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Cumulative Performance

	AIM IHT Return (%)*	Index Return (%)**
1 month	-6.03	-3.79
3 months	-4.46	-2.58
6 months	-4.76	0.63
1 year	3.64	2.86
2 years	-7.23	-5.28
3 years	-35.63	-37.86
5 years	-4.50	-10.54
Since Launch#	85.50	8.02

Cumulative performance data as at 30/09/2024

*Amati AIM IHT Model Portfolio dividends reinvested, net of AMC, platform fees and trading costs, excluding advisory charges

**Deutsche Numis Alternative Markets Total Index Return
#29 August 2014

Discrete Annual Performance

	Fund Return (%)	Benchmark Return (%)
30/09/2024	3.64	2.86
29/09/2023	-10.49	-7.92
30/09/2022	-30.62	-34.40
30/09/2021	48.14	30.73
30/09/2020	0.15	10.13

Discrete performance data as at 30/09/2024

Past performance is not a reliable indicator of future performance.

ARC Peer Group Analysis/Rankings (as at 30/06/2024)

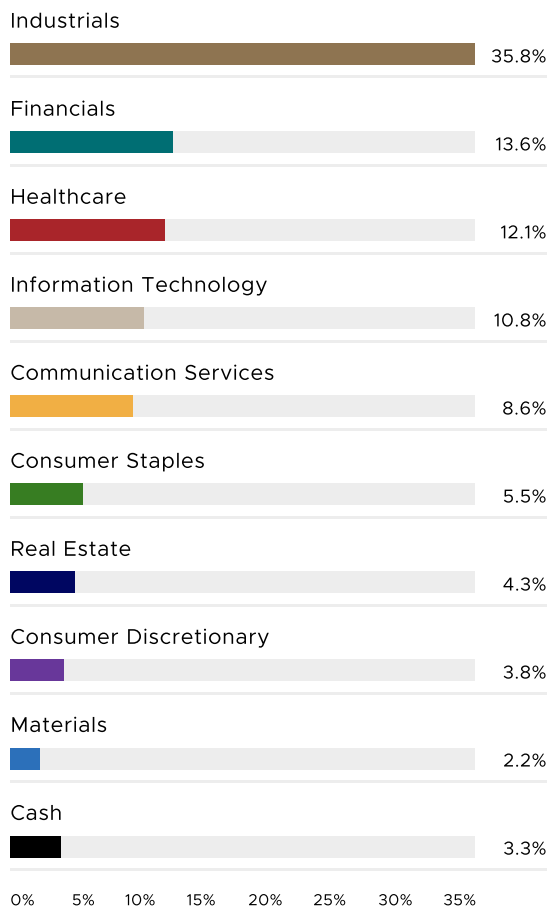
Percentiles and Return %	Last quarter	1 year	3 year	5 years	Since Launch
25th Percentile	5.81	9.54	-15.81	13.20	65.57
50th Percentile	4.27	5.87	-24.70	-0.54	43.11
75th Percentile	3.47	0.98	-29.49	-10.00	23.53
Amati Model Portfolio	-0.31	-2.51	-28.43	-3.20	94.12

Percentiles and Return %	YTD	2023	2022	2021	2020
25th Percentile	5.23	-0.03	-22.56	23.95	4.59
50th Percentile	1.86	-3.20	-24.19	19.07	3.16
75th Percentile	-1.29	-5.40	-26.70	13.47	-1.16
Amati Model Portfolio	-1.29	-3.20	-26.26	19.46	5.88

Source: ARC Research Ltd PCI as at 30/06/2024

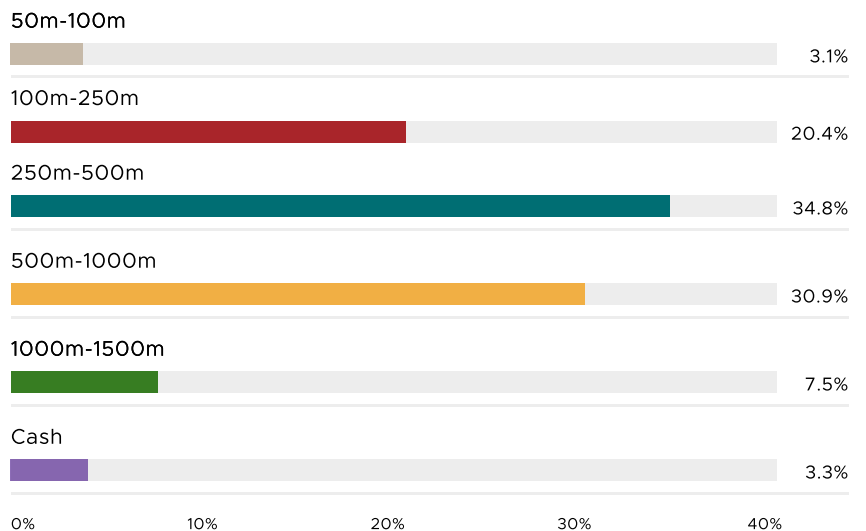
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Sector Weightings



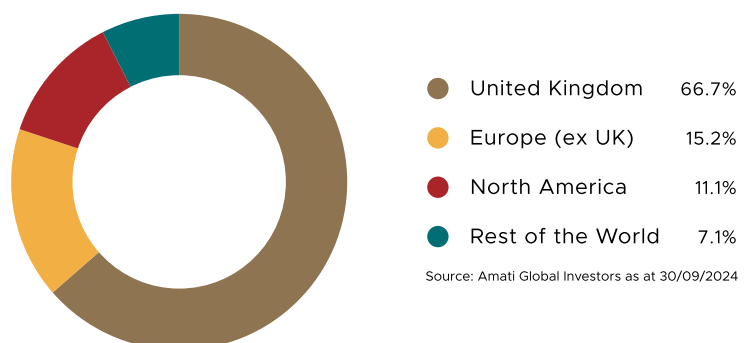
Source: Amati Global Investors as at 30/09/2024

Market Cap (£)



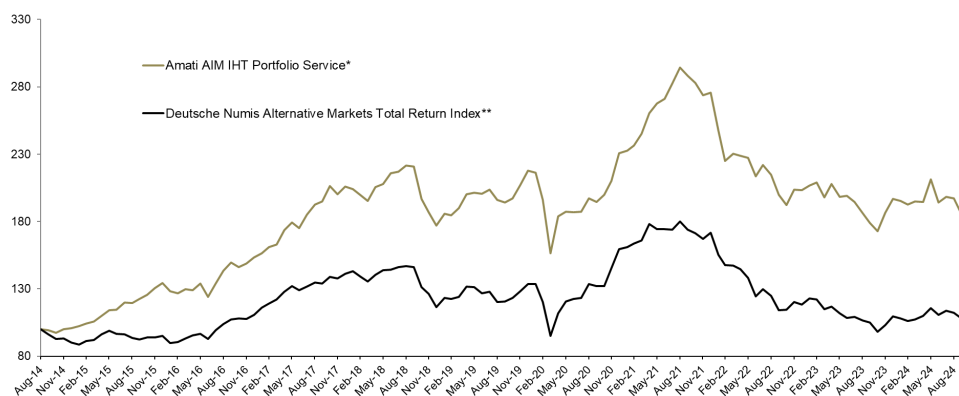
Source: Amati Global Investors as at 30/09/2024

Geographical Distribution by Revenue



Source: Amati Global Investors as at 30/09/2024

Performance vs Benchmark



Source: Amati Global Investors as at 30/09/2024

*Amati AIM IHT Model Portfolio dividends reinvested, net of AMC, platform fees and trading costs, excluding advisory charges (re-based to 100).

**The stocks comprising the Index are aligned with the objectives of the Service, and on that basis the Index is considered an appropriate performance comparator for the Service. Please note that the Fund is not constrained by or managed to the Index.

Sources: Amati Global Investors Ltd and Numis Securities Ltd.

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Investment Report

Markets received twin boosts in the month, with the US Federal Reserve beginning its easing cycle with a larger than expected 50bps cut, and then later, the unveiling of significant monetary and fiscal stimulus measures by Chinese authorities. This created a tailwind for global equities despite growing hostilities in the Middle East but, frustratingly, the UK once again refused to join in, with the main index flat over the month. The Bank of England stayed its hand on further rate cuts as UK inflation remained firm, whilst a stubborn pattern of scattered profit warnings kept investors on the backfoot. UK market sentiment is also being held back by the looming Autumn Budget, with concerns about tax increases and spending cuts uppermost in investors' minds. The AIM market in particular continues to experience significant headwinds due to the possible removal of IHT reliefs. Whilst there has been much discussion of this in the press, particularly from those who have little sympathy towards AIM, Government officials have said nothing on this subject. Given the level of negativity stemming from speculation about what might happen, there is the potential for a substantial rally in AIM shares if the rules around AIM and IHT reliefs are not changed in the Budget, even more so if other feared tax changes, such as an increase in the rate of capital gains tax, turn out to be more benign than expected. The UK economy has so far performed better than expected in 2024, with sustained (if slowing) economic growth and the prospect of further rate cuts to come.



David Stevenson
Director & Fund Manager

Risk Warning

Investment in smaller companies can be higher risk than investment in well-established blue chip companies. Portfolios investing significantly in smaller companies can be subject to more volatility due to the limited marketability of the underlying asset. Amati, in its capacity as discretionary investment manager, will select stocks which it expects to qualify for BPR, but it cannot guarantee 100% of the portfolio will be exempt from IHT after 2 years, nor that the qualification rules as set out by HMRC will not change in future in a way that affects the status of individual holdings.

Any investment in equities is subject to risk, and smaller companies can involve more risk than larger companies. Illiquidity means that buying and selling portfolio holdings may take time, and in a worst case scenario companies could be delisted from AIM making them very difficult to deal in. This Investment product places your capital at risk and you may not get back the full amount invested. Tax treatment may be subject to change and depends on the individual circumstances of each investor. The availability of tax reliefs also depends on the investee companies maintaining their qualifying status. Neither past performance or forecasts are reliable indicators of future results and should not be relied upon. Unquoted or smaller company shares quoted on AIM are likely to have higher volatility and liquidity risks than other types of shares on the London Stock Exchange Official List. This content is not intended to constitute investment, tax or legal advice. Investors should consult their professional financial adviser to determine the suitability of this investment before they proceed.