



B Share Class
1193.55p

CITYWIRE / AAA

CITYWIRE / PLATINUM

TB AMATI UK SMALLER COMPANIES

SEPTEMBER 2020

10 Largest Holdings (% of total assets)

Gear4Music	2.4%
OneSavings Bank	2.4%
SDL	2.3%
Grainger	2.3%
Dechra	2.2%
Sumo	2.1%
Oxford Biomedica	2.0%
Spirent	2.0%
Draper Esprit	2.0%
Gamma	1.9%

Discrete Performance (B Class)#

Period 12 Months to	Fund Return %	Bench- mark Return %
30.09.2020	5.77	-2.78
30.09.2019	-5.02	-7.34
30.09.2018	17.98	3.04
30.09.2017	31.40	21.26
30.09.2016	20.05	10.02

Cumulative Performance (B Class)#

Time Period	Fund Return %	Bench- mark Return %	Avg Sector Return ##%	Q'tile Rank
3mths	5.75	7.65	5.13	2
6mths	31.58	28.29	25.17	1
1yr	5.77	-2.78	-0.37	2
3yrs	18.52	-7.19	2.50	1
5yrs	86.95	23.83	38.10	1
10yrs	273.93	97.57	162.30	1

#Total return, after all charges, net of UK tax. Cumulative performance data as at 30 September 2020. ##IA UK Smaller Cos Sector Total Return.

INVESTMENT REPORT

September is always a busy, back-to-school month, full of results, presentations and calls with management. 2020 was of course different – the academic year did begin, but with students confined to halls amid Covid outbreaks. Management discussions were via Zoom and results were generally discussed in terms of ‘pre-lockdown’ and ‘post-lockdown’.

One of the teams I spoke to described the economic recovery as K-shaped, with some sectors continuing to suffer badly, and a sharp recovery in others. The stockmarket reflects this. Coronavirus, stay at home ‘winners’ such as selected healthcare and technology stocks and ecommerce, continue to trade well, whereas leisure, retail and travel stocks underperform. Companies that used to talk about like-for-like stores sales and falls, now talk about, say, trading at 70% of last year’s levels, perhaps feeling it sounds better than a 30% drop. The investor focus turns to breakeven points and the strength of the balance sheet for these stretched companies. As further restrictions seem inevitable, there seems little to make these trends reverse, and therefore the extent to which this is reflected in valuations, either high or low, is not altogether clear. The tipping point seems yet further away.

September was a challenging month for the Smaller Companies Fund, which fell 3.2% against the Numis Smaller Companies Index which fell just 1.1%.

Some of our stocks with lower market capitalisations suffered particularly poorly in a volatile and thin market and a

newsflow vacuum. These included **Synairgen**, **Morses Club**, **Eqtec**, **Simec Atlantis** and **Equals**. Others responded poorly to results, such as **Pebble Group**. The company, new to market in December 2019, withdrew guidance when the pandemic hit and the single analyst covering the stock was left somewhat rudderless. Numbers in September slightly missed Berenberg’s guesstimates. However, having spoken to management we still believe the company is well positioned, and that in particular, its **FacilisGroup** division has strong growth potential, as more suppliers of promotional goods join the platform, enabling them to develop additional income streams as well as reduce headcount and other costs.

SDL rose strongly in August as a result of an all-share merger announced by rival **RWS**. Both shares have struggled during the month, despite court approval of the deal.

Sumo Group announced good numbers and a compelling acquisition which has helped drive the stock higher over the month. Other video gaming stocks also continue to perform well and **Frontier Developments** also delivered excellent sales growth and was a strong contributor to performance over September. The ‘stay at home’ beneficiaries such as **Focusrite** and **Gear4Music** also did well as further lockdown restrictions were announced across Europe. We continued to add to our positions in ‘newer economy’ stocks, adding to our holdings in **Codemasters**, **Draper Esprit** and **CMC markets**.

Anna Macdonald

INVESTMENT 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) at: http://amatiglobal.com/smco_literature.php

Key Information

Launch Date	December 1998*
Fund Size	£451.2m
Dealing Line	+44 (0) 115 988 8275
IA Sector	UK Smaller Companies
Benchmark	Numis Smaller Companies Index (plus AIM, ex Investment Cos), Total Return
No. of holdings	75
Min Investment	£1,000
Net Dividend Yield	1.1%
Lump sum regular	£50/month
Charges	Initial: 0.0% Ongoing Charges Figure: 0.89% (inc. annual management charge of 0.75% and research charge of 0.10%)
Share Type	Accumulation
Scheme	UK authorized ICVC
ISIN	GB00B2NG4R39

Investment Team



Dr Paul Jourdan
Fund Manager



David Stevenson
Fund Manager



Anna Macdonald
Fund Manager



Dr Gareth Blades
Analyst

PERFORMANCE VS. BENCHMARK

Source: Amati Global Investors as at 30 September 2020



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

**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 the Fund is not constrained by or managed to the index.

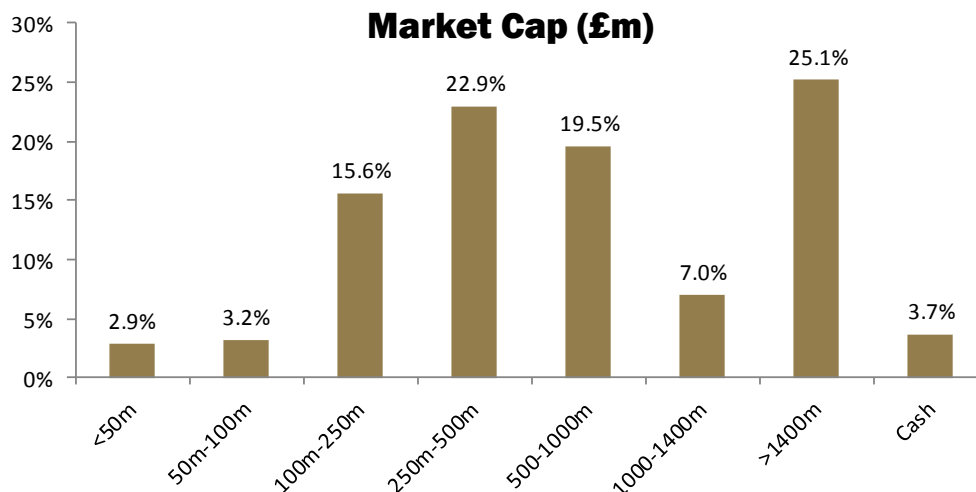
##The Investment Association's UK Smaller Companies sector return gives investors an indication of how the Fund is performing compared with others investing in a similar, but not identical, investment universe.

Sources: T. Bailey Fund Services, Financial Express Analytics and Numis Securities. Information in this factsheet is at the last valuation point of the month, except where indicated.

Past performance is not a reliable indicator of future performance.

*The launch date refers to the forerunner of the Fund, 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).

Market Cap (£m)



Investment Manager

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amati-investments-funds

Please ensure you read the
Risk Warnings section below.
Before making an investment,
you should ensure that you
have read and understood the
relevant Key Investor Infor-
mation Document, available
from
[http://amatiglobal.com/smco_
literature.php](http://amatiglobal.com/smco_literature.php)

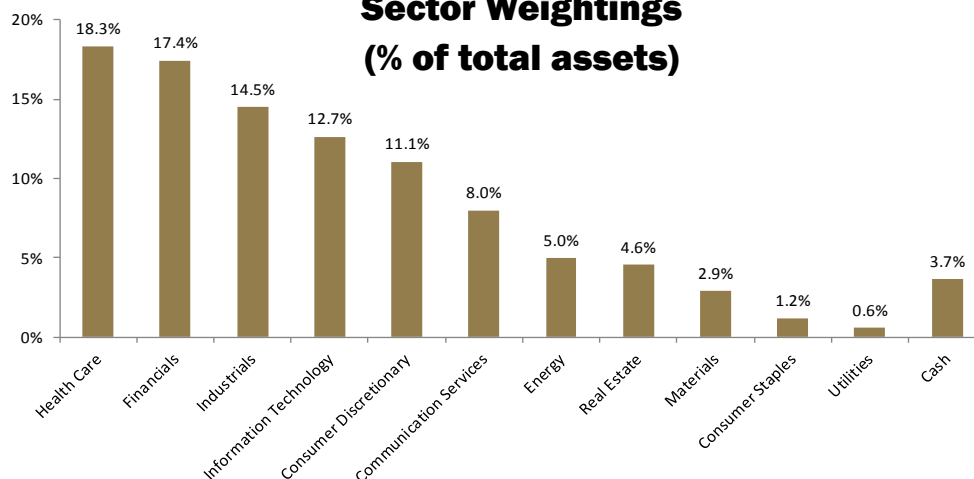


Signatory of:



Finely crafted investments

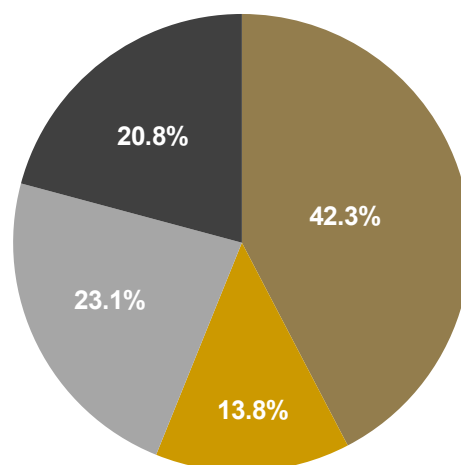
Sector Weightings (% of total assets)



Source: Amati Global Investors as at 30 September 2020

Geographical Distribution by Revenue

- United Kingdom
- Europe (ex. UK)
- North America
- Rest of World



Source: Amati Global Investors as at 30 September 2020

RISK WARNINGS

This factsheet is issued by Amati Global Investors Ltd, 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 TB Amati UK Smaller Companies Fund, including costs and risk warnings, are published in the Prospectus of the TB 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 T. Bailey on 0115 988 8275 (www.tbaileyfs.co.uk/funds/tb-amati-investment-funds). 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 OE-ICs, 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.