

ASI (AAM) UK Smaller Companies Fund

(From 7 August 2019 the fund name was amended from Aberdeen UK Smaller Companies Equity Fund to ASI (AAM) UK Smaller Companies Fund)

I Acc

Performance Data and Analytics to 31 August 2019

Objectives and investment policy

Objective: To generate growth over the long term (5 years or more) by investing in UK smaller capitalisation equities (company shares).

Please note: Our factsheets will be fully updated to reflect the 7 August 2019 changes to the Investment Objective and Policy, including benchmark use, shortly. In the interim, please see the KIID which can be found at <https://www.aberdeenstandard.com/en/uk/investor/fund-centre#literature> for full up to date information.

Performance (%)

	1 month	3 months	6 months	1 year	Annualised		
					3 years	5 years	Launch
Fund	-2.24	-5.65	5.52	-7.95	8.18	7.34	10.18
Benchmark	-2.15	-6.11	-2.38	-10.50	2.50	4.50	10.16
Difference	-0.09	0.46	7.91	2.55	5.68	2.84	0.03
Sector average	-3.16	-3.90	3.18	-9.13	8.80	8.26	11.61
Sector ranking	13/51	42/51	15/51	23/49	30/47	34/45	35/40
Quartile	1	4	2	2	3	3	4

Discrete annual returns (%) - year ended 31/08

	2019	2018	2017	2016	2015
Fund	-7.95	10.88	24.05	2.47	9.88

Calendar year performance (%)

	Year to date	2018	2017	2016	2015
Fund	13.32	-16.12	27.76	7.17	12.31
Benchmark	1.95	-13.80	15.61	12.54	12.99
Difference	11.37	-2.33	12.15	-5.36	-0.68
Sector average	8.89	-11.83	26.74	8.54	14.68
Sector ranking	11/50	40/49	24/47	27/45	36/46
Quartile	1	4	2	3	4

Performance Data: Share Class I Acc

Source: Lipper. Basis: Total return, NAV to NAV, net of annual charges, UK Net Income Reinvested.

These figures are gross of an initial charge: to the extent that this is paid, it will reduce performance from that shown.

The comparator shown may be used for risk monitoring and portfolio construction purposes, as well as to provide a performance comparator; it is not an integral part of the Objective and Investment Policy for the fund and should not be considered as such.

Past performance is not a guide to future results.

Fund manager's report

UK equities tumbled in August, recording the second negative month of 2019 – May was the first.

Global recession, trade friction and competitive currency devaluation were the themes that dominated investor sentiment. The increased likelihood of a no-deal Brexit, and the tactics employed by the government in its determination to leave the European Union (EU) by the end of October, were also prominent. The immediate effect of this was seen most clearly in the currency market as sterling weakened. There was a respite at month end when equities bounced on signals that the US was retreating from its latest threats of tariffs on China.

A weaker currency usually means large companies with big overseas earnings outperform their more domestically focused rivals. However, the reverse was the case in August as weaker commodity prices weighed on the resource-heavy FTSE 100 Index.

Risk aversion was demonstrated by the strong showing of safe-haven assets such as gold, which reached a six-year high of over \$1,500. Furthermore, flows of money into bond markets led to an inversion of the 2-10 year gilt yield curve – a leading indicator of economic recession.

Given the backdrop of rising volatility, it was companies with dependable profits and strong balance sheets that outperformed. Healthcare and consumer staples were the most in favour.

On the economic front, news was disappointing. The economy contracted by a higher-than-expected 0.2% in the second quarter of 2019, the first contraction in seven years. However, July's retail sales figures were stronger than expected. The key is the continued support provided by a strong labour market, with wages growing at the quickest pace in a decade.

Lastly, a report published in August showed that over \$4bn has been pulled from UK equity funds since late May. Outflows since the referendum have topped \$20bn.

There were no major transactions this month.

Risk factors should be read in conjunction with all warnings and comments given in the prospectus for the fund.



Top ten holdings

	Sector	%
AVEVA Group PLC	Technology	6.1
Dechra Pharmaceuticals PLC	Health Care	5.5
Hilton Food Group PLC	Consumer Goods	5.3
James Fisher & Sons PLC	Industrials	4.8
Games Workshop Group PLC	Consumer Goods	4.2
Future PLC	Consumer Services	3.9
Gamma Communications PLC	Telecommunications	3.7
4imprint Group PLC	Consumer Services	3.5
Marshall's PLC	Industrials	3.4
DiscoverIE Group PLC	Industrials	3.3

Total 43.7

Total number of holdings 34

Sector breakdown

	%
Industrials	32.1
Technology	14.7
Consumer Services	14.1
Consumer Goods	10.7
Health Care	10.0
Financials	7.0
Telecommunications	6.5
Cash	4.9
Total	100.0

Key information

Benchmark ^a	FTSE Small Cap ex Investment Trusts
Sector	IA UK Smaller Companies
Fund size	£70.5 m
Date of launch	1 October 2012
Investment team	Smaller Companies Equity
Fund advisory company	Aberdeen Asset Managers Limited
Historic Yield	1.69% (I Acc)

^a Prior to 31/03/06 the benchmark was Hoare Govett Smaller Companies ex Investment Trusts.

www.aberdeenstandard.co.uk

ASI (AAM) UK Smaller Companies Fund

Important information

Risk factors you should consider before investing:

- The value of investments and the income from them can go down as well as up and investors may get back less than the amount invested.
- Smaller companies: Shares of smaller companies may be more difficult to buy and sell than those of larger companies. This means that the Investment Manager may not be able to buy and sell at the best time or may suffer losses. This could reduce your returns.
- Specialist sector: The Fund invests in a specialist sector and it will not perform in line with funds that have a broader investment policy.
- A full list of risks applicable to this Fund can be found in the Prospectus.

Other important information:

The Fund is a sub-fund of Aberdeen Standard OEIC I, an authorised open-ended investment company (OEIC). The Authorised Corporate Director is Aberdeen Standard Fund Managers Limited. Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. No recommendation is made, positive or otherwise, regarding individual securities mentioned. This is not an invitation to subscribe for shares in the Fund and is by way of information only. Subscriptions will only be received and shares issued on the basis of the current Prospectus, relevant Key Investor Information Document (KIID) and Supplementary Information Document (SID) for the Fund. These can be obtained free of charge from Aberdeen Standard Fund Managers Limited, PO Box 9029, Chelmsford, CM99 2WJ.

Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments.

United Kingdom (UK): Issued by Aberdeen Standard Fund Managers Limited, registered in England and Wales (740118) at Bow Bells House, 1 Bread Street, London, EC4M 9HH. Authorised and regulated by the Financial Conduct Authority in the UK.

FTSE International Limited ("FTSE") © FTSE 2019. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under license. All Rights in the FTSE indices and / or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for the errors or omissions in the FTSE indices and / or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Fund risk statistics

	3 years	5 years
Annualised Standard Deviation of Fund	12.07	11.39
Annualised Standard Deviation of Index	9.90	10.01
Beta	1.06	0.99
Sharpe Ratio	0.85	0.73
Annualised Tracking Error	6.03	5.58
Annualised Information Ratio	1.02	0.65
R-Squared	0.75	0.76

Source: Aberdeen Standard Investments, Total Return, Gross of Fees, BPSS, Datastream.

Please note that risk analytics figures are calculated on gross returns whereas the performance figures are based on net asset value (NAV) returns. In addition, the risk analytics figures lag the performance figures by a month.

Codes (I Acc)

SEDOL	B07T485
ISIN	GB00B07T4859
BLOOMBERG	ABUKI2A LN
REUTERS	LP68179347
VALOREN	2250650

Additional information

Fund type	OEIC
Domicile	United Kingdom
Currency	GBP
Registered for sale	Please refer to www.aberdeenstandard.com
Minimum investment	£500,000
Charges	Current initial 0.00%
Ongoing Charges Figure (OCF) ^c	0.85%
Price as at 31/08/19	195.58p
Deal closing time	12.00 noon (UK)
Daily valuation point	12.00 noon (UK)

Source: Simulated Ongoing charges Aberdeen Standard Investments as at 1 December 2018.

^cThe Ongoing Charge Figure (OCF), is the overall cost shown as a percentage of the value of the assets of the Funds. It is made up of the Annual Management Charge (AMC) of 0.75% and other charges. It does not include any initial charges or the cost of buying and selling stocks for the Funds. The Ongoing Charges figure can help you compare the annual operating expenses of different Funds.

Broker desk 0800 592 487

Customer services 0345 300 2890

Dealing 0800 833 580

All sources (unless indicated): Aberdeen Standard Investments

31 August 2019.

www.aberdeenstandard.co.uk