From 28th September 2019, we replaced Aberdeen Asset Investments with Schroders Investment Management as Investment Adviser to the underlying OEIC fund. We believe this appointment will benefit through the prospect of improved future performance, and the fund will continue to be managed within its existing risk profile. Schroders will be responsible for day-to-day asset management with Halifax continuing to be responsible overall for the fund. Schroders performance will be regularly monitored.

Transition Costs
We expect Schroders will change some of the assets currently held within the fund, to reflect their views of assets, economic forecasts and the market. Changes to assets will result in a short-term increase in transaction costs to the fund, however, these will be capped and monitored by us in order to limit their impact on short-term performance. More information on the change in Investment Adviser, transaction costs and the limits that apply can be found on the Fund Changes link.

Asset Allocation (as at 31/12/2020)

- UK Equities: 98.1%
- Money Market: 1.9%

Sector Breakdown (as at 31/12/2020)

- Industrials: 32.0%
- Consumer Discretionary: 18.5%
- Technology: 10.3%
- Real Estate: 9.8%
- Basic Materials: 8.9%
- Financials: 8.7%
- Consumer Staples: 3.8%
- Other: 3.6%
- Telecommunications: 2.4%
- Healthcare: 2.1%

Regional Breakdown (as at 31/12/2020)

- United Kingdom: 98.9%
- Europe ex-UK: 1.2%

The composition of asset mix and asset allocation may change at any time and exclude cash unless otherwise stated.

This document is provided for the purpose of information only. This factsheet is intended for individuals who are familiar with investment terminology. Please contact your financial adviser if you need an explanation of the terms used. This material should not be relied upon as sufficient information to support an investment decision. The portfolio data on this factsheet is updated on a quarterly basis.

Fund Aim
To achieve long term capital growth through investing mainly in smaller companies, principally in the U.K. The Halifax Smaller Companies Life and Pension funds invest directly into the Halifax Smaller Companies OEIC.

Fund Changes’

Basic Fund Information
- Fund Launch Date: 01/10/1990
- Fund Size: £21.4m
- Sector: ABI UK Smaller Companies
- ISIN: GB0031020778
- MEX ID: H9SCSP
- SEDOL: 3102077
- Manager Name: Andrew Brough
- Manager Since: 06/12/2019

Top Ten Holdings (as at 31/12/2020)
- OXFORD INSTRUMENTS PLC ORDINARY 5P: 2.8%
- XP POWER LIMITED ORDINARY 1P: 2.6%
- GAMES WORKSHOP GROUP PLC ORDINARY 5P: 2.6%
- HILTON FOOD GROUP PLC ORDINARY 10P: 2.4%
- TELECOM PLUS PLC ORDINARY 5P: 2.4%
- DUNELM GROUP PLC ORDINARY 1P: 2.3%
- DISCOVERIE GROUP PLC ORDINARY 5P: 2.2%
- SPEEDY HIRE PLC ORDINARY 5P: 2.1%
- CLARKSON PLC ORDINARY 25P: 2.1%
- ULTRA ELECTRONICS HOLDINGS PLC ORDINARY 5P: 2.1%
- TOTAL: 23.6%
Quarterly Fund Manager Review

UK equities performed well over the quarter reversing some of the underperformance that they suffered versus other regions during the global pandemic’s initial stages. The market responded well to November’s coronavirus vaccine news and then again to the Brexit trade deal, with domestically-focused areas of the market outperforming. Despite the strong end to the year, the UK equity market recorded its overall worst year since the 2008 financial crisis. The UK, already unloved prior to the pandemic, lagged behind its international peers as currency pressures and rising Covid-19 cases weighed further on sentiment. Much of the UK equity market’s underperformance over the year was down to the market’s heavy weighting towards oil stocks, which have been negatively impacted since the start of the pandemic as demand fell. Banks also came under pressure as the prospect of a no-deal Brexit had cast a long shadow over the UK market.

Andrew Brough 31/12/2020

The views, opinions and forecasts expressed in this document are those of the fund management house. Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact, nor should reliance be placed on these views when making investment decisions.