

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	£63.0m
Minimum Investment	£50,000
Launch Date	29 August 2014
ISAable	Yes
No. of Holdings	29
Market Cap Range	£76m - £1,779m
Weighted Average Market Cap	£558m

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

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

Other charges Advisory charges as agreed between the client and their financial adviser

Cumulative Performance

	AIM IHT Return (%)*	Index Return (%)**
1 month	8.54	5.35
3 months	9.75	9.28
6 months	13.27	12.44
1 year	6.55	3.35
2 years	-7.02	-16.14
3 years	-21.04	-33.62
5 years	4.85	-11.76
Since Launch#	111.28	15.85

Cumulative performance data as at 31/05/2024

*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

Past performance is not a reliable indicator of future performance.

Discrete Annual Performance

	Fund Return (%)	Benchmark Return (%)
31/05/2024	6.55	3.35
31/05/2024	-12.74	-18.86
31/05/2024	-15.08	-20.84
31/05/2024	42.78	44.43
29/05/2024	-6.99	-7.96


 **ARC Peer Group Analysis/Rankings (as at 31/03/2023)**

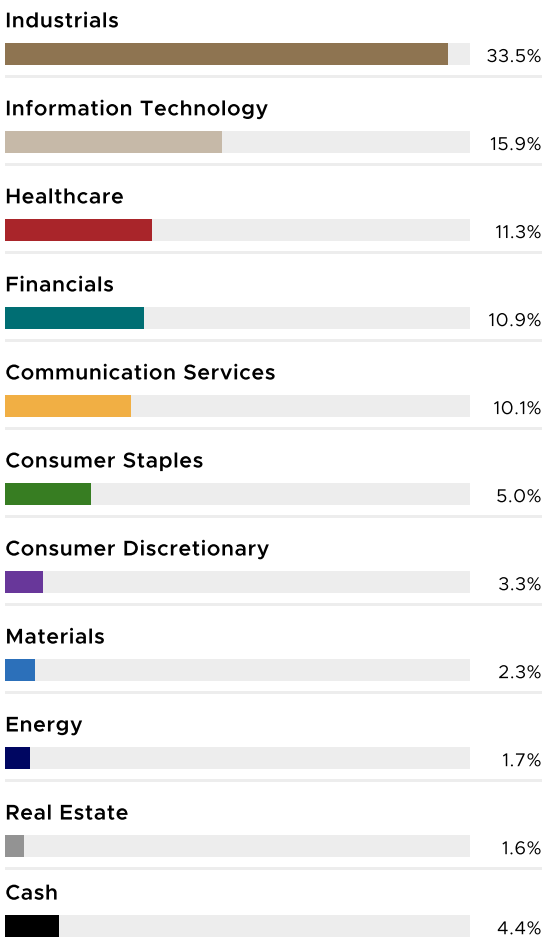
Percentiles and Return %	Last quarter	1 year	3 year	5 years	112 months
25th Percentile	-0.26	2.57	-10.32	11.17	55.64
50th Percentile	-2.48	-0.50	-21.90	-3.00	36.80
75th Percentile	-4.37	-5.22	-27.36	-8.35	19.27
Amati Model Portfolio	-4.37	-1.67	-20.57	2.41	94.73

Percentiles and Return %	2023	2022	2021	2020	2019
25th Percentile	-0.26	0.01	-22.69	23.28	4.63
50th Percentile	-2.48	-3.04	-24.28	18.97	3.45
75th Percentile	-4.37	-5.56	-27.87	13.40	-1.16
Amati Model Portfolio	-0.99	-3.20	-26.26	19.46	5.88

Source: ARC Research Ltd PCI as at 31/03/2024

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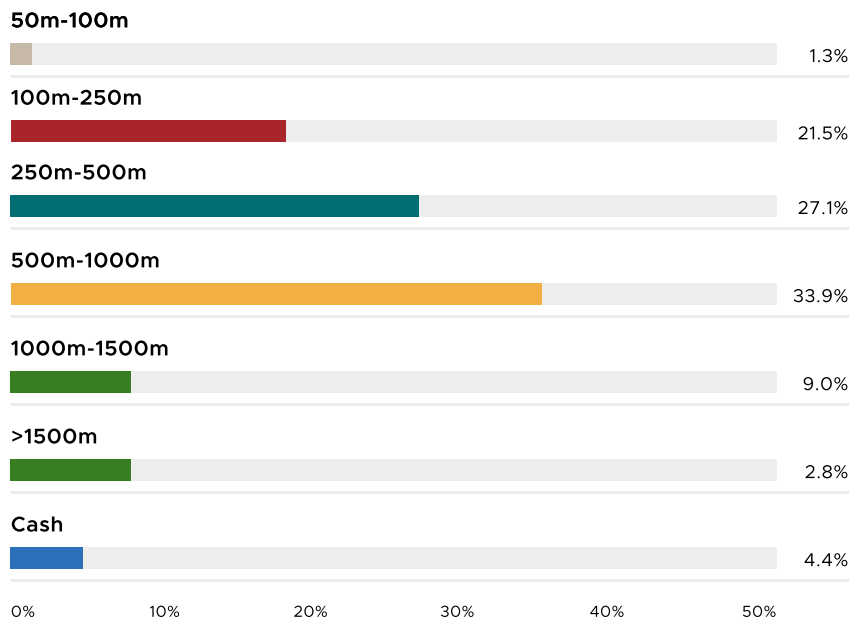
 **Sector Weightings**



0% 5% 10% 15% 20% 25% 30% 35%

Source: Amati Global Investors as at 31/05/2024

 **Market Cap (£)**



Source: Amati Global Investors as at 31/05/2024

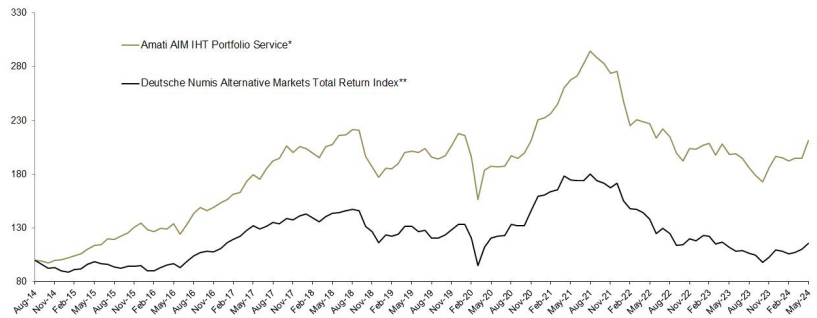
Geographical Distribution by Revenue



- **United Kingdom** 57.6%
- **Europe (ex UK)** 15.7%
- **North America** 16.7%
- **Rest of the World** 10.0%

Source: Amati Global Investors as at 31/05/2024

Performance vs Benchmark



Source: Amati Global Investors as at 31/05/2024

*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 Deutsche Numis Securities Ltd.

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Investment Report

May was another month of strong market returns, with small-cap and AIM leading the charge for once, outperforming UK large and mid-cap companies over the month. UK returns were also ahead of the EU and global indices - only the Nasdaq Composite performed better in May. The most surprising event was the announcement of the long-awaited UK General Election scheduled for July 4th. The UK market took this in its stride, with most observers glad to see it sooner rather than later. The UK indices have now seen a strong recovery over the last six months, led by mid-cap and small-cap. The trend for buybacks and bids has also continued, with both Keywords Studios and XP Power announcing approaches. While companies continue to potentially exit the market, the IPO market has finally started to come to life. One of the UK's most successful tech companies, Raspberry Pi, has announced its intention to float, and this deal will hopefully be the precursor for others to follow. Despite all of these positive indicators it was disappointing to see that May recorded the second highest ever monthly outflow from UK funds, as measured by Calastone. Added to this was wealth manager Coutts' announcement reducing their UK equity exposure in favour of global.

We still see good upside potential in the UK market, with valuations remaining depressed compared to international peers, providing further opportunity for positive returns.



Written by
Dr Gareth Blades

Risk Warnings

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.