

# Fund guide abrdn UK Mid-Cap Equity Fund

November 2024



**Abby Glennie**  
Fund Manager

## Key features

**£146.7m**

Fund size

**48**

Number of  
holdings

**25+**

years applying the  
investment process

**0.75%<sup>1</sup>**

Annual management charge

Source: abrdn, 31 January 2024.

## Why consider the Fund?

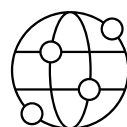
<b>01</b>	<b>Established companies with strong growth potential</b> – Mid-cap stocks offer the prospect of higher returns than their large-cap peers, but without some of the risks associated with smaller companies.
<b>02</b>	<b>Backing dependable companies that we know well</b> – We invest in high quality, resilient businesses that we believe offer the prospect of long term growth. We have known many of these companies for years, investing in the most successful companies that have graduated from our small-cap portfolios.
<b>03</b>	<b>Attractive complement to UK Large Cap</b> – For investors that have UK Large Cap exposure, we believe the Fund is an attractive complement. Adding the Fund to a more Large Cap focussed portfolio would bring diversification from a market cap, sector and currency perspective.

## Why invest now?



### Be greedy when others are fearful –

UK Equity valuations are at multi-year lows versus global peers, providing a potentially attractive entry point into an asset class with strong long-term prospects.



### Global investor appetite has started to return –

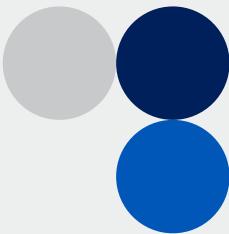
we believe a lot of negativity is priced into consensus expectations; markets are forward looking and tend to recover ahead of the broader economy; sentiment towards UK positioning shows signs of improvement.



### Future looks better than the past –

growth companies delivering resilient earnings are attractively valued versus history; our view is that a focus on quality companies remains advantageous.

<sup>1</sup> | Acc shareclass.



## Why choose us?



**Award winning smaller companies team:** The Fund draws on the long-established fundamental research expertise of our award winning, 8-strong smaller companies team.



**MSCI ESG rating and carbon intensity:** The Fund is AA ESG rated by MSCI on the back of high quality company fundamentals, our proactive engagement approach, and a much lower carbon intensity profile than the benchmark.

Source: MSCI, 30 September 2023.



**Forensic investment process:** We use a bottom-up approach, assisted by our proprietary quantitative screening tool. Back-testing shows that mid-cap companies with the quality, growth and momentum characteristics we favour have outperformed the broader market.

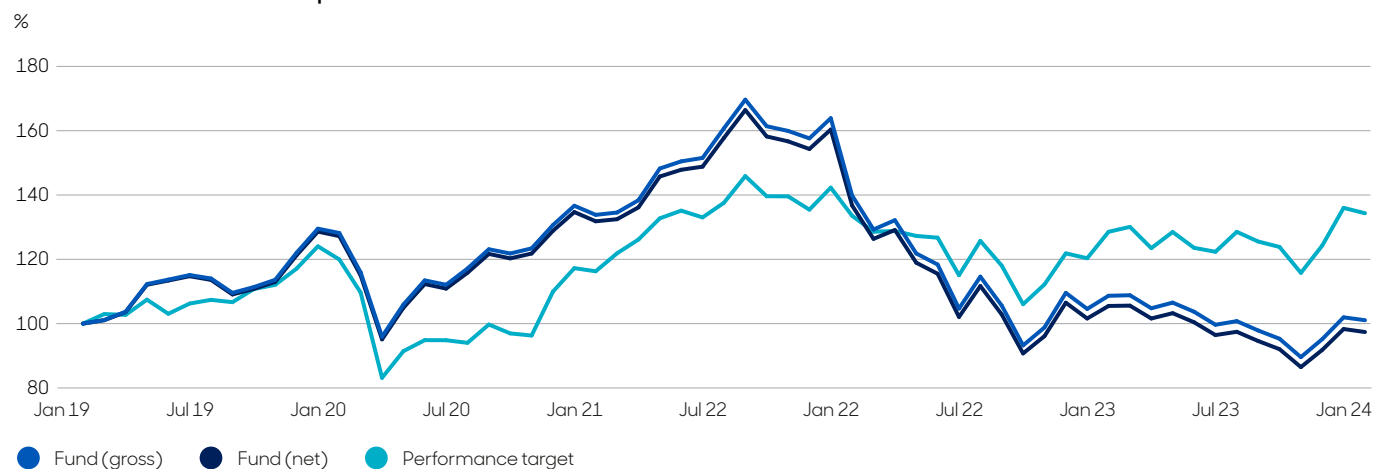
## Product overview

Objective	To generate growth over the long term (5 years or more) by investing in UK mid-capitalisation equities (company shares).
Performance target	To achieve the return of the FTSE 250 (ex Investment Trusts) Index plus 3% per annum over rolling three year periods (before charges). The Performance Target is the level of performance that the management team hopes to achieve for the fund. There is however no certainty or promise that they will achieve the Performance Target. The ACD believes this is an appropriate target for the fund based on the investment policy of the fund and the constituents of the index.
Derivatives	Derivative usage in the fund is expected to be very limited. Where derivatives are used, this would mainly be in response to significant inflows into the fund so that in these instances, cash can be invested while maintaining the fund's existing allocations to company shares.
Structure	UK-authorized OEIC

# abrdn UK Mid-Cap Equity Fund

## How has the Fund performed?

### Cumulative and annualised performance



### Cumulative and annualised performance

	1 month	6 months	Year to date	1 year	3 years (p.a.)	5 years (p.a.)
Fund (gross) (%)	-0.88	0.29	-0.88	-5.40	-8.41	0.56
Fund (net) (%)	-0.95	-0.08	-0.95	-6.10	-9.09	-0.19
Performance target (%)	-1.24	4.49	-1.24	4.48	4.93	6.08

### Discrete annual returns - year to 31 January

	2024	2023	2022	2021	2020
Fund (gross) (%)	-5.40	-22.27	4.49	4.41	28.21
Fund (net) (%)	-6.10	-22.85	3.71	3.63	27.25
Performance target (%)	4.48	-3.73	14.85	-3.07	19.96

Performance Data: Share Class I Acc.

Benchmark history: Performance target - FTSE 250 ex Investment Trusts +3.00% Source: Lipper. Basis: Total Return, NAV to NAV, UK Net/Gross Income Reinvested.

\*Fund (Net)\* refers to the actual unit price performance of the shareclass shown; \*Fund(Gross)\* adds back charges such as the annual management charge to present performance on the same basis as the performance target / performance comparator / portfolio constraining benchmark. These figures do not include the initial charge; if this is paid it will reduce performance from that shown.

**Past performance is not a guide to future returns and future returns are not guaranteed.**



Want to discuss more?  
Contact your local  
abrdn representative  
by clicking **here**.

For more  
information  
visit our **website**.

#### Important Information

- 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. Past performance is not a guide to future results.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The shares of small and mid-cap companies may be less liquid and more volatile than those of larger companies.
- A concentrated portfolio may be more volatile and less liquid than a more broadly diversified one. The fund's investments are concentrated in a particular country or sector, or closely related group of industries or sectors.
- The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
- More details of the risks applicable to this fund can be found in the Key Investor Information Document (KIID) and Prospectus, both of which are available on request or at our website **abrdn.com**.

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