



# AIM Inheritance Tax Portfolio



## Investment objective

Mole Valley Asset Management’s AIM Inheritance Tax (IHT) Portfolio aims to provide clients with long-term capital appreciation whilst sheltering their investments from Inheritance Tax by investing in AIM listed companies that may qualify for business relief. Risk is diversified by investing in a broad range of companies that have very different business exposures.

## Quarterly commentary

Three acronyms dominated the financial markets in 2023: IR, AI and BRICS. In 2023, Interest rates (IR) dominated the investment landscape, as central banks reacted to the rapid rise in inflation. We expect the reverse to be true throughout 2024, as inflation falls faster than expected and subsequent interest rate cuts.

Artificial Intelligence (AI) became a mainstream topic of conversation in 2023, threatening to revolutionize the world and take over jobs. We expect AI to change the landscape in many industries and expect it to provide opportunities, both in terms of job creation and productivity

The third acronym, BRICS, (classically composed of Brazil, Russia, India & China) expanded in 2023 to now include Iran and Saudi Arabia, amongst other new members. This group now accounts for 29% of global GDP and 43% of global oil production. We expect this group to continue to increase in size and challenge the G7 nations going forward.

The AIM Market struggled in 2023, despite a slight uplift during the last quarter. Due to price falls over the course of the year, many small-cap companies are beginning to look like attractive investments and we are optimistic going into 2024.

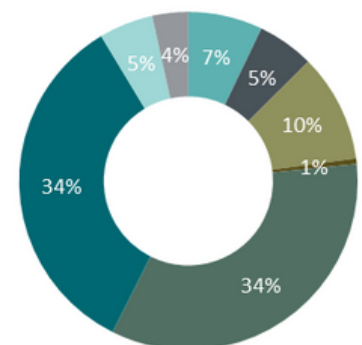
We saw some strong performers in Q4, with Corero Network Security, the cyber security specialists, bring in new management and announce new contracts, which we believe is a catalyst for the company to begin to attract more investors. We also saw Creo Medical’s product gain traction, with FDA clearance in the US, leading to a significant share price increase. Results like these are testament to the companies we hold and we are consistently reviewing the companies in the AIM portfolio. Despite a poor couple of years for the AIM market and the AIM-IHT portfolio, we are looking positively at 2024, particularly given the apparent value throughout our holdings and throughout the market.

## October - December 2023

### Top Holdings

Name	Weight
Creo Medical	7.24%
Sigmaroc	6.94%
Corero Network Security	6.65%
Kooth	6.40%
Gooch & Housego	6.39%
<b>Top Five Holdings</b>	<b>33.61%</b>

### Sector Weights



- Materials
- Consumer Discretionary
- Health Care
- Communication Services
- Industrials
- Consumer Staples
- Information Technology
- Cash

**The value of your investments and income from them may go down as well as up.**

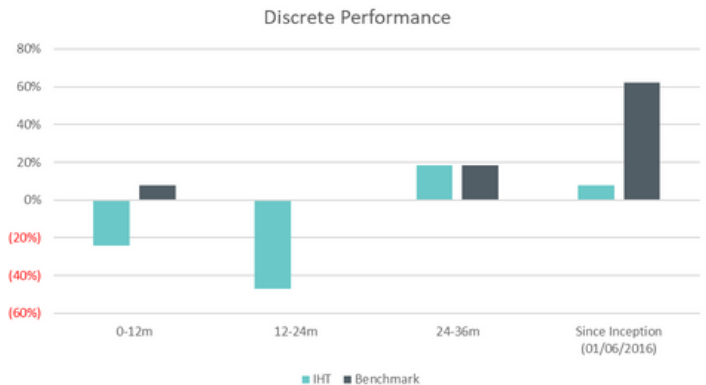
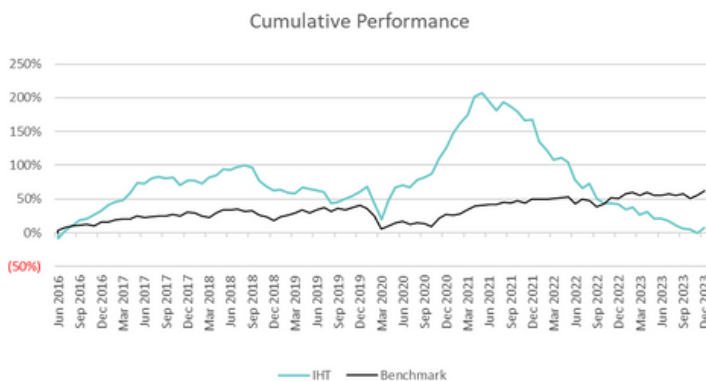
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# Performance

Cumulative Performance					
	3m	6m	1Y	3Y	Since Inception (01/06/2016)
IHT	0.96%	-10.77%	-23.98%	-52.32%	7.81%
Benchmark	3.22%	4.64%	7.83%	27.94%	62.13%

Discrete Performance				
	0-12m	12-24m	24-36m	Since Inception (01/06/2016)
IHT	-23.98%	-46.96%	18.44%	7.81%
Benchmark	7.83%	0.33%	18.25%	62.13%



Performance is a composite made from grouping together each individual client IHT Portfolio. All client portfolios hold identical stocks but weightings will differ depending on the start date. On the start date each client has their own individual portfolio which will begin with an approximate 3.33% weighting in each of the 30 MVAM IHT stocks. Occasionally the portfolios may hold some cash when we are between investments. Past Performance does not indicate future performance. Our benchmark is the Vanguard FTSE UK All Share Index Unit Trust. All performance is net of fees.

## Benefits

- Experienced, successful team
- Consistent, repeatable strategy
- No leverage and no derivatives

## Risks

- Focussed portfolio
- Money invested in equities
- No hedging of currency

## Fees

- No entry or exit feed
- Fees of 1.25% including VAT
- Dealing fees of 0.4%

## About MVAM

Mole Valley Asset Management offers innovative and bespoke investment services to retail clients and intermediaries. We have a highly experienced team, investing client savings directly into the markets, aided by proprietary screening and original research. We always remember that it's your money.

## Portfolio management team



Duncan Sanford



Craig Harper



Aidan McCormack

[www.mvam.com](http://www.mvam.com)

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