

31 January 2012

Fund Manager's Comments

- ▶ Performance – January proved to be a positive month for all of the UK indices. The FTSE All Share increased 2.7%. The FTSE 100 returned 2%, the FTSE 250 rose 6.7% and the FTSE SmallCap added 6.4%. This compares to a return from the Alpha Shares of 4.78% and the Beta Shares of 4.83%.
- ▶ Positive: significant contributions came from GKN, Aberdeen Asset Management, Xstrata, Hill & Smith, Cookson and Northgate.
- ▶ Negative: defensive stocks were out of favour during January and Royal Dutch Shell 'B', Vodafone and Imperial Tobacco all lagged the index.
- ▶ January brings a number of trading updates together with results and, on the whole, results/updates were disappointing. Stocks in the fund which failed to deliver were Invensys, XP Power and Craneware. We added 50% to our holding in XP Power post their update and added a position of 1.5% into Craneware.

Activity

- ▶ As well as adding to our positions in both XP Power and Craneware, we also bought Avon Rubber after trimming a number of positions to raise the funds required.

Investment Manager & ACD

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Custodian

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160 Queen Victoria Street
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Accounting Periods

Interim : 30 June
Final : 31 December

Distribution Dates :

Final : 31 March

Minimum Initial Investment

Alpha Shares : £1,000
Beta Shares : £250,000

Sedols

Alpha Shares : 0571108
Beta Shares : 0571119

Bloomberg Ticker

Alpha Shares : SFM GRAALN
Beta Shares : SFM GRBALN

Initial Charge

Alpha Shares : 5.0%
Beta Shares : < 5.0%

Annual Fee

Alpha Shares : 1.5%
Beta Shares : 1.0%

Dilution Levy

Policy is not to charge a dilution levy except in exceptional circumstances.

Regulatory Status of Saracen Growth Fund

FSA Recognised : Yes
Scheme Type : OEIC

Pricing

Single Pricing, forward basis

Issue Date

5 March 1999

Risk Warning

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The investment objective of SGF is to achieve a long term total return on the invested assets at a higher rate than the total return on the FTSE All Share Index (ASI).

Fund Information

Fund Managers	Craig Yeaman, Jim Fisher
Fund Size	£36m
Fund Price	
Alpha	220.85p
Beta	346.05p

Fund Performance

Total Return (%)	Alpha Shares			Beta Shares		
	SGF	ASI	Relative Performance	SGF	ASI	Relative Performance
1999†	+31.9	+16.2	+13.5	+32.5	+16.2	+14.0
2000	+29.3	-5.9	+37.4	+30.0	-5.9	+38.2
2001	-0.8	-13.3	+14.4	-0.2	-13.3	+15.1
2002	-22.2	-22.7	+0.6	-21.7	-22.7	+1.3
2003	+35.3	+20.9	+11.9	+36.1	+20.9	+12.6
2004	+36.0	+12.8	+20.6	+36.7	+12.8	+21.2
2005	+22.5	+22.0	+0.4	+23.1	+22.0	+0.9
2006	+30.7	+16.8	+11.9	+31.9	+16.8	+13.0
2007	+1.0	+5.3	-4.1	+1.5	+5.3	-3.6
2008	-44.6	-29.9	-20.9	-44.3	-29.9	-20.5
2009	+32.8	+30.1	+2.1	+33.5	+30.1	+2.6
2010	+17.0	+14.5	+2.2	+17.6	+14.5	+2.7
2011	-9.0	-3.6	-5.6	-8.6	-3.6	-5.2
2012	+4.8	+2.7	+2.0	+4.8	+2.7	+2.0
cum*	+221.6	+55.4	+106.9	+246.1	+55.4	+122.7

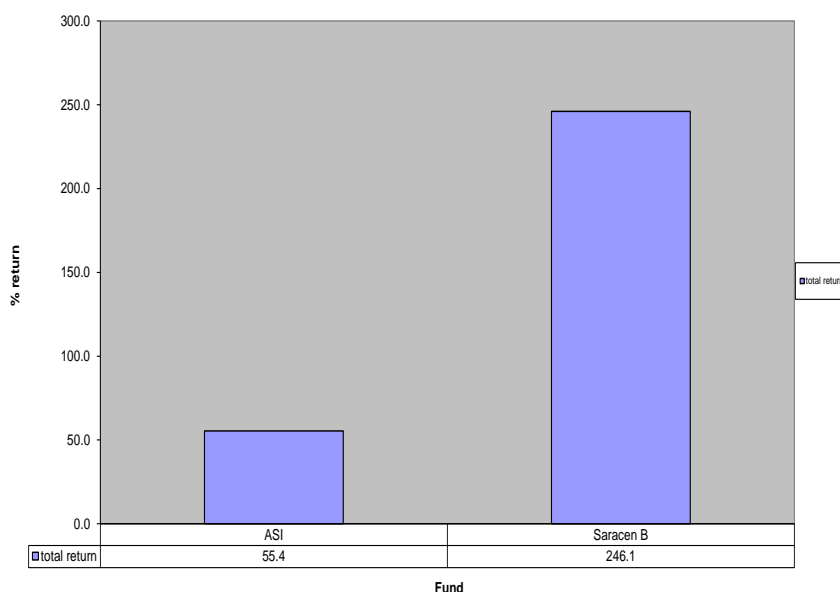
† a notional price that reflects the potential position of the Alpha Shares had they been created at the same time as the Beta Shares

Source : Annual Reports & Accounts of Saracen Investment Funds ICVC

* Source : Saracen Fund Managers Ltd

Fund Breakdown

Saracen performance from inception (05.03.99) - 31.01.12



Top 10 Holdings (% NAV)

BP	4.6
GKN	4.1
BG Group	3.8
Zytronic	3.8
City of London Inv Group	3.6
Anglo Pacific	3.5
Royal Dutch Shell - B	3.5
Vodafone	3.3
Ormonde Mining	3.2
Invensys	3.2

Top 10 Sector (% NAV)

General Financial	13.1
Oil & Gas Producers	12.3
Support Services	10.1
Mining	8.7
Industrial Engineering	7.9
Electronic & Electrical Equipment	5.8
Pharmaceuticals & Biotechnology	5.7
Software & Computer Services	4.9
Aerospace & Defence	4.5
Automobiles & Parts	4.1