

TB Saracen UK Income Fund

June 2018

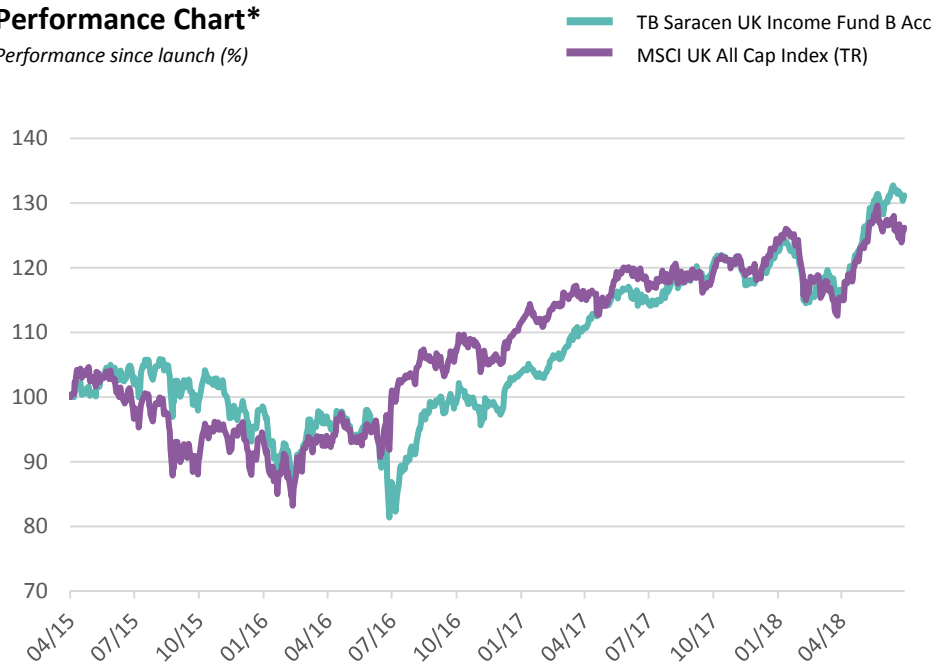
SARACEN
share success

Fund Overview

- Objective: to provide income exceeding 110% of the dividend income of the MSCI All Cap index and an overall return (income plus capital growth) which is superior to that index. At least 80% of the fund will be invested in the shares of UK companies.
- The portfolio has a bias towards small and medium sized companies and a high active share compared to the benchmark.
- The fund has significant capacity and liquidity at a competitive annual charge.
- The investment philosophy is value-based, combining high yield and superior dividend growth strategies.
- A concentrated portfolio of 25-35 holdings, with a focus on high and growing dividend income.

Performance Chart*

Performance since launch (%)



*Source: Bloomberg, as at 30th June 2018

Total Return, Bid to Bid, GBP terms. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

FOR PROFESSIONAL INVESTORS ONLY

Retail investors should consult their financial advisers

FUND DETAILS

(as at 30th June 2018)

Fund size: £3m
Launch date: 01/04/15

Forecast yield: 4.6%

No. of holdings: 34
Active share: 85%

Source: Bloomberg

Denomination: GBP

Valuation point: 12.00 noon

XD date: 2 Jan
 1 July

Pay date: 28/29 Feb
 31 Aug

Fund prices:

B Accumulation: 131.20p
B Distribution: 114.92p

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

ACD:

T. Bailey Fund Services Limited

Cumulative Performance after all ongoing charges to 30 June 2018

	1 month	3 months	1 year	3 years	Since launch*
TB Saracen UK Income B Acc	1.7%	12.5%	14.6%	28.6%	31.2%
MSCI UK All Cap Index (TR)	-0.2%	9.3%	9.2%	31.5%	28.8%
Sector Average	-0.2%	8.3%	6.0%	24.2%	23.6%
Quartile Ranking	1	1	1	1	1

Source: Financial Express; * launch date 01 April 2015

Sector: IA Sector (UK Equity Income)



Scott McKenzie
Fund Manager

Scott McKenzie joined Saracen in August 2014 and has managed the fund since launch. He has over 25 years' experience managing UK equity funds.

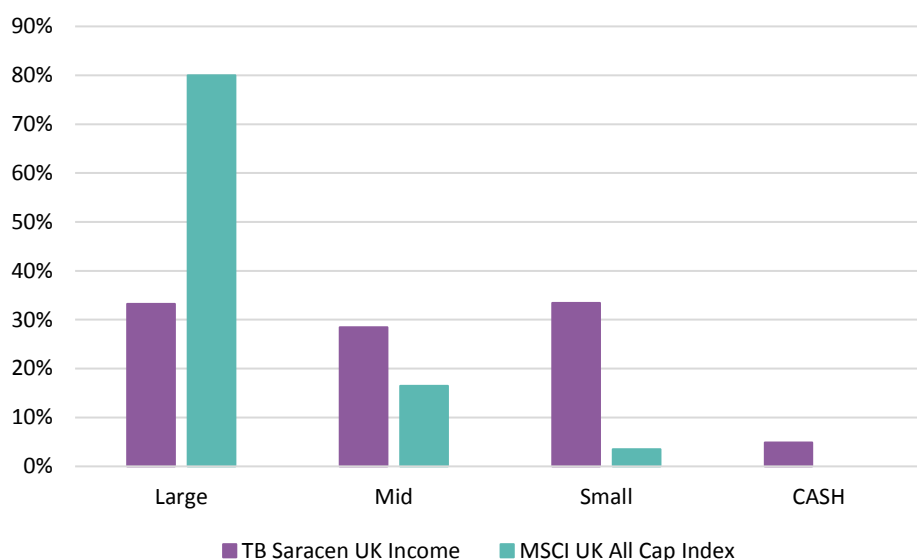


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June 2018



Fund Breakdown by Market Capitalisation



Data as of 30th June 2018, Source: Saracen Fund Managers

Monthly Commentary

Performance

The Fund enjoyed positive returns in June despite a falling market, rising by 1.7% compared to a fall in the MSCI UK All Cap index of -0.2%. The large, mid and smallcap indices all had similar returns over the month. The MSCI UK Cap is up by 1.7% in 2018 so far. The Fund has outperformed this benchmark materially, rising by 7.1% in the year to date, leaving it placed in the top decile of the IA UK Equity Income sector over six months and one year and top quartile over three years and since launch. (source: FE Trustnet)

Positives

Two of our largest holdings, Alpha FMC and STV rose substantially in June, boosting fund returns materially. Alpha delivered strong final results and rose another 29% as its strong growth prospects began to be recognised. STV continued its recovery under the new CEO and rose 21% from a fairly low starting point. The new holding in RPC Group also made a positive initial contribution.

Negatives

DFS Furniture was the weakest stock held during June, falling 14% in response to ongoing woes in the retail sector. Galliford Try fell 9% in a housebuilding sector which was weak across the board. Our large position in Standard Life continues to labour, falling another 7% as investors struggle to comprehend the major strategic changes which are taking place at the moment.

Portfolio Activity

A new holding in plastic packaging business - RPC Group - was added after recent price weakness. RPC now offers an attractive dividend yield and low valuation and is very much out of favour. Our holding in U&I was sold, reflecting a positive re-rating over the past year. We added to Standard Life, Lloyds and Galliford Try whilst we took some profits in Alpha FMC and Intermediate Capital.

June – Attribution *

Top Contributors	Positive
Alpha FMC	+1.49%
STV Group	+0.78%
Eurocell	+0.22%
RPC Group	+0.19%
Vitec	+0.16%
Top Detractors	Negative
Standard Life Aberdeen	-0.34%
Galliford Try	-0.32%
DFS Furniture	-0.21%
Wood Group	-0.14%
Tyman	-0.11%

*Source: Bloomberg as at 30/6/18

Fund Breakdown

Top 10 Holdings	
Alpha Financial Markets Consulting	5.3%
Imperial Brands	4.7%
Standard Life Aberdeen	4.4%
STV Group	4.3%
Palace Capital	3.8%
Lloyds Banking	3.5%
Vitec	3.4%
Galliford Try	3.4%
Aviva	3.3%
Rio Tinto	3.2%

Sector breakdown	
Financials	27.1%
Industrials	24.6%
Consumer Services	18.0%
Consumer Goods	10.2%
Basic Materials	6.1%
Oil & Gas	5.2%
Healthcare	2.8%
Telecoms	1.0%
Technology	0.0%
Utilities	0.0%

	ISIN	SEDOL	Bloomberg	EMX	Initial Charge	Annual Charge	Ongoing** Charge
B Acc Shares	GB00BW9H1K24	BW9H1K2	BBG008D4LJ68	SARUKIFACC33	0%	0.50%	1.58%
B Dis Shares	GB00BW9H1L31	BW9H1L3	BBG008D4LJF8	SARUKIFDIS33	0%	0.50%	1.58%

** Source: T Bailey Fund Services Ltd

To place a deal or for further information contact:

T. Bailey Fund Services Limited (TBFS)
64 St. James's Street
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General Enquiries: 0115 988 8200
Dealing Line: 0115 988 8274
E-mail Dealing: clientservices@tbailey.co.uk

(Phone and email deals will only be accepted on completion of initial account set up and by prior agreement with TBFS)

T. Bailey Fund Services Limited is authorised and regulated by the Financial Conduct Authority (No. 190293).

Platform Partners



Important information:

This information should not be construed as an invitation, offer or recommendation to buy or sell investments, shares or securities or to form the basis of a contract to be relied on in any way and is by way of information only. Taxation levels, benefits and reliefs may all vary depending on individual circumstances and are subject to change. The historic yield reflects distribution payments declared by the fund over the previous year as a percentage of its share price. This document represents the views of Saracen Fund Managers Limited at the time of writing. Subscriptions will only be received and shares issued on the basis of the current Prospectus, Key Investor Information Document (KIID) and Supplementary Information Document (SID). These are available, in English, together with information on how to buy and sell shares, on-line at: www.tbaileyfs.co.uk.

Risk factors you should consider before investing:

The value of investments and the income from them may go down as well as up and you may get back less than the amount invested. **Past performance is not a guide to future performance.** A full list of the risks applicable to this Fund can be found in the Prospectus. All fund performance figures calculated on a single price basis. This Fund may not be appropriate for investors who plan to withdraw their money in the short-term (within 5 years). The Fund should be viewed as a medium to long-term investment only.

Investment Manager:

Saracen Fund Managers Ltd, 19 Rutland Square, Edinburgh, EH1 2BB. Tel: 0131 202 9100 and on-line at www.saracenfundmanagers.com. Saracen Fund Managers Limited is authorised and regulated by the Financial Conduct Authority. Registered in Scotland No. 180545.

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Regulatory Status:

FCA Recognised: Yes
Scheme Type: OEIC (UCITS)

Issue date – 30th June 2018