

TB Saracen UK Income Fund

July 2018

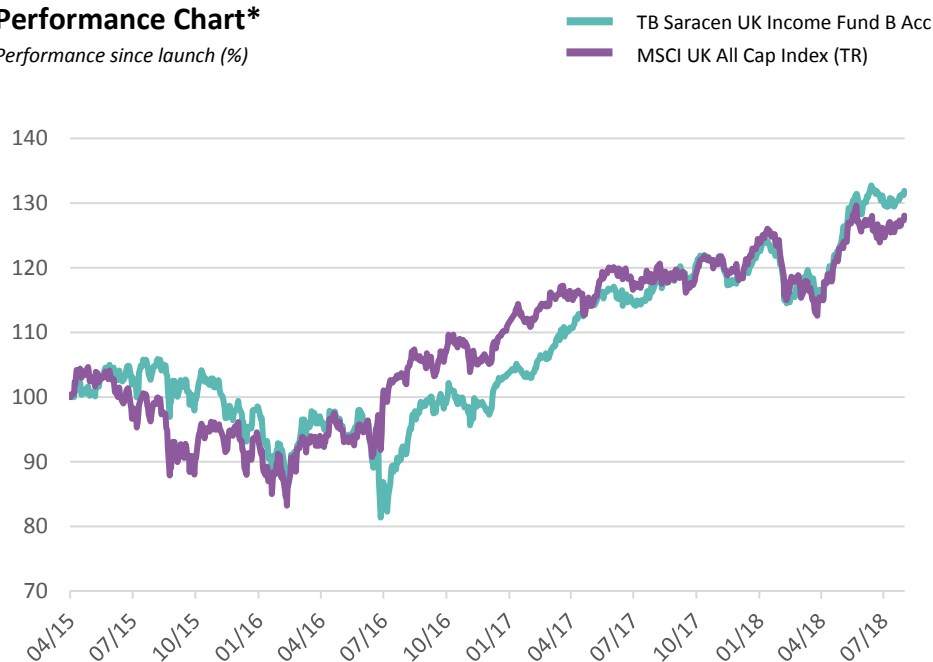
SARACEN
share success

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 31st July 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 31st July 2018)

Fund size: £4m
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: 131.86p
B Distribution: 113.07p

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 31 July 2018

	1 month	3 months	1 year	3 years	Since launch*
TB Saracen UK Income B Acc	0.5%	6.4%	12.7%	25.9%	31.9%
MSCI UK All Cap Index (TR)	1.3%	3.9%	9.2%	30.1%	30.5%
Sector Average	0.6%	2.5%	6.2%	22.8%	24.3%
Quartile Ranking	3	1	1	2	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.

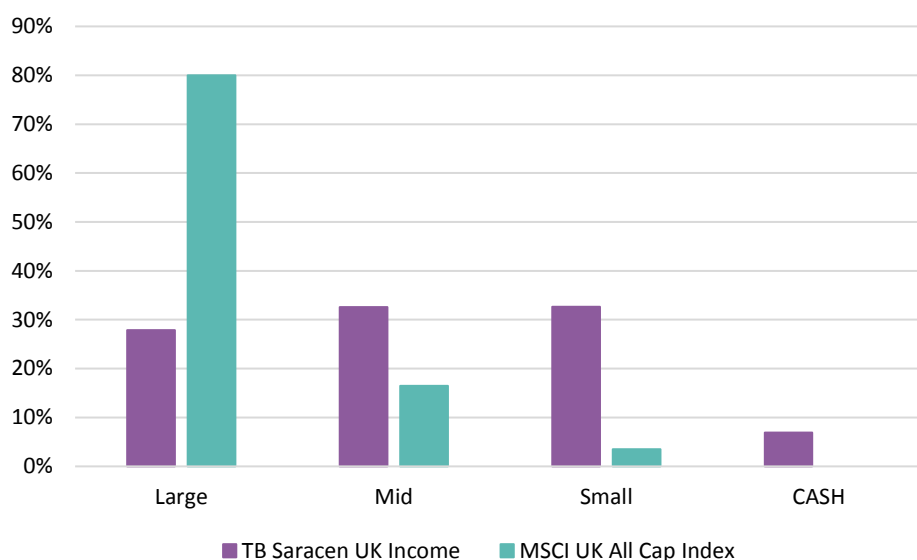


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Fund Breakdown by Market Capitalisation



Data as of 31st July 2018, Source: Saracen Fund Managers

Monthly Commentary

Performance

The Fund eked out a small positive return in July of 0.5% but lagged behind the rise in the MSCI UK All Cap index of 1.3%. The largecap indices led the way with mid and smallcap indices underperforming, which was a headwind overall for the portfolio. The Fund has risen by 7.6% in the year to date, leaving it placed in the top decile of the IA UK Equity Income sector in 2018 so far. (source: FE Trustnet).

Positives

Our largest holding, Alpha FMC continued to rise and was up another 10% in July. Having been weak previously, Galliford Try rose 7% and is also a meaningful position for the fund. The new holding in RPC Group continued to perform, rallying another 9% whilst both Close Brothers and Imperial Brands made solid progress also. These positive contributions are very much stock rather than sector specific.

Negatives

The fallers were also a mixed bag. As the government unravels, UK consumer stocks remain out of favour and we saw weakness in Greene King and Headlam. Our large position in Standard Life continues to labour, falling another 4% ahead of results in August. Two of our industrial stocks, Vitec and discoverIE saw profit taking after strong runs of late.

Portfolio Activity

We added to a number of holdings - Standard Life (again!), Lloyds, Galliford Try, DFS Furniture, Greene King and Wood Group. We took further profits in Alpha FMC and STV, and also reduced the holding in Next after substantial recovery in what has been generally a very weak retail sector.

July – Attribution *

Top Contributors	Positive
Alpha FMC	+0.55%
Galliford Try	+0.27%
RPC Group	+0.24%
Close Brothers	+0.21%
Imperial Brands	+0.13%
Top Detractors	Negative
Greene King	-0.25%
Vitec	-0.25%
Standard Life Aberdeen	-0.17%
discoverIE	-0.15%
Headlam	-0.13%

*Source: Bloomberg as at 31/7/18

Fund Breakdown

Top 10 Holdings	
Alpha Financial Markets Consulting	4.8%
Imperial Brands	4.7%
Standard Life Aberdeen	4.7%
Galliford Try	4.2%
Lloyds Banking	3.8%
Palace Capital	3.5%
Aviva	3.2%
Tyman	3.1%
Close Brothers	3.1%
Vitec	3.1%

Sector breakdown	
Financials	26.7%
Industrials	23.3%
Consumer Services	16.4%
Consumer Goods	10.8%
Basic Materials	6.0%
Oil & Gas	5.6%
Healthcare	3.0%
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%	1.41%
B Dis Shares	GB00BW9H1L31	BW9H1L3	BBG008D4LJF8	SARUKIFDIS33	0%	0.50%	1.41%

** Source: T Bailey Fund Services Ltd

To place a deal or for further information contact:

T. Bailey Fund Services Limited (TBFS)
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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



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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 – 31st July 2018