

# TB Saracen Global Income and Growth Fund

September 2018

SARACEN  
share success



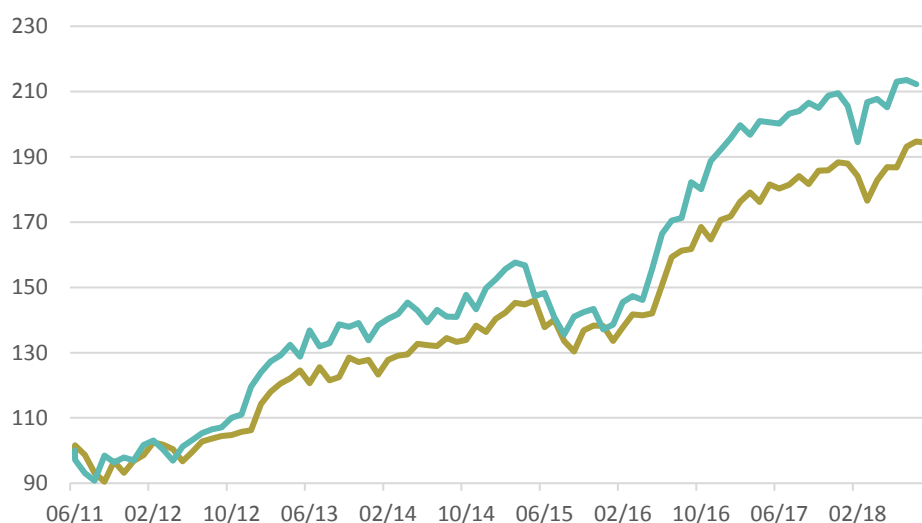
## Fund Overview

- Objective: to provide a degree of income to investors with the aim of building capital through investing in a portfolio of primarily global equities.
- Focus: on identifying leading global businesses with lower risk and share valuations that underestimate their prospects.
- Research: we conduct intensive proprietary research focusing on businesses' long-term earnings potential.
- Risk: we model a 'worst-case' scenario into our share valuation methodology and abide by strict sector limits.
- Process: Disciplined, structured and repeatable.
- Conviction Portfolio: high active share and highly differentiated.
- Both fund managers have significant personal investments in the fund.

## Performance Chart\*

Performance since launch (%)

— TB Saracen Global Income & Growth Fund B Acc  
— IA Global Equity Income Sector (TR)



\*Source: Financial Express, as at 28<sup>th</sup> September 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.

## Cumulative Performance after all ongoing charges to 28 September 2018

	1 month	6 months	1 year	3 years	5 years	Since launch*
<b>TB SGIG B Acc</b>	-0.6%	+9.1%	+4.0%	+56.6%	+59.8%	+112.8%
<b>Sector Average</b>	-0.2%	+10.1%	+7.0%	+49.8%	+58.6%	+94.3%
<b>Quartile Ranking</b>	4	3	4	2	3	2

Source: Financial Express; \*launch date 07 June 2011

Sector: IA Sector (Global Equity Income)

## FOR PROFESSIONAL INVESTORS ONLY

Retail investors should consult their financial advisers

### FUND DETAILS

(as at 28<sup>th</sup> September 2018)

**Fund size:** £129m  
**Launch date:** 07/06/11  
**12m Forecast yield:** 3.9%

**No. of holdings:** 41  
**Active share:** 93%  
**Beta:** 0.90

Source: Bloomberg as at 28/09/18

**Turnover:** <20%  
**Denomination:** GBP  
**Valuation point:** 12:00 noon

**XD date:** 2 Jan  
1 July

**Pay date:** 28/29 Feb  
31 Aug

### Fund prices:

**B Accumulation:** 212.27p  
**B Distribution:** 171.61p

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

### ACD:

**T. Bailey Fund Services Limited**

**Graham Campbell**  
Chief Executive Officer

**David Keir**  
Executive Director



**Graham Campbell** joined Saracen in 2011 from Edinburgh Partners, where he was one of the founding partners and director. He has managed the Fund since launch. Graham has over 30 years of industry experience.

**David Keir** joined Saracen in 2013 and has managed the Fund since 2014. He has over 18 years of industry experience.



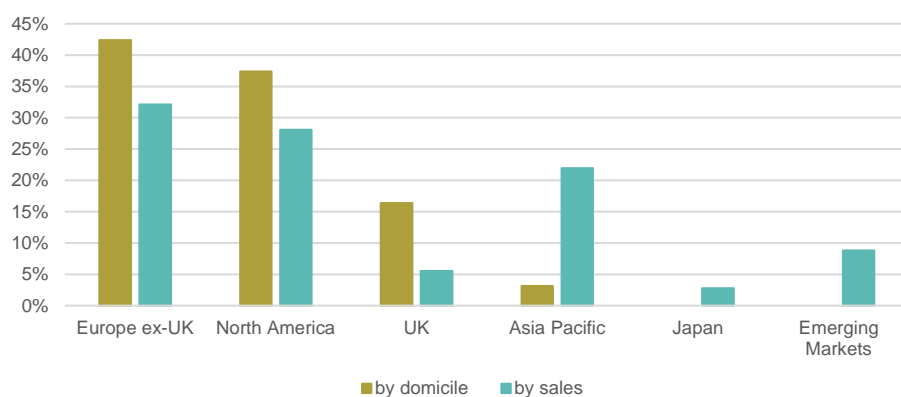
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## Fund Breakdown by Geography



Data as of 28<sup>th</sup> September 2018, Source: Bloomberg/Saracen Fund Managers

## Monthly Commentary

### Performance

This month, the total return for TB SGIG was -0.6%, compared to -0.2% for the IA Global Equity Income sector. TB SGIG has delivered a total return of +60% over the last five years and +113% since inception. The fund is ranked in the second quartile since launch in June 2011.

### FX

Currency movements during the month had a negative impact on the fund's performance. Sterling was up 0.3%, 1.0% and 1.3% against the USD, EUR and the CHF respectively.

### Positives

September was a very quiet month for corporate news flow. Carnival Corporation (+7%) reported better than expected Q3 results and narrowed full year guidance to the top-end of the range. The pricing outlook for 2019 was slightly softer than expected but it remains very early in the booking season. Ashmore (+1%) reported solid full year results after a record year for inflows as the company experienced broad based growth across investment themes, clients and distribution channels. In addition, they remain positive on flows for FY 19 despite the recent sell-off in Emerging markets. BP (+7%) and Chevron (+2%) benefitted from the continued oil price strength. In addition, our Pharma holdings continued their recent strong performance. AstraZeneca (+2%), J&J (+2%), Merck (+5%) and Pfizer (+9%) all had another good month.

### Negatives

Anta Sports (-12%) shares fell after announcing the potential acquisition of Amer Sports, the Finnish based global sporting goods company. Dependent on the agreed terms of the deal and the financing arrangements, we will look to top-up our position. GE (-9%) shares fell after announcing an issue with a turbine blade in their new gas turbines.

### Portfolio Activity

We bought new a position in Valeo during the month which was funded by selling Harley Davidson. We also took profits in the Pharmaceutical sector following very strong performance by reducing J&J, Merck, Pfizer and Roche. The proceeds were reinvested into HSBC, Intel, Rio Tinto, Saint Gobain and Schlumberger.

## September – Attribution \*

Top Contributors	Positive
Pfizer	+0.17%
BP	+0.16%
IBM	+0.12%
Rio Tinto	+0.11%
Corning	+0.11%
Top Detractors	Negative
DowDuPont	-0.27%
Allied Irish Bank	-0.20%
Intel	-0.17%
Evonik	-0.16%
General Electric	-0.15%

\*Source: Bloomberg as at 28/09/18

## Fund Breakdown

Top 10 Holdings	
Roche	4.6%
Heidelberg Cement	3.9%
DowDuPont	3.8%
Svenska Handelsbanken	3.6%
Saint Gobain	3.6%
UBS	3.5%
Johnson & Johnson	3.6%
Intel	3.4%
IBM	3.4%
Pfizer	3.2%

Sector breakdown	
Industrials	21.7%
Financials	19.5%
Healthcare	17.1%
Technology	11.3%
Basic Materials	9.1%
Consumer Services	7.1%
Consumer Goods	7.0%
Oil & Gas	6.6%
Utilities	0.0%
Cash	0.6%

	ISIN	SEDOL	Bloomberg	EMX	Initial Charge	Annual Charge	Ongoing ** Charge
B Acc Shares	GB00B5B35X02	B5B35X0	SARBACC LN	SARGGIFA	0%	0.75%	1.0%
B Dis Shares	GB00B3XPLG55	B3XPLG5	SARGIGA LN	SARGGIFD	0%	0.75%	1.0%

\*\* 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  
Nottingham  
NG1 6FJ

General Enquiries: 0115 988 8200  
Dealing Line: 0115 988 8274  
E-mail Dealing: [clientservices@tbailey.co.uk](mailto: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](http://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](http://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 – 28<sup>th</sup> September 2018**