

TB Saracen Global Income and Growth Fund

October 2018

SARACEN
share success



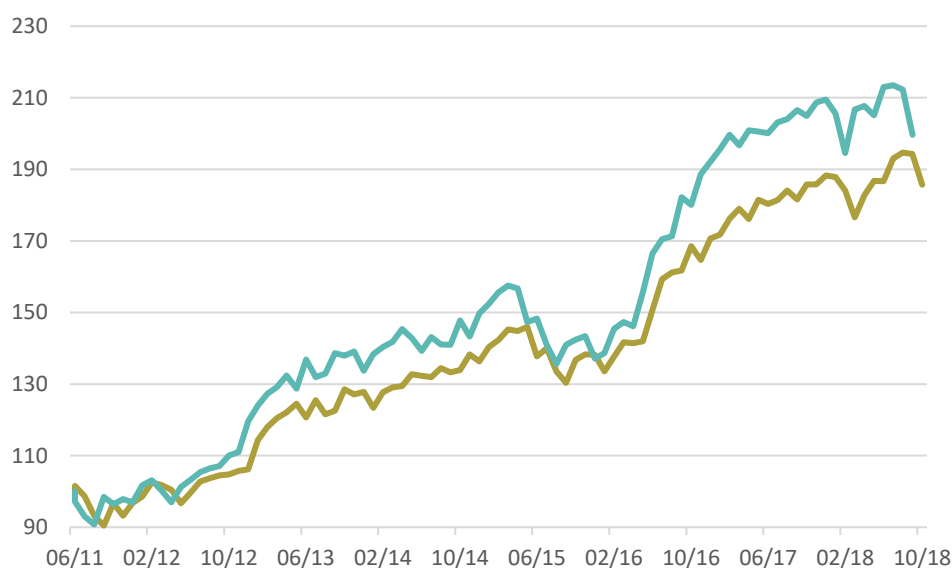
Fund Overview

- 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 31st October 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 31 October 2018

	1 month	6 months	1 year	3 years	5 years	Since launch*
TB SGIG B Acc	-5.9%	-3.4%	-3.4%	+41.6%	+44.1%	+100.1%
Sector Average	-4.5%	+1.3%	-0.1%	+35.3%	+44.5%	+85.7%
Quartile Ranking	3	4	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 31st October 2018)

Fund size: £121m
Launch date: 07/06/11
12m Forecast yield: 4.2%

No. of holdings: 41
Active share: 93%
Beta: 0.95

Source: Bloomberg as at 31/10/18

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: 199.63p
B Distribution: 161.40p

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.



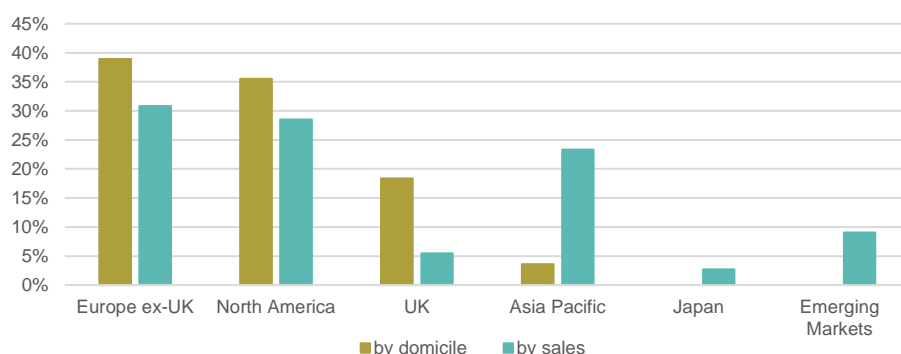
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Fund Breakdown by Geography



Data as of 31st October 2018, Source: Bloomberg/Saracen Fund Managers

Monthly Commentary

Performance

October historically has been a very difficult month for stock markets and this year was no different with global markets suffering steep declines. This month, the total return for TB SGIG was -5.9%, compared to -4.5% for the IA Global Equity Income sector. The outperformance of both the US market and growth stocks over the last few months has proven to be a difficult backdrop for fund performance. However, we believe that the significant value bias of the portfolio today represents a very attractive investment proposition for both existing and potential investors.

FX

Currency movements during October had a small positive impact on the fund's absolute performance. Sterling was up 0.8% against the CHF, flat against the EUR but down 2.1% against the USD.

Positives

Our more defensive stocks in both the Pharmaceutical and Tobacco sectors held up well in the market turmoil as they all reported very strong results. PMI (+13%) shares continued their recovery as strong pricing and branded sales performance led to both revenue and profits being ahead of expectations. Merck (+5%) beat expectations, increased the dividend by 15% and announced an additional \$10bn share buyback. J&J (+4%) and Roche (+3%) also reported solid results. Intel (+6%) had another strong quarter and raised full year expectations for the 3rd time this year. GE (+10%) announced a change of CEO alongside more bad news in the Power Division. The shares were sold into the share price bounce.

Negatives

Both Johnson Matthey (-16%) and Valeo (-23%) had a difficult month due to the short-term impact of the new emission testing rules. IBM (-22%) shares slumped sharply after announcing the acquisition of Red Hat for \$34bn. DowDuPont (-18%) and Evonik (-12%) shares fell with the whole Chemicals sector amid concerns over Chinese demand. Heidelberg Cement (-11%) warned about the impact of rising energy costs on margins.

Portfolio Activity

We tend to be very active during periods of market volatility. This month we bought Interpublic Group and Michelin and sold GE and SES – please see our blog entitled "TB SGIG – October Portfolio Activity" for more details. We topped up Anta Sports, BP, DowDuPont, Evonik, HSBC, Rio Tinto, Saint Gobain, Schlumberger, Schneider and Valeo. We reduced AstraZeneca, J&J, Pandora, Pfizer and Roche.

October – Attribution *

Top Contributors	Positive
Philip Morris Intl	+0.31%
Intel	+0.24%
General Electric	+0.20%
Merck	+0.15%
J&J	+0.12%
Top Detractors	Negative
IBM	-0.68%
Dow Chemicals	-0.68%
Evonik	-0.42%
Heidelberg Cement	-0.42%
Johnson Matthey	-0.40%

*Source: Bloomberg as at 31/10/18

Fund Breakdown

Top 10 Holdings	
Roche	4.7%
DowDuPont	3.8%
Intel	3.8%
Heidelberg Cement	3.7%
Saint Gobain	3.7%
HSBC	3.7%
Evonik	3.6%
Svenska Handelsbanken	3.4%
UBS	3.4%
Imperial Brands	3.2%

Sector breakdown	
Financials	19.5%
Industrials	18.1%
Healthcare	16.2%
Basic Materials	13.2%
Technology	11.4%
Consumer Services	7.6%
Oil & Gas	7.4%
Consumer Goods	6.4%
Utilities	0.0%
Cash	0.2%

	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

(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.

Issued by Saracen Fund Managers Limited. Please note that Saracen Fund Managers Limited do not provide financial advice. If you have any doubt whether the TB Saracen Global Income and Growth Fund is suitable for you and you wish to receive advice you should contact your Financial Adviser.

Regulatory Status:

FCA Recognised: Yes
Scheme Type: OEIC (UCITS)

Issue date – 31st October 2018