

TB Saracen UK Alpha Fund

January 2019

SARACEN
share success

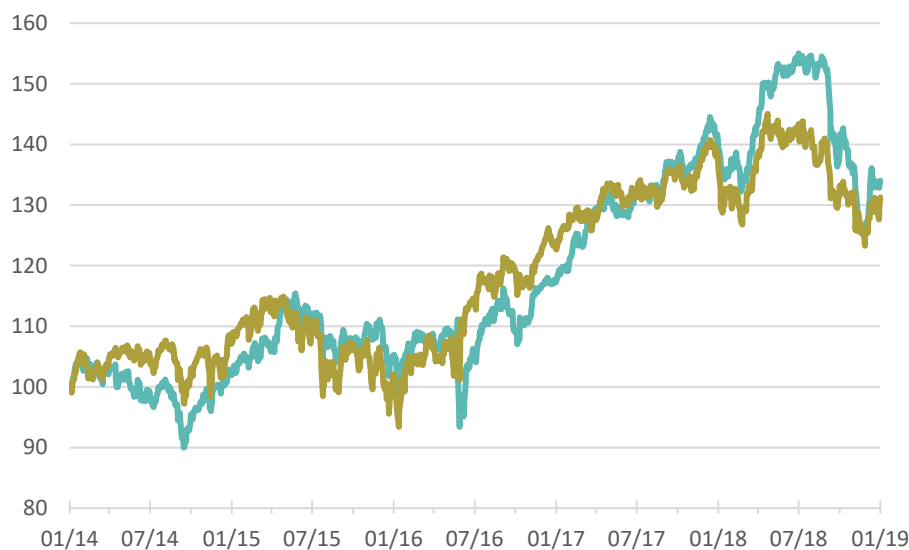
Fund Overview

- Objective: to achieve a higher rate of return than the MSCI UK All Cap Index by investing in a portfolio of primarily UK equity securities with the potential for long term growth.
- 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.
- Since launch in March 1999, the fund has outperformed its benchmark in 16 out of 20 years and in 8 out of the last 10 calendar years.
- A concentrated portfolio of 25-35 holdings, with a focus on capital growth, backed by the Saracen research process.

Performance Chart*

5 Year Performance (%)

— TB Saracen UK Alpha Fund B Acc
— MSCI UK All Cap Index (TR)



*Source: Bloomberg, as at 31st January 2019

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 charges to 31 January 2019

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB Saracen UK Alpha B Acc	5.3%	-3.3%	-4.0%	27.4%	34.0%	618.4%
MSCI UK All Cap Index (TR)	4.3%	-1.6%	-4.2%	28.5%	29.6%	
Sector Average	5.4%	-1.1%	-5.6%	24.8%	27.9%	163.5%
Quartile Ranking	2	4	2	2	2	1

Source: Financial Express; *launch date 05 March 1999

Sector: IA Sector (UK All Companies)

FOR PROFESSIONAL INVESTORS ONLY

Retail investors should consult their financial advisers

FUND DETAILS

(as at 31st December 2018)

Fund size: £10m
Launch date: 05/03/99

No. of holdings: 32
Active share: 95%
Source: Bloomberg

Denomination: GBP

Valuation point: 12 noon

Fund prices:

A Accumulation: 441.78p
B Accumulation: 718.39p

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

ACD:

T. Bailey Fund Services Limited



Scott McKenzie
Fund Manager

Scott McKenzie joined Saracen in August 2014.

Scott had been deputy manager of the fund since August 2014 and was appointed lead manager in June 2017. He has over 25 years' experience managing UK equity funds.

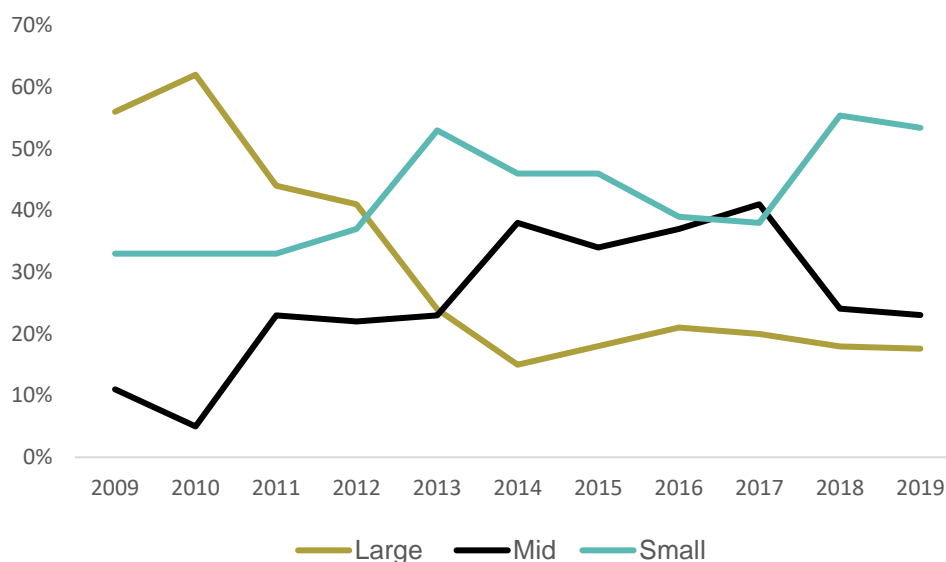


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Fund Breakdown by Market Capitalisation



Data as of 31st January 2019, Source: Saracen Fund Managers

Monthly Commentary

Performance

The Fund saw a solid recovery in January, rising by 5.3% against a rise in the MSCI UK All Cap index of 4.3%. The events which damaged returns in late 2018 began to unwind with our mid and smallcap focus and high weightings in consumer and industrial stocks broadly seeing a return to form. The midcap index in particular saw a strong overall recovery after a poor end to last year. Our low exposure to defensive sectors also helped in a better overall market.

Positives

In contrast to December, there were a number of winners during the month. The star performer was retailer Dunelm which rose by 33% on upgraded expectations. Two of our smaller companies, MJ Gleeson and discoverIE produced pleasing statements and rose by 12% and 15% respectively. At long last, RPC received a takeover approach and rose by 21%. Some of our more UK-centric stocks saw meaningful recovery including Eurocell and Galliford Try whilst several more cyclical businesses such as Rio Tinto and TI Fluid Systems also rose as global sentiment improved.

Negatives

In a better market, our losers were a far smaller group. The only really damaging development was a weaker statement from Restore, which fell 18%. In general, acquisitive smaller companies fared badly with Marlowe and Victoria also drifting away over the month. Palace Capital and STV slipped a little, having held up well in late 2018.

Portfolio Activity

We took some profit in Dunelm following the surge in the share price and also reduced the holding in RPC post the Apollo bid finally coming through. We added to a few existing holdings including Restore, Synthomer, Kin and Carta and U&I and we continued to build the position in Mattioli Woods. Cash currently stands at 5%.

January – Attribution *

Top Contributors	Positive
Dunelm	+0.92%
RPC Group	+0.78%
MJ Gleeson	+0.51%
discoverIE	+0.44%
TI Fluid Systems	+0.39%
Top Detractors	Negative
Restore	-0.68%
Palace Capital	-0.24%
Victoria	-0.19%
STV Group	-0.18%
Marlowe	-0.17%

*Source: Bloomberg as at 31/1/19

Fund Breakdown

Top 10 Holdings	
Alpha FMC	5.2%
Rio Tinto	4.9%
Prudential	4.5%
MJ Gleeson	4.4%
Synthomer	4.3%
Palace Capital	4.3%
Standard Life Aberdeen	4.3%
Wood Group	3.9%
Tyman	3.7%
Restore	3.5%

Sector breakdown	
Industrials	32.0%
Financials	24.7%
Consumer Goods	16.6%
Basic Materials	9.2%
Consumer Services	5.8%
Oil & Gas	3.9%
Telecoms	1.8%
Healthcare	0.0%
Technology	0.0%
Utilities	0.0%

	ISIN	SEDOL	Bloomberg	EMX	Initial Charge	Annual Charge	Ongoing * Charge
B Acc Shares	GB0005711196	0571119	SFMGRBA LN	SARGFB	0%	0.75%	1.19%

* 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. 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 – 31st January 2019