

TB Saracen UK Income Fund

January 2019

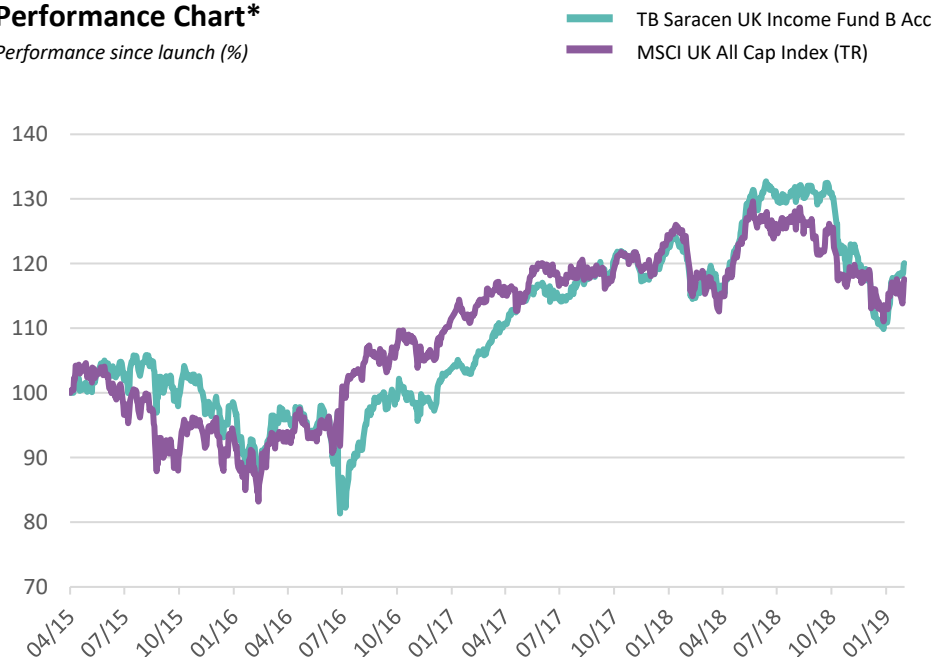
SARACEN
share success

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 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	Since launch*
TB Saracen UK Income B Acc	7.7%	-0.8%	-0.3%	29.3%	20.1%
MSCI UK All Cap Index (TR)	4.3%	-1.6%	-4.2%	28.5%	19.1%
Sector Average	5.0%	-1.1%	-5.1%	18.9%	14.1%
Quartile Ranking	1	2	1	1	1

Source: Financial Express; * launch date 01 April 2015

Sector: IA Sector (UK Equity Income)

FOR PROFESSIONAL INVESTORS ONLY

Retail investors should consult their financial advisers

FUND DETAILS

(as at 31st January 2019)

Fund size: £3m
Launch date: 01/04/15

Portfolio yield: 5.2%

No. of holdings: 32
Active share: 88%

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: 120.10p
B Distribution: 99.84p

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 and has managed the fund since launch. He has over 25 years' experience managing UK equity funds.

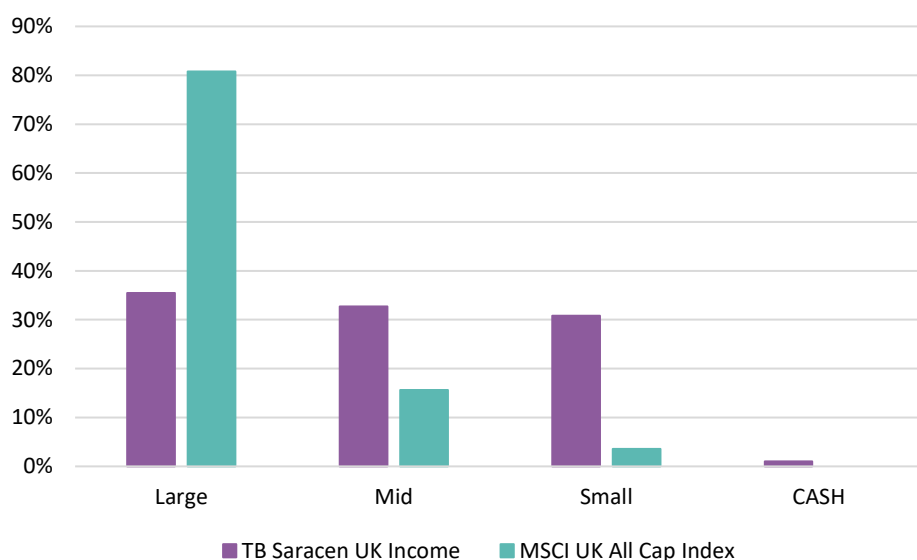


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January 2019



Fund Breakdown by Market Capitalisation



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

Monthly Commentary

Performance

The Fund enjoyed a strong recovery in January, rising by 7.7% 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, financial and industrial stocks broadly seeing a return to form. 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. Two of our smaller companies, Gateley and discoverIE produced pleasing statements and rose by 33% and 15% respectively. At long last, RPC received a takeover approach and rose by 21%. A few financial shares recovered from low levels, notably Lloyds, Aviva and Phoenix. Some of our more UK-centric stocks saw meaningful recovery including Greene King and Galliford Try whilst several more cyclical businesses such as Rio Tinto and TI Fluid Systems also rose sharply as global sentiment improved.

Negatives

In a stronger market, our losers were a far smaller group. Palace Capital and STV slipped a little, having held up well in late 2018. The UK consumer continues to be challenging with Halfords and Headlam both having weak updates but thankfully they were fairly modest positions and the overall damage to the portfolio was limited.

Portfolio Activity

After a busy December, activity was minimal in January. We sold the holding in RPC post the Apollo bid finally being announced and put the proceeds into a new holding in Synthomer, a chemicals business whose value has fallen substantially in recent months. The Fund remains fully invested and continues to offer a dividend yield greater than that available from the main UK market.

January – Attribution *

Top Contributors	Positive
Gateley	+1.24%
RPC Group	+0.56%
Greene King	+0.50%
discoverIE	+0.45%
Aviva	+0.40%
Top Detractors	Negative
Palace Capital	-0.22%
STV Group	-0.16%
Halfords	-0.14%
Headlam	-0.09%
Standard Life Aberdeen	-0.09%

*Source: Bloomberg as at 31/1/19

Fund Breakdown

Top 10 Holdings	
Alpha FMC	5.1%
Lloyds Banking	5.0%
Imperial Brands	4.9%
Aviva	4.8%
Gateley	4.7%
Standard Life Aberdeen	4.6%
Rio Tinto	4.5%
Greene King	4.0%
Palace Capital	3.9%
Wood Group	3.6%

Sector breakdown	
Financials	30.6%
Industrials	22.1%
Consumer Goods	16.0%
Consumer Services	13.2%
Basic Materials	10.4%
Oil & Gas	6.6%
Healthcare	0.0%
Telecoms	0.0%
Technology	0.0%
Utilities	0.0%

	ISIN	SEDOL	Bloomberg	EMX	Initial Charge	Annual Charge	Ongoing**
B Acc Shares	GB00BW9H1K24	BW9H1K2	BBG008D4LJ68	SARUKIFACC33	0%	0.50%	1.36%
B Dis Shares	GB00BW9H1L31	BW9H1L3	BBG008D4LJF8	SARUKIFDIS33	0%	0.50%	1.36%

** 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.

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Regulatory Status:

FCA Recognised: Yes
Scheme Type: OEIC (UCITS)

Issue date – 31st January 2019