

TB Saracen UK Income Fund

March 2019

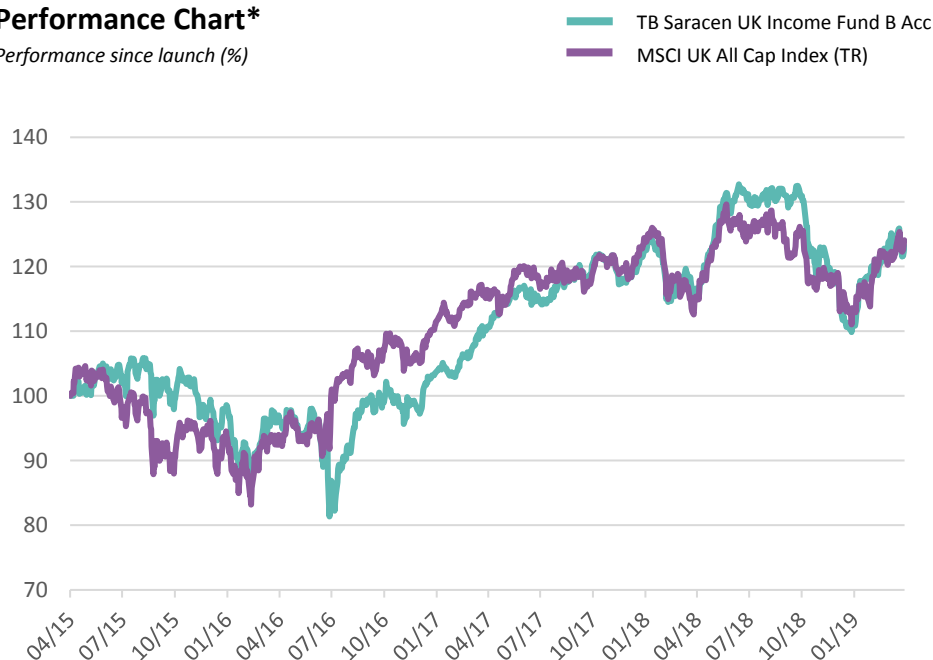
SARACEN
share success

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 29th March 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 29th March 2019

	1 month	3 months	1 year	3 years	Since launch*
TB Saracen UK Income B Acc	0.6%	10.4%	5.7%	27.5%	23.2%
MSCI UK All Cap Index (TR)	2.8%	9.7%	6.3%	31.5%	25.2%
Sector Average	1.9%	8.7%	3.6%	19.6%	18.2%
Quartile Ranking	4	1	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 29th March 2019)

Fund size: £3m
Launch date: 01/04/15

Historic yield: 5.1%

No. of holdings: 33
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: 123.17p
B Distribution: 102.36p

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.

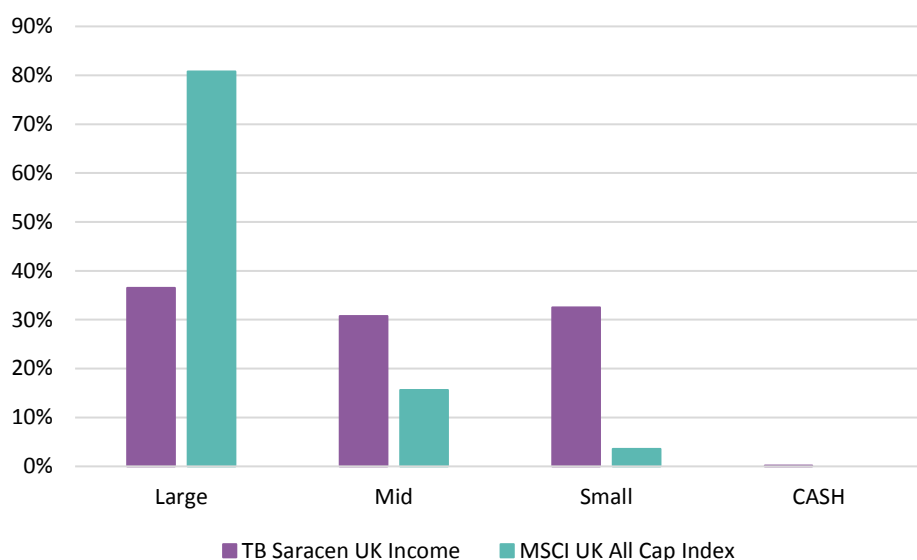


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March 2019



Fund Breakdown by Market Capitalisation



Data as of 29th March 2019. Source: Saracen Fund Managers

Monthly Commentary

Performance

The Fund struggled somewhat in March, rising by only 0.6% against a rise in the MSCI UK All Cap index of 2.8%. Our high exposure to small and midcap stocks was a significant headwind during a month when larger companies did materially better. Our low exposure to classically defensive stocks was also detrimental as bond yields fell. Despite all of this, the Fund has enjoyed a positive start to 2019, outperforming both the index and the average peer group fund during the first quarter.

Positives

Despite the fall in bond yields, a number of our financials holdings began to recover with both Jupiter and Standard Life Aberdeen rallying on results which were no worse than feared. Our exposure to mining remained a positive with Rio Tinto and BHP continuing to benefit from high dividend payouts and positive iron ore pricing. Despite a tough environment for UK-exposed smaller companies, STV and Headlam both responded well to final results.

Negatives

Our lacklustre showing was mainly due to our underweight position in large sectors such as consumer staples, oil and healthcare. Galliford Try fell in response to losing their CEO whilst several of our smaller companies such as Alpha FMC and Gateley drifted off during the month.

Portfolio Activity

We added the packaging company DS Smith to the Fund in March, after the significant derating the business has suffered recently. It offers a high yield and low valuation and we believe that concerns about their debt levels and cyclical nature are somewhat misplaced. The only other change saw us taking some profits in our large position in Rio Tinto which has performed strongly and paid substantial dividends of late into the bargain. The Fund remains fully invested and continues to offer a dividend yield greater than that available from the main UK market.

March – Attribution *

Top Contributors	Positive
Jupiter	+0.31%
Standard Life Aberdeen	+0.29%
NewRiver REIT	+0.17%
Imperial Brands	+0.16%
Rio Tinto	+0.13%
Top Detractors	Negative
Galliford Try	-0.16%
Kin & Carta	-0.14%
Gateley	-0.09%
Alpha FMC	-0.09%
National Express	-0.08%

*Source: Bloomberg as at 29/3/19

Fund Breakdown

Top 10 Holdings	
Lloyds Banking	5.3%
Alpha FMC	5.2%
Imperial Brands	5.1%
Standard Life Aberdeen	4.7%
Aviva	4.7%
Palace Capital	3.8%
Gateley	3.7%
Tyman	3.6%
Wood Group	3.4%
BHP	3.3%

Sector breakdown	
Financials	31.1%
Industrials	22.7%
Consumer Goods	16.2%
Consumer Services	14.5%
Basic Materials	9.2%
Oil & Gas	6.2%
Healthcare	0.0%
Telecoms	0.0%
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%	1.36%
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
(Phone and email deals will only be accepted on completion of initial account set up and by prior agreement with TBFS)

General Enquiries: 0115 988 8200
Dealing Line: 0115 988 8274
E-mail Dealing: clientservices@tbailey.co.uk

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 – 29th March 2019