

TB Saracen Global Income and Growth Fund

May 2019

SARACEN
share success

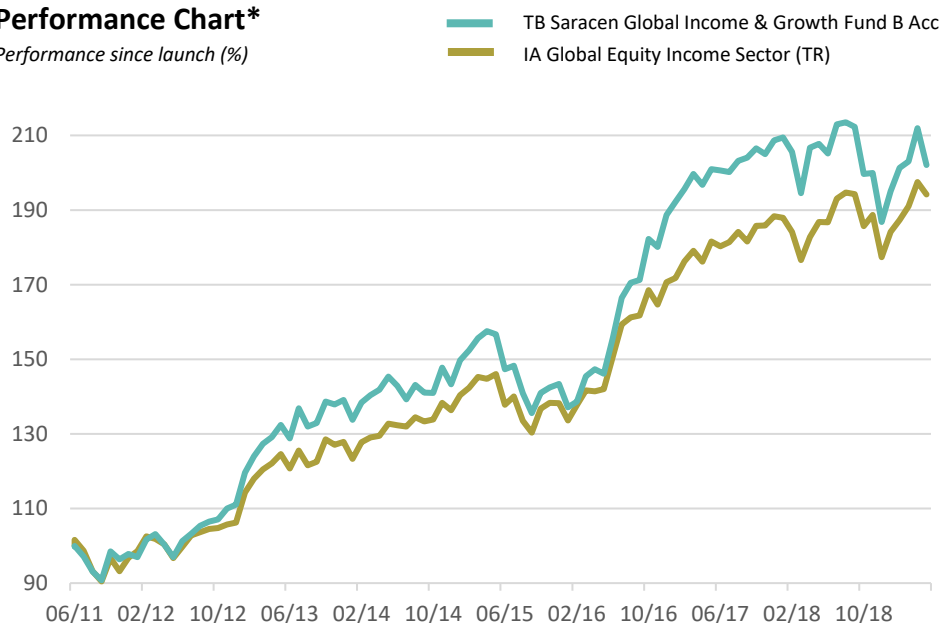


Fund Overview

- 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 (%)



*Source: Financial Express, as at 31st May 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 ongoing charges to 31 May 2019

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB SGIG B Acc	-4.7%	+0.4%	-2.7%	+38.2%	+39.1%	+102.5%
Sector Average	-1.7%	+3.6%	+4.0%	+35.7%	+46.2%	+94.2%
Quartile Ranking	4	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 May 2019)

Fund size: £119m
Launch date: 07/06/11
Historic yield: 3.4%

No. of holdings: 41
Active share: 94%
Beta: 0.96

Source: Bloomberg as at 31/05/19

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: 202.03p
B Distribution: 160.96p

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.



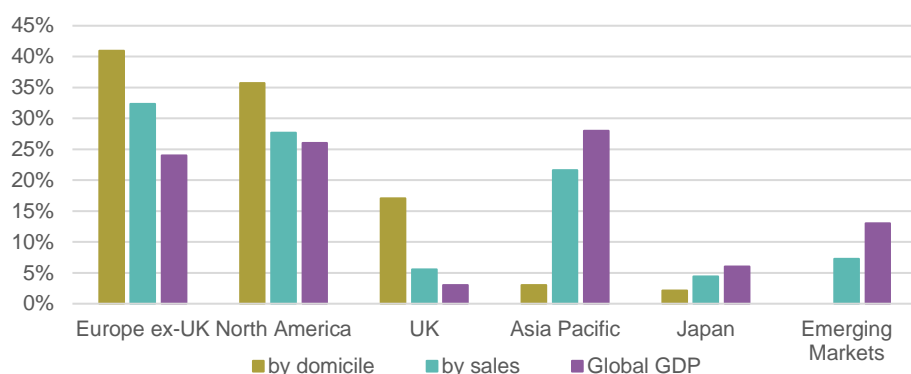
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Fund Breakdown by Geography



Data as of 31st May 2019, Source: Bloomberg/Saracen Fund Managers

Monthly Commentary

Performance

This month, the total return for TB SGIG was -4.7%, compared to -1.7% for the IA Global Equity Income sector. The fund has delivered a return of 103% and is ranked second quartile since launch. The fund's disappointing performance in the month was due to the continued strength in "growth" and so called "quality" stocks (areas of the market which we believe are incredibly expensive) at the expense of "value" names. Given the fund's strict valuation framework, TB SGIG has never had such a "value" bias. The fund, which is made up of well-known global leading businesses, remains very cheap – the underlying portfolio trades on 11.3X Year 1 PER and yields 4.7%. The low valuation combined with underlying dividend growth on a high starting yield should deliver good performance over time.

FX

Currency movements had a positive impact on the fund's absolute performance. Sterling was down 4.7%, 2.7% and 3.3% against the CHF, EUR and USD respectively.

Positives

In a month dominated by macro headlines regarding Trade Wars well as the usual Brexit noise, there was limited corporate news flow. ProSieben (+8%) reported solid numbers and announced that Mediaset, the Italian broadcaster, had taken an almost 10% stake in the business. Given the macro uncertainty defensive shares performed well. Our holdings in Pfizer (+9%), Merck (+7%), Mondelez (+5%) and Asahi (+5%) all held up well.

Negatives

In a difficult month for markets, even companies reporting good results were not rewarded. Cisco (-1%), Heidelberg (-6%) Johnson Matthey (-10%) all reported very solid numbers. Imperial Brands (-20%) had a torrid month despite reporting in-line numbers and re-iterating guidance. We topped up our holding at the beginning of June.

Portfolio Activity

We increased our holdings in Asahi, Pfizer, Philip Morris and ProSieben during the month. We took further profits in Cisco and Mondelez.

May – Attribution *

Top Contributors	Positive
Pfizer	+0.25%
Merck	+0.24%
Prosieben	+0.20%
Roche	+0.12%
Asahi	+0.10%
Top Detractors	Negative
Imperial Brands	-0.47%
DBS Group	-0.38%
Evonik	-0.37%
Saint Gobain	-0.35%
Johnson Matthey	-0.34%

*Source: Bloomberg as at 31/05/19

Fund Breakdown

Top 10 Holdings	
Roche	4.5%
Heidelberg Cement	3.9%
Saint Gobain	3.8%
HSBC	3.7%
IBM	3.6%
Schneider Electric	3.6%
Evonik	3.5%
Johnson Matthey	3.5%
Merck	3.3%
Phillip Morris International	3.2%

Sector breakdown	
Financials	19.4%
Industrials	17.1%
Healthcare	16.5%
Basic Materials	11.9%
Technology	9.5%
Consumer Goods	8.7%
Consumer Services	8.6%
Oil & Gas	7.3%
Utilities	0.0%
Cash	1.0%

	ISIN	SEDOL	Bloomberg	EMX	Initial Charge	Annual Charge	Ongoing ** Charge
B Acc Shares	GB00B5B35X02	B5B35X0	SARBACC LN	SARGGIFA	0%	0.75%	0.99%
B Dis Shares	GB00B3XPLG55	B3XPLG5	SARGIGA LN	SARGGIFD	0%	0.75%	0.99%

** 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 May 2019