

TB Saracen UK Income Fund

November 2019

SARACEN
share success

Signatory of:

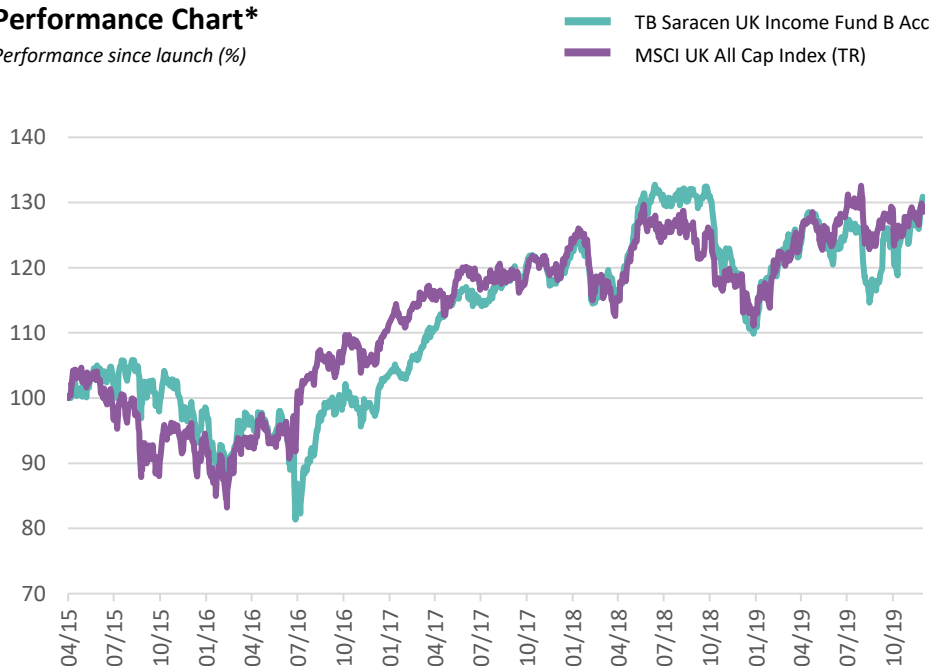


Fund Overview

- 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 November 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 November 2019

	1 month	3 months	1 year	3 years	Since launch*
TB Saracen UK Income B Acc	5.9%	11.0%	11.5%	33.4%	30.9%
MSCI UK All Cap Index (TR)	2.1%	3.6%	10.3%	22.9%	31.0%
Sector Average	3.1%	6.6%	10.5%	19.2%	25.5%
Quartile Ranking	1	1	2	1	2

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 November 2019)

Fund size: £3.3m
Launch date: 01/04/15

Historic yield: 4.9%

No. of holdings: 30
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: 130.89p
B Distribution: 105.93p

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

ACD:

T. Bailey Fund Services Limited

Scott McKenzie
Fund Manager

David Clark
Fund Manager



Scott McKenzie joined Saracen in August 2014 and has managed the fund since launch. **David Clark** joined the team in March 2019. Both David and Scott have over 25 years' experience managing UK equity funds.

TB Saracen UK Income Fund

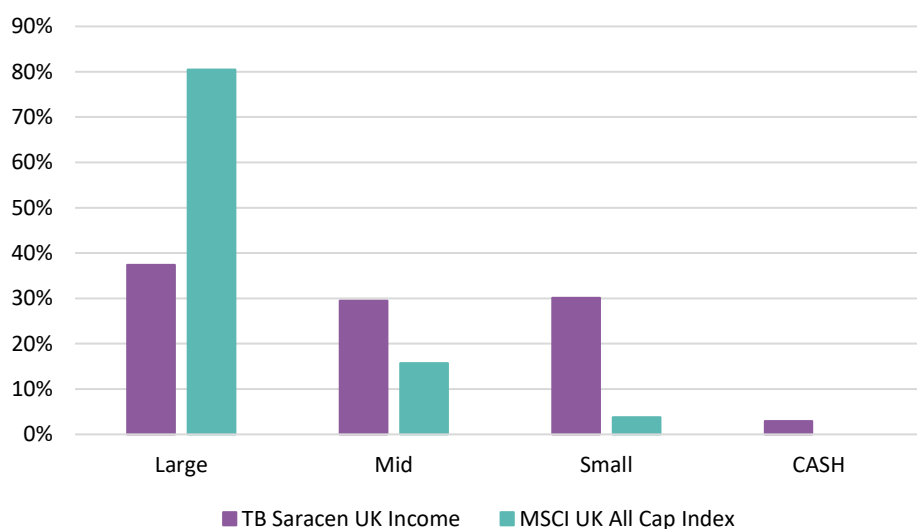
November 2019

SARACEN
share success

Signatory of:



Fund Breakdown by Market Capitalisation



Data as of 29th November 2019, Source: Saracen Fund Managers

Monthly Commentary

Performance

The Fund performed strongly in November, rising by 5.9%, which was well ahead of both the MSCI UK All Cap Index and the equity income peer group average. The Fund has 60% of the portfolio in mid and smallcap companies and this was helpful, with those indices rising by 4.2% and 3.3% respectively. The FTSE100 lagged a little, rising by 2.2%. Given our more domestic portfolio positioning overall, we hope for some much-needed political clarity at next month's election.

Positives

It was a month when a number of recovery stocks recovered. Superdry led the charge, rising by 25%. It's early days in the turnaround here but we remain hopeful. Two of our more cyclical stocks, TI Fluid and Tyman, rose by 23% and 18% respectively, reflecting their very low starting valuations. We also saw good recovery in U&I Group and Synthomer, again from low bases. Galliford Try continued to respond positively to the Bovis transaction, which was confirmed during November. Alpha FMC delivered good interim results despite tough comparisons and the shares rallied by 10%.

Negatives

In a strong month overall there were precious few disappointments. Aviva drifted in response to a somewhat underwhelming strategic review. Both Palace Capital and NewRiver fell slightly despite producing credible results in a difficult and illiquid UK commercial property market.

Portfolio Activity

The holding in Bovis was sold and the investment in Galliford Try increased ahead of the two businesses' housebuilding transaction completing. We see hidden value in the Galliford 'rump'. We added again to Halfords in response to a positive strategic review and cut in the dividend. Some profits were taken in larger positions such as Standard Life Aberdeen, TI Fluid Systems and National Express, all of which have recovered strongly of late. Our income position remains healthy and the Fund continues to offer a historic dividend yield of 4.9%, with further real growth expected for 2019 as a whole. We currently have 3% of the portfolio held in cash.

November – Attribution *

Top Contributors	Positive
TI Fluid Systems	+0.69%
Superdry	+0.44%
Alpha FMC	+0.40%
Tyman	+0.39%
U&I Group	+0.35%
Top Detractors	Negative
Aviva	-0.11%
Headlam	-0.10%
New River REIT	-0.09%
Palace Capital	-0.09%
Eurocell	-0.02%

*Source: Bloomberg as at 29/11/19

Fund Breakdown

Top 10 Holdings	
Galliford Try	5.4%
Lloyds Banking	4.8%
DS Smith	4.7%
Aviva	4.6%
Standard Life Aberdeen	4.4%
Alpha FMC	4.2%
Gateley	4.2%
Imperial Brands	4.2%
Close Brothers	3.9%
Palace Capital	3.8%

Sector breakdown	
Financials	34.5%
Industrials	19.5%
Consumer Goods	16.6%
Consumer Services	11.3%
Basic Materials	9.5%
Oil & Gas	4.9%
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@tbaileys.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.tbaileys.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 Saracen UK Income 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 – 29th November 2019