

TB Saracen Global Income and Growth Fund

January 2020

SARACEN
share success

Signatory of:
PRI Principles for Responsible Investment



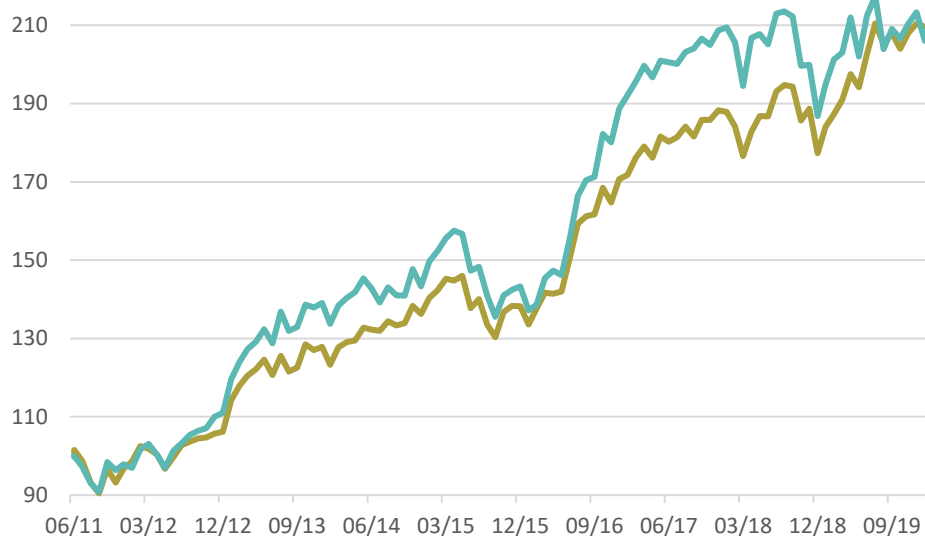
Fund Overview

- 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 (%)

— TB Saracen Global Income & Growth Fund B Acc
— IA Global Equity Income Sector (TR)



*Source: Financial Express, as at 31st January 2020

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 January 2020

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB SGIG B Acc	-3.4%	-0.2%	+5.7%	+7.2%	+37.6%	+107%
Sector Average	-0.4%	+2.8%	+13.8%	+22.0%	+49.1%	+109%
Quartile Ranking	4	4	4	4	4	3

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 January 2020)

Fund size: £110m
Launch date: 07/06/11
Historic yield: 4.2%

No. of holdings: 43
Active share: 93%
Beta: 0.95

Source: Bloomberg as at 31/01/20

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: 206.06p
B Distribution: 157.64p

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

ACD:
T. Bailey Fund Services Limited

Graham Campbell
Executive Director

David Keir
Chief Executive Officer



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 19 years of industry experience.



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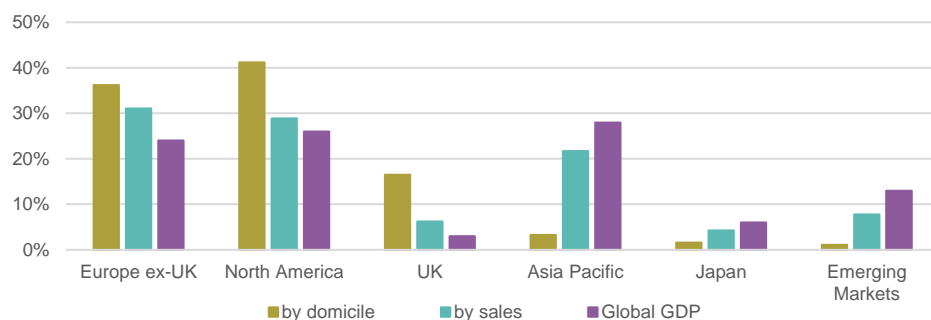
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Fund Breakdown by Geography



Data as of 31st January 2020, Source: Bloomberg/Saracen Fund Managers

Monthly Commentary

Performance

The backdrop of a potential Middle Eastern conflict between US and Iran and the outbreak of the Coronavirus in China caused investors to question the sustainability of global growth. It felt like a re-run of August 2019 as bond yields fell 30bps to 1.6% and oil and commodities fell over 10%. Defensive shares performed very strongly and commodity, cyclical and financial shares performed very poorly. In short, expensive shares became relatively more expensive and Value strategies had a bad month.

The fund gave up recent gains but remains incredibly cheap (trading on 11.3X year 1 PER and 4.8% dividend yield – source Bloomberg). Given the ever-increasing extremities that exist in markets, we still consider many of our holdings to be significantly undervalued. This month, the total return for TB SGIG was -3.4%, compared to -0.4% for the IA Global Equity Income sector. The fund has delivered a return of +107% since launch in June 2011.

FX

Currency movements had a negligible impact on the fund's performance. Sterling was up +1.1% against the EUR but down -0.6% against both the CHF and USD respectively.

Positives

Pandora (+20%) pre-announced their Q4 results which were at the top-end of analyst expectations as new mgmt.'s turnaround strategy begins to work. Our technology holdings performed well. Intel (+12%) announced record profits for both Q4 and 2019 and IBM (+4%) results also highlighted a return to revenue growth. Both Roche (+5%) and J&J (+4%) benefitted from strong profits and the risk-off environment.

Negatives

Schlumberger (-15%) fell on the back of the weaker oil price despite posting solid results. Many of our holdings were hit by the market backdrop as opposed to any company specific news flow. Cyclical names such as Evonik (-10%), Johnson Matthey (-13%), ProSieben (-15%) and Valeo (-15%) all fell sharply. Carnival (-12%) also declined over concerns about the impact on demand in the key wave season sales period.

Portfolio Activity

There were no changes to our portfolio holdings during the month. We topped up Asahi, Barclays, Carnival and Interpublic and funded this through reducing our weightings in AstraZeneca, Roche and Schneider.

January – Attribution *

Top Contributors	Positive
Pandora	+0.38%
Intel	+0.37%
Roche	+0.22%
J&J	+0.14%
IBM	+0.13%
Top Detractors	Negative
Johnson Matthey	-0.44%
Schlumberger	-0.38%
Allied Irish Bank	-0.35%
ProSieben	-0.33%
Evonik	-0.33%

*Source: Bloomberg as at 31/01/20

Fund Breakdown

Top 10 Holdings	
Philip Morris Intl.	4.4%
IBM	3.9%
Johnson & Johnson	3.8%
Roche	3.8%
Intel	3.6%
Imperial Brands	3.6%
Saint Gobain	3.4%
DBS Group	3.3%
Svenska Handelsbanken	3.2%
Johnson Matthey	3.2%

Sector breakdown	
Financials	17.7%
Healthcare	17.0%
Technology	15.1%
Industrials	12.3%
Consumer Services	12.1%
Basic Materials	10.0%
Consumer Goods	9.6%
Oil & Gas	6.1%
Utilities	0.0%
Cash	0.1%

	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 January 2020