

TB Saracen UK Alpha Fund

February 2020

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Fund Overview

- Objective: to achieve a higher rate of return than the MSCI UK All Cap Index by investing in a portfolio of primarily UK equity securities with the potential for long term growth.
- 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 Fund recently celebrated its 20th anniversary and, since launch in March 1999, has outperformed its benchmark in 16 out of 20 years and in 8 out of the last 10 calendar years.
- A concentrated portfolio of 25-35 holdings, with a focus on capital growth, backed by the Saracen research process.

Performance Chart*

5 Year Performance (%)

— TB Saracen UK Alpha Fund B Acc
— MSCI UK All Cap Index (TR)



*Source: Bloomberg, as at 28th February 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 charges to 28th February 2020

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB Saracen UK Alpha B Acc	-10.3%	-3.2%	9.2%	23.4%	40.3%	693.7%
MSCI UK All Cap Index (TR)	-9.0%	-9.2%	-2.3%	3.4%	17.4%	
Sector Average	-9.4%	-8.2%	1.0%	6.3%	19.8%	170.3%
Quartile Ranking	4	1	1	1	1	1

Source: Financial Express; *launch date 05 March 1999

Sector: IA Sector (UK All Companies)

FOR PROFESSIONAL INVESTORS ONLY

Retail investors should consult their financial advisers

FUND DETAILS

(as at 28th February 2020)

Fund size: £13.2m
Launch date: 05/03/99

No. of holdings: 32
Active share: 93%
Source: Bloomberg

Denomination: GBP

Valuation point: 12 noon

Fund prices:

A Accumulation: 484.14p
B Accumulation: 793.66p

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 June 2017. **David Clark** joined the team in March 2019. Both David and Scott have over 25 years' experience managing UK equity funds.



TB Saracen UK Alpha Fund

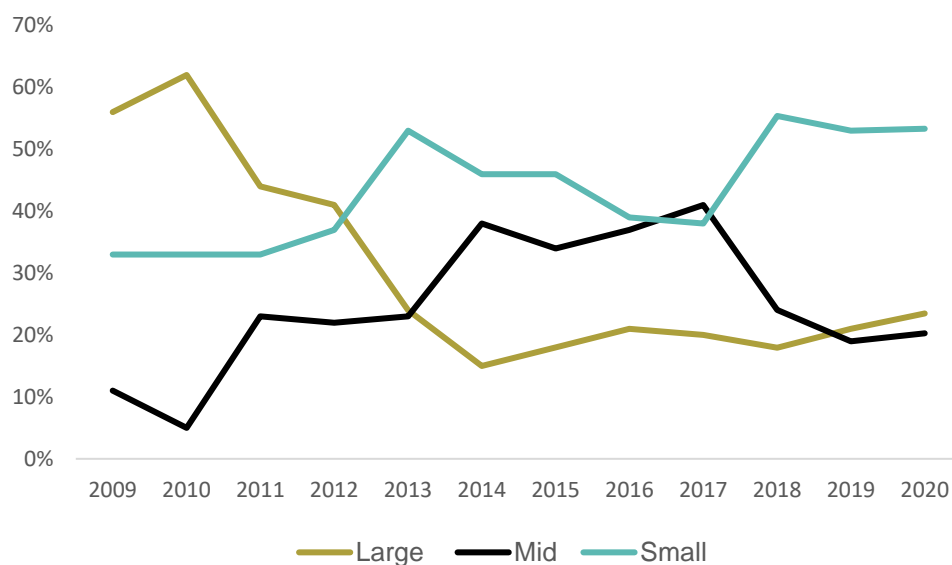
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Fund Breakdown by Market Capitalisation



Data as of 28th February 2020 Source: Saracen Fund Managers

Monthly Commentary

Performance

February was a difficult month for global markets with the escalating coronavirus leading to dramatic falls across the board. The Fund fared poorly, falling by 10.3% and lagging the UK index return of -9.0%. Most of the damage was done towards the end of the month with the positive returns of 2019 looking somewhat dim and distant for now. There were very few places to hide with all styles and sizes of company affected.

Positives

In such difficult circumstances we had few positives to report, with Galliford Try, Mattioli Woods and STV the only stocks in the portfolio which managed small increases in value.

Negatives

The poor performers were numerous and impacted all aspects of the portfolio. A number of our larger smaller company investments were hit hard for no obvious reason, including Alpha FMC (-16%), Kin & Carta (-15%) and Chemring (-11%). Imperial Brands continued with its trend of small downgrades and fell another 17% whilst Superdry also extended its recent poor form, falling by 19%. Financials in general were poor with weaker markets and falling bond yields taking their toll – this was a negative for the Fund given our high exposure overall, with Premier Miton, Standard Life Aberdeen and our real estate stocks all seeing meaningful price falls. Global cyclical businesses such as Rio Tinto, Synthomer and TI Fluid Systems were impacted by concerns about the impact of the virus on the Chinese economy, with all three seeing declines of greater than 10% over the month.

Portfolio Activity

The holding in Vitec was sold prior to them delivering further disappointing guidance for 2020. A small position was taken in the IPO of the eyewear business, Inspecs. We added to existing holdings including Halfords, Wood Group, Premier Miton and Johnson Mathey, leaving a cash balance of 3%.

February – Attribution *

Top Contributors	Positive
Mattioli Woods	+0.05%
Galliford Try	+0.02%
STV	+0.01%
Top Detractors	Negative
Premier Miton	-0.77%
Clinigen	-0.72%
Synthomer	-0.66%
Alpha FMC	-0.64%
Kin & Carta	-0.56%

*Source: Bloomberg as at 28/2/20

Fund Breakdown

Top 10 Holdings	
Vistry Group	4.7%
MJ Gleeson	4.7%
Standard Life Aberdeen	4.1%
Barclays	3.9%
Alpha FMC	3.9%
Synthomer	3.8%
Palace Capital	3.8%
Kin & Carta	3.4%
Equiniti	3.4%
Prudential	3.3%

Sector breakdown	
Financials	27.1%
Industrials	26.7%
Consumer Goods	18.0%
Basic Materials	10.3%
Consumer Services	9.8%
Oil & Gas	3.3%
Healthcare	2.4%
Telecoms	0.0%
Technology	0.0%
Utilities	0.0%

	ISIN	SEDOL	Bloomberg	EMX	Initial Charge	Annual Charge	Ongoing * Charge
B Acc Shares	GB0005711196	0571119	SFMGRBA LN	SARGFB	0%	0.75%	1.19%

* 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. 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 – 28th February 2020