

TB Saracen Global Income and Growth Fund

May 2020

SARACEN
share success

Signatory of:
PRI Principles for Responsible Investment



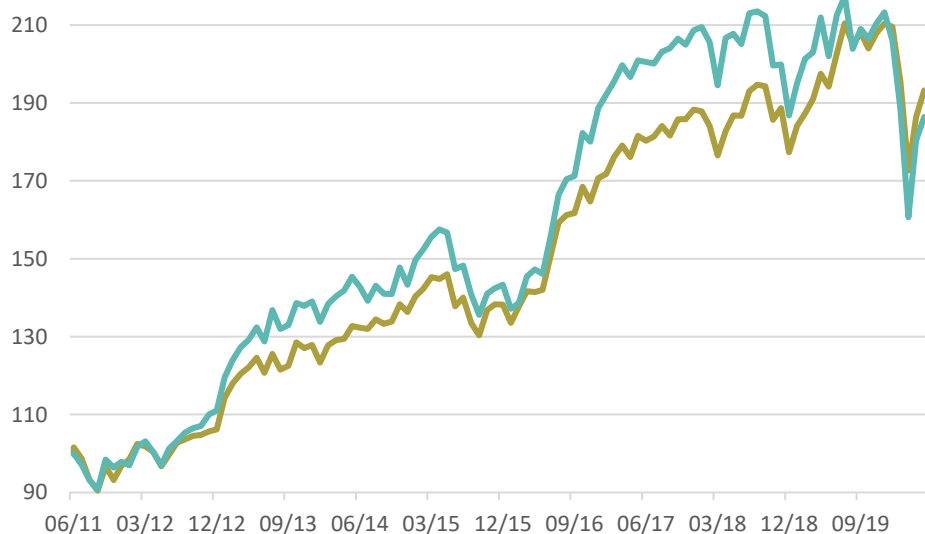
Fund Overview

- 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 29th May 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 29 May 2020

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB SGIG B Acc	+3.4%	-1.0%	-7.7%	-7.2%	+19.0%	+87%
Sector Average	+3.6%	-1.2%	-0.4%	+6.4%	+32.0%	+93%
Quartile Ranking	3	2	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 29th May 2020)

Fund size: £86m
Launch date: 07/06/11
Historic yield: 4.9%
No. of holdings: 39
Active share: 94%
Beta: 1.07
Source: Bloomberg as at 29/05/20
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: 186.41p
B Distribution: 142.61p

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 20 years of industry experience.



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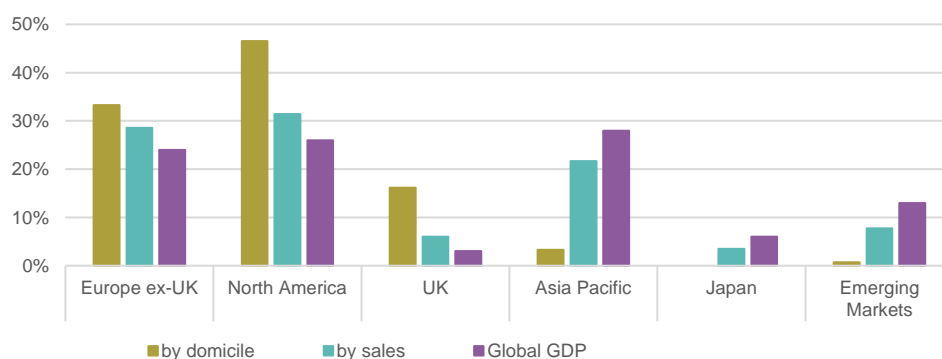
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Fund Breakdown by Geography



Data as of 29th May 2020, Source: Bloomberg/Saracen Fund Managers

Monthly Commentary

Performance

Equities continued to recover from their March lows. Western economies slowly began re-opening post lockdown and global Central Banks stepped up their unprecedented monetary and fiscal response to Covid-19. The big news was the €750bn recovery fund proposed by the European Commission which overshadowed the \$1.1 trillion fiscal stimulus announced by Japan. The main negative was the significant deterioration in relations between the US and China after China proposed a new national security bill for Hong Kong.

After a very soft start to May, there was a very noticeable shift in market leadership from the middle of the month as value stocks began to materially outperform. Expensive defensives and highly rated growth stocks underperformed. We believe that this is the beginning of something more sustainable as many investors own the same, expensive shares, which are proving in many cases to be no less cyclical than other lowly rated sectors, but also because the disparity is too great to be ignored.

In May, the fund returned +3.4% which was broadly in-line with the +3.6% by the Global Equity Income peer group. The fund has returned 87% since launch in June 2011. The fund remains attractively valued against both the market and peer group trading on 14X 2021 earnings and yielding over 4%.

FX

Currency movements had a positive impact on the fund's performance. Sterling was down 2.4%, 3.8% and 1.5% against the CHF, EUR and USD respectively.

Positives

There was limited corporate news flow in the month. Cisco (+7%) reported solid Q3 numbers and gave guidance that was above market expectations. Many of our lowly rated cyclicals had a strong month with companies such as Saint Gobain (+19%) and Heidelberg Cement (+8%) benefitting from the fiscal stimulus proposals. Banks began to bounce from record low levels with Barclays up 6%.

Negatives

Imperial Brands (-14%) cut its dividend and reduced guidance ahead of the new CEO starting in July. The cash saving will allow the Balance Sheet to de-lever quickly. The shares now yield 8% on the new dividend.

Portfolio activity

There were no changes to our portfolio holdings during the month. We continued to build our position in Fuchs Petrolub.

May – Attribution *

Top Contributors	Positive
Saint Gobain	+0.70%
eBay Inc	+0.60%
Rio Tinto	+0.48%
Rockwell	+0.36%
Cisco	+0.28%
Top Detractors	Negative
Imperial Brands	-0.32%
Allied Irish Bank	-0.26%
Prudential	-0.14%
Philip Morris International	-0.09%
IBM	-0.07%

*Source: Bloomberg as at 29/05/20

Fund Breakdown

Top 10 Holdings	
Cisco	4.2%
IBM	4.1%
Roche	4.0%
Saint Gobain	4.0%
Philip Morris International	4.0%
eBay Inc	4.0%
Intel	3.9%
Handelsbanken	3.9%
Rio Tinto	3.5%
Johnson & Johnson	3.5%

Sector breakdown	
Financials	20.0%
Technology	17.3%
Healthcare	15.9%
Industrials	14.7%
Basic Materials	13.2%
Consumer Goods	8.7%
Oil & Gas	5.0%
Consumer Services	4.7%
Utilities	0.0%
Cash	0.5%

	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:

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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 – 29th May 2020