

TB Saracen Global Income and Growth Fund

June 2020

SARACEN
share success

Signatory of:

PRI Principles for Responsible Investment



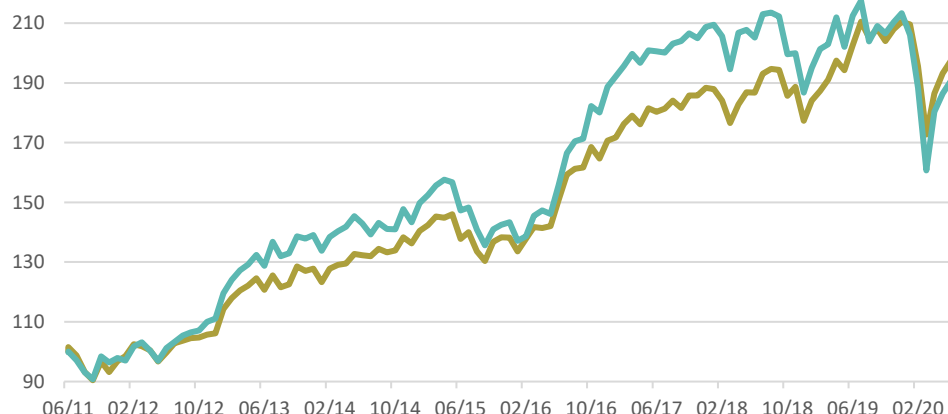
Fund Overview

- 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 30th June 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 30 June 2020

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB SGIG B Acc	+2.2%	+18.6%	-10.3%	-5.0%	+29.4%	+91%
Sector Average	+2.1%	+14.2%	-2.6%	+9.4%	+42.9%	+97%
Quartile Ranking	2	1	4	4	3	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 30th June 2020)

Fund size: £88m
Launch date: 07/06/11
Historic yield: 4.8%

No. of holdings: 39
Active share: 94%
Beta: 1.06

Source: Bloomberg as at 30/06/20

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: 190.56p
B Distribution: 145.79p

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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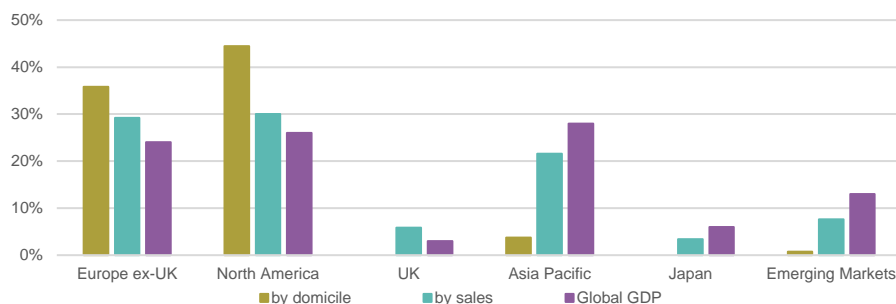
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Fund Breakdown by Geography



Data as of 30th June 2020, Source: Bloomberg/Saracen Fund Managers

Monthly Commentary

Performance

Equities continued to recover from their March lows. June began with value stocks maintaining their strong run from the middle of May as further stimulus measures were announced, lockdowns were eased, and economic data began to recover (albeit from very low levels). However, this did unwind over the latter part of the month, as several states in the US began to report rising COVID-19 numbers and reversed some re-opening measures. The fund, therefore, after a strong start to June, gave up some of its outperformance over the rest of the month. Overall, TB SGIG returned +2.2% in June which was marginally ahead of the Global Equity Income peer group (+2.1%).

The fund has recovered well from the March lows and is top decile in the peer group rankings over the last 3 months. The valuation differential in markets remains at extreme levels and we expect the fund to continue to make up lost ground as market leadership broadens. TB SGIG remains attractively valued against both the market and peer group trading on 14X 2021 earnings and yielding 4%.

FX

Currency movements had a positive impact on the fund's performance. Sterling was down 1.6%, 1.1% and 0.4% against the CHF, EUR and USD respectively.

Positives

There was limited corporate news flow in the month. Many of our lowly rated cyclicals continued to recover with companies such as Saint Gobain (+14%), Schneider (+12%) and Valeo (+9%) benefitting from the unprecedented fiscal stimulus. Financials also started to outperform from record low levels. Our holdings in AIB (+17%), AXA (+13%), DBS (+9%), Prudential (+16%) and UBS (+6%) all had a better month. It was also noticeable that European companies have started to outperform after a decade of underperformance against the US.

Negatives

Johnson Matthey (-2%) reduced its final dividend as expected but was very clear that the cut is temporary and expect to return to a full pay-out ratio in the next financial year. Many of our Healthcare holdings like Pfizer (-14%), J&J (-5%) and Merck (-3%) had a weaker month as investors locked in profits after a lengthy period of outperformance.

Portfolio activity

We sold BP during the month and reinvested the proceeds into General Dynamics, a new holding for the fund, and existing holding Chevron. We also bought more Danone and Philip Morris Intl, as both shares have significantly lagged the market recovery. We also continued to build our position in Fuchs Petrolub. We funded these purchases by reducing weightings in Rio Tinto, Rockwell, Saint Gobain and Schneider Electric – all of which had performed very strongly since the market low at the end of March.

June – Attribution *

Top Contributors	Positive
eBay Inc	+0.74%
Saint Gobain	+0.51%
DBS Group	+0.30%
AiB Group	+0.28%
Prudential	+0.25%
Top Detractors	Negative
Pfizer	-0.22%
Philip Morris International	-0.16%
Johnson & Johnson	-0.16%
Intel	-0.15%
IBM	-0.13%

*Source: Bloomberg as at 30/06/20

Fund Breakdown

Top 10 Holdings	
eBay Inc	4.5%
Philip Morris International	4.4%
Cisco	4.1%
Roche	3.9%
IBM	3.9%
Saint Gobain	3.8%
DBS Group	3.6%
Svenska Handelsbanken	3.5%
Johnson Matthey	3.3%
Johnson & Johnson	3.2%

Sector breakdown	
Financials	19.9%
Technology	16.6%
Industrials	15.2%
Healthcare	15.1%
Basic Materials	12.9%
Consumer Goods	9.5%
Consumer Services	4.6%
Oil & Gas	3.6%
Utilities	0.0%
Cash	2.6%

	ISIN	SEDOL	Bloomberg	EMX	Initial Charge	Annual Charge	Ongoing **
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 – 30th June 2020