

TB Saracen UK Alpha Fund

June 2020

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Signatory of:



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 has, since launch in March 1999, outperformed its benchmark in 17 out of 21 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 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 charges to 30th June 2020

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB Saracen UK Alpha B Acc	1.3%	19.6%	-15.1%	-3.9%	10.0%	561.9%
MSCI UK All Cap Index (TR)	1.3%	9.4%	-14.5%	-6.4%	12.7%	
Sector Average	0.5%	14.2%	-11.0%	-5.1%	11.5%	151.5%
Quartile Ranking	2	1	4	2	3	1

Source: Financial Express; *launch date 05 March 1999

Sector: IA Sector (UK All Companies)

Note – MSCI AllCap Index returns shown are at market close whilst fund and sector returns are at noon pricing points.

FOR PROFESSIONAL INVESTORS ONLY

Retail investors should consult their financial advisers

FUND DETAILS

(as at 30th June 2020)

Fund size: £10.8m
Launch date: 05/03/99

No. of holdings: 33
Active share: 92%
Source: Bloomberg

Denomination: GBP

Valuation point: 12 noon

Fund prices:

A Accumulation: 402.76p
B Accumulation: 661.92p

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.



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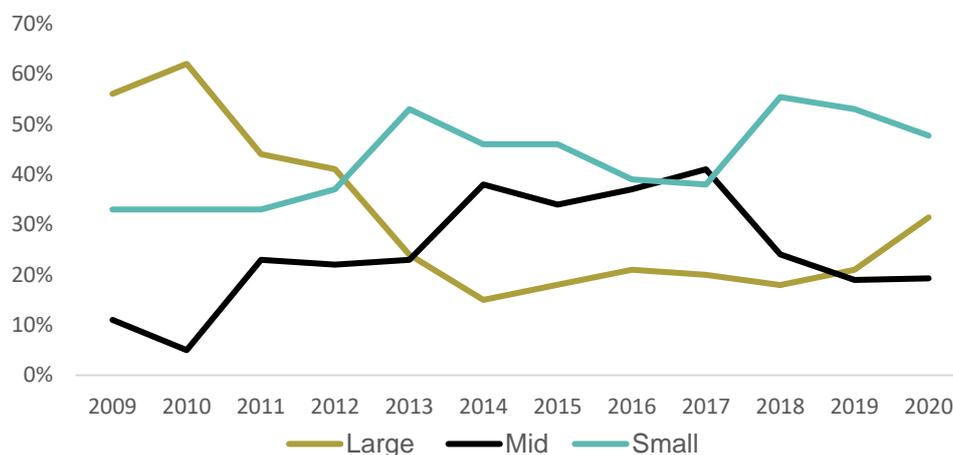
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Fund Breakdown by Market Capitalisation



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

Monthly Commentary

Market Background

As is the norm these days it was another volatile period, with a strong market rally in the opening weeks unwinding somewhat as the month concluded, leaving the UK index up 1.3% overall. Given the recovery we had seen from the lows it was always possible that markets would pause for breath a little. A strong bounce in value stocks in early June therefore petered out pretty quickly as concerns mounted about the pace of exit from lockdown and the economic impact of the huge job cuts which we are now seeing.

Performance

After a strong start to the month the Fund faded a little and ended up in line with the market, rising by 1.3% compared to the UK index return of 1.3%. This was mainly related to the current bias in the portfolio towards value factors, where we saw recovery falter later in the month. Returns by size factor were mixed but the large, mid and smallcap indices all ended up in the black.

The star of the show was our recent purchase of Premier Foods, which rose 59% in response to strong results and reducing debt. Both Chemring and Alpha FMC produced pleasing final results and rose by 12% and 9% respectively whilst Prudential was buoyed by the move to IPO it's US operations. National Express was our main laggard, falling by 13% in response to the loss of their highly regarded CEO. Our housebuilders, Gleeson and Vistry both fell as investors focussed on the weak outlook for the UK economy and house prices in the light of COVID.

Portfolio Activity

With markets starting June positively we took the opportunity to take some profits in the large positions in Synthomer, Clinigen and Halfords after strong price recovery. We also added to the new position in Premier Foods which proved to be timely given the excellent results they subsequently posted. We added one new holding to the portfolio, Euromoney. This is a business we have tracked for some time and the impact of COVID on it's events division has upset the share price materially, giving us an attractive entry point in what we believe is a strong company longer term. Having added several new holdings in recent months the Fund is currently fully invested.

June – Attribution *

Top Contributors	Positive
Premier Foods	+1.73%
Chemring	+0.42%
Prudential	+0.32%
Alpha FMC	+0.28%
Equiniti	+0.24%
Top Detractors	Negative
National Express	-0.37%
MJ Gleeson	-0.36%
Halfords	-0.35%
Synthomer	-0.24%
Vistry	-0.23%

*Source: Bloomberg as at 30/6/20

Fund Breakdown

Top 10 Holdings	
Standard Life Aberdeen	5.0%
Premier Foods	4.9%
Barclays	4.8%
Johnson Matthey	4.0%
Rio Tinto	3.9%
Prudential	3.9%
Imperial Brands	3.9%
MJ Gleeson	3.8%
Chemring	3.8%
Premier Miton	3.8%

Sector breakdown	
Financials	27.0%
Industrials	24.9%
Consumer Goods	18.3%
Consumer Services	12.5%
Basic Materials	10.5%
Healthcare	2.6%
Oil & Gas	2.2%
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.

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