

TB Saracen Global Income and Growth Fund

August 2020

SARACEN
share success

Signatory of:
PRI Principles for Responsible Investment

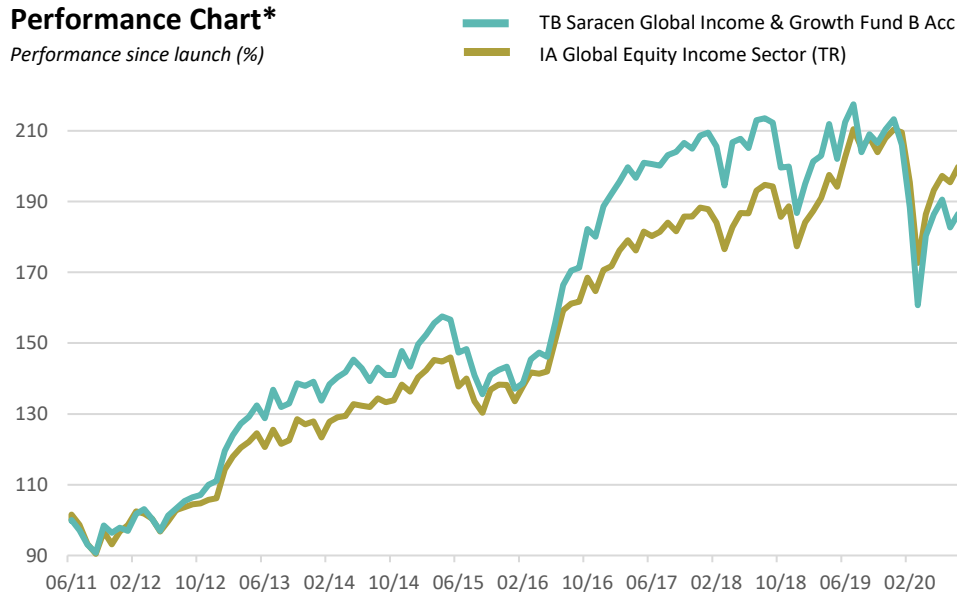


Fund Overview

- 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 (%)



*Source: Financial Express, as at 28th August 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 28 August 2020

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB SGIG B Acc	+2.1%	+0.1%	-8.5%	-8.2%	+32%	+87%
Sector Average	+2.2%	+3.4%	-2.6%	+8.5%	+49%	+99%
Quartile Ranking	3	4	4	4	4	3

Source: Financial Express; *launch date 7 June 2011

Sector: IA Sector (Global Equity Income)

FOR PROFESSIONAL INVESTORS ONLY

Retail investors should consult their financial advisers

FUND DETAILS

(as at 28th August 2020)

Fund size: £83m
Launch date: 07/06/11
Historic yield: 4.8%

No. of holdings: 40
Active share: 95%
Beta: 1.07

Source: Bloomberg as at 28/08/20

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: 186.54p
B Distribution: 140.31p

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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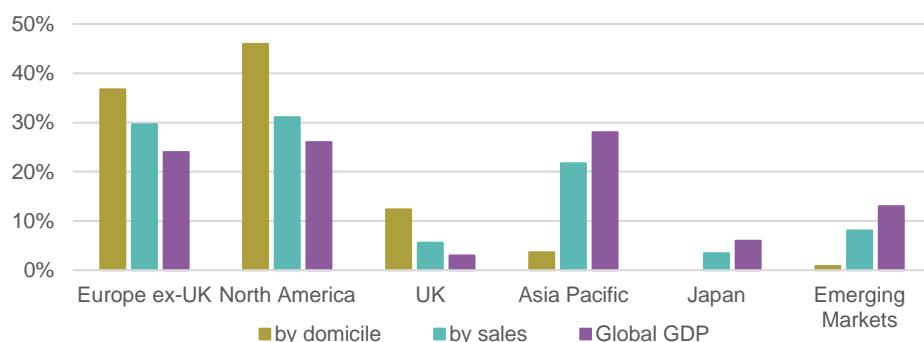
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Principles for Responsible Investment



Fund Breakdown by Geography



Data as of 28th August 2020, Source: Bloomberg/Saracen Fund Managers

Monthly Commentary

Performance

Global stock markets continued to rally as economic data and corporate results were mostly better than expected. The big macro-economic news was the US Federal reserve now targeting an *average* inflation target of 2%. Whilst short-term rates will now remain lower for longer, the medium-term consequences of this may be higher inflation and a steepening yield curve. This could be the catalyst for a change in market leadership from highly rated growth stocks to value.

TB SGIG returned +2.1% in August which was broadly in-line with the Global Equity Income peer group (+2.2%). TB SGIG remains attractively valued against both the market and peer group trading on 14.1X 2021 earnings and yielding 3.9%.

FX

Currency movements had a negative impact on the fund's performance. Sterling was up 0.7%, 0.8% and 1.2% against the CHF, EUR and USD respectively.

Positives

Many of our companies reported numbers that were ahead of analysts' (downgraded) expectations. This included Samsonite (+19%), Bristol Myers Squibb (+10%) and DBS Group (+4%). Prudential (+10%) announced the intention to IPO its US operations in H1 2021 which will leave it as a pure play on Asia. Some of our more cyclical businesses continued to recover – Heidelberg Cement (+8%), Michelin (+6%), Saint Gobain (+5%) and Valeo (+15%) all performed strongly. Financials also had a long overdue better month with both Barclays (+8%) and Handelsbanken (+5%) shares recovering.

Negatives

Cisco (-10%) reported better than expected numbers for its fiscal Q4, however gave weak guidance for its fiscal Q1 as it has yet to see a pick-up in customer spending patterns. We expect the top-line to recover over the next 12 months and with the shares trading on 13X Year 1 PER and yielding over 3% with net cash on the Balance Sheet, we think the shares remain very attractive.

Portfolio activity

We bought Wienerberger and topped up our holding in Fuchs Petrolub during the month. We funded these purchases by reducing our weightings in Heidelberg Cement, Johnson Matthey and Saint Gobain.

August – Attribution *

Top Contributors	Positive
Merck	+0.24%
Barclays	+0.23%
Valeo	+0.21%
Bristol Myers Squibb	+0.20%
Saint Gobain	+0.20%
Top Detractors	Negative
Cisco	-0.36%
Pfizer	-0.09%
Sabre	-0.09%
Roche	-0.09%
Danone	-0.08%

*Source: Bloomberg as at 28/08/20

Fund Breakdown

Top 10 Holdings	
Philip Morris International	4.6%
IBM	4.0%
Roche	3.9%
Cisco	3.7%
Svenska Handelsbanken	3.7%
DBS Group	3.6%
Saint Gobain	3.6%
J&J	3.5%
Intel	3.3%
Merck	3.3%

Sector breakdown	
Financials	20.0%
Healthcare	16.9%
Industrials	16.8%
Technology	14.9%
Basic Materials	13.7%
Consumer Goods	9.2%
Consumer Services	4.8%
Oil & Gas	3.6%
Utilities	0.0%
Cash	0.1%

	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:

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Nottingham
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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 – 28th August 2020