

# TB Saracen UK Alpha Fund

August 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 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 28<sup>th</sup> 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 charges to 28<sup>th</sup> August 2020

	1 month	3 months	1 year	3 years	5 years	Since launch*
<b>TB Saracen UK Alpha B Acc</b>	2.1%	0.9%	-10.5%	-6.6%	13.8%	559.7%
<b>MSCI UK All Cap Index (TR)</b>	2.2%	-0.6%	-14.3%	-10.6%	14.5%	
<b>Sector Average</b>	3.1%	1.4%	-8.8%	-5.9%	16.5%	153.5%
<b>Quartile Ranking</b>	3	2	3	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 28<sup>th</sup> August 2020)

**Fund size:** £10.7m  
**Launch date:** 05/03/99

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

**Denomination:** GBP

**Valuation point:** 12 noon

## Fund prices:

**A Accumulation: 400.91p**  
**B Accumulation: 659.74p**

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

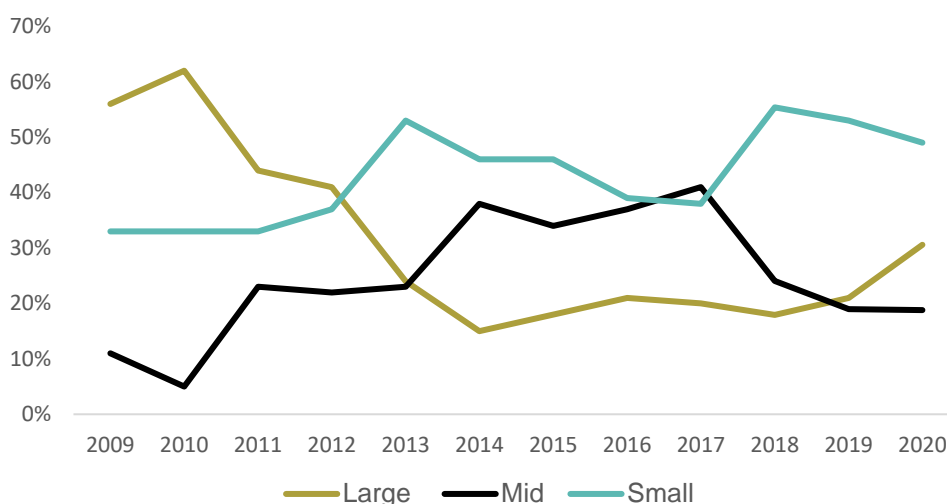
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## Fund Breakdown by Market Capitalisation



Data as of 28<sup>th</sup> August 2020 Source: Saracen Fund Managers

## Monthly Commentary

### Market Background

After a poor month in July markets found a firmer footing in August and the UK index rose by 2.4%. However, the UK market continues to lag in a global context, particularly against the US where markets reached record highs. Concerns remain about the shape and pace of the UK's exit from lockdown but we are at least seeing some positive short term economic indicators in terms of PMI surveys and better company statements in some consumer facing sectors.

### Performance

The Fund had a relatively subdued month, rising by 2.1% compared to the UK index return of 2.2% and the sector average of 3.1%. All of the main UK indices by size rose in value, led by the Mid250 which returned 5.4%. The FTSE100 index lagged and increased by only 1.8%, with its high overseas earnings mix impacted by the ongoing strength of sterling against the US dollar during the month.

The main feature of the month was positive responses to results from a number of our holdings. In many cases some of the market's worst fears have failed to materialise and we saw strong rallies in stocks such as Wood Group (+30%), Tyman (+13%) and DFS Furniture (+13%). We also saw good recovery in a number of previous laggards including Kin & Carta, Barclays and Melrose. Our main detractor was National Express where weak results confirmed the toll that lockdown has taken on the business globally. Equiniti also continue to labour after recent results whilst Premier Miton drifted despite no new news. STV shares have slipped post the recent equity issue but results on 1st September confirmed better advertising trends of late.

### Portfolio Activity

There were no transactions in the portfolio during August and the Fund currently holds 2% in cash.

## August – Attribution \*

Top Contributors	Positive
Kin & Carta	+0.69%
Wood Group	+0.63%
Barclays	+0.38%
Melrose	+0.38%
Tyman	+0.34%
Top Detractors	Negative
National Express	-0.41%
Premier Miton	-0.38%
Equiniti	-0.30%
STV	-0.17%
Standard Life Aberdeen	-0.10%

\*Source: Bloomberg as at 28/8/20

## Fund Breakdown

Top 10 Holdings	
Barclays	4.7%
Johnson Matthey	4.5%
Standard Life Aberdeen	4.4%
Rio Tinto	4.1%
Premier Foods	4.0%
Prudential	4.0%
Alpha FMC	3.8%
Chemring	3.8%
MJ Gleeson	3.5%
Premier Miton	3.4%

Sector breakdown	
Financials	26.1%
Industrials	25.9%
Consumer Goods	16.6%
Consumer Services	13.4%
Basic Materials	11.6%
Oil & Gas	2.8%
Healthcare	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)  
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Nottingham  
NG1 6FJ

General Enquiries: 0115 988 8200  
Dealing Line: 0115 988 8274  
E-mail Dealing: [clientservices@tbailey.co.uk](mailto: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**



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**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](http://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 – 28<sup>th</sup> August 2020**