

TB Saracen UK Alpha Fund

September 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 30th September 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 September 2020

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB Saracen UK Alpha B Acc	-1.2%	-1.6%	-16.2%	-9.3%	15.6%	551.7%
MSCI UK All Cap Index (TR)	-1.7%	-3.5%	-18.2%	-11.6%	15.8%	
Sector Average	-1.8%	-1.0%	-12.8%	-8.0%	16.9%	149.1%
Quartile Ranking	2	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 30th September 2020)

Fund size: £10.3m
Launch date: 05/03/99

No. of holdings: 33
Active share: 93%
Source: Bloomberg

Denomination: GBP

Valuation point: 12 noon

Fund prices:

A Accumulation: 395.73p
B Accumulation: 651.65p

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

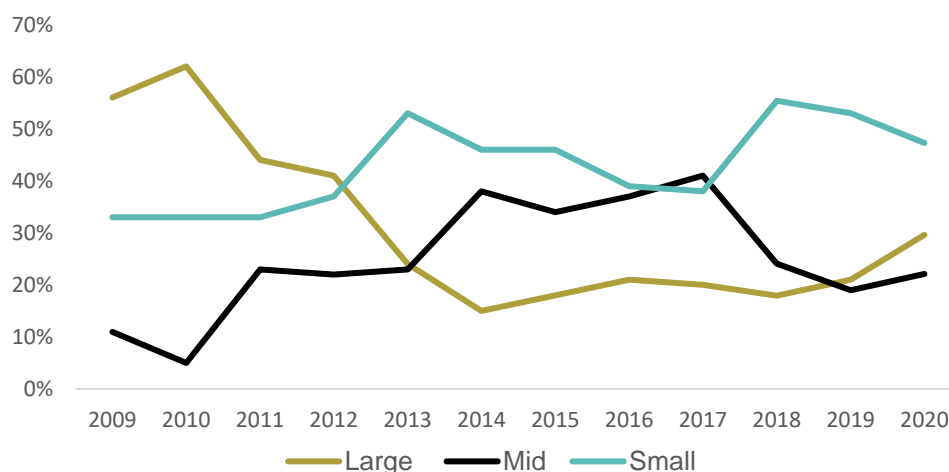
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Fund Breakdown by Market Capitalisation



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

Monthly Commentary

Market Background

Markets struggled in September as more lockdown restrictions were imposed and hopes faded of an early end to the COVID pandemic. In addition, UK investors had to cope with further uncertainty regarding the Brexit talks and a general sense of political crisis. As a result, the UK market continues to lag materially in a global context. Despite this gloomy background a trend towards better than expected company statements is now emerging, albeit from very low expectations in most cases.

Performance

The Fund fared relatively well in September, falling by 1.2% compared to the UK index return of -1.7% and the sector average of -1.8%. All of the main UK indices by size fell in value, with the Mid250 the most impacted, slipping by 2.5% in response to Brexit concerns and weaker sterling.

Our main positives over the month were a diverse group of holdings. National Express (+21%), Melrose (+13%) and Imperial Brands (+9%) all saw strong recoveries from previously oversold levels on fairly limited new news. STV (+20%) produced good results in difficult circumstances and looks set for recovery whilst Premier Foods (+9%) continues to trade well. Tyman (+12%) extended its recent rally as did Halfords (+10%), with the latter then delivering a material improvement in trading on October 1st. Financials in general continue to struggle with our holdings in Barclays and Intermediate Capital both falling by 13% despite no specific company news. The ongoing decline in the oils sector saw Wood Group fall by 14% and, despite positive profit guidance, shares in housebuilder Vistry fell a further 11%. We think both businesses offer exceptional value now.

Portfolio Activity

There were no major changes of view during September. After significant underperformance and solid statements we added to Vistry and National Express. Some profits were taken in Alpha FMC and Johnson Matthey after good runs of late. The Fund is currently fully invested, reflecting some of the considerable opportunities we now see across the UK equity market.

September – Attribution *

Top Contributors	Positive
National Express	+0.58%
STV	+0.40%
Premier Foods	+0.36%
Melrose Industries	+0.30%
Tyman	+0.30%
Top Detractors	Negative
Barclays	-0.47%
Inspects	-0.44%
Wood Group	-0.39%
Intermediate Capital	-0.38%
Vistry	-0.34%

*Source: Bloomberg as at 30/9/20

Fund Breakdown

Top 10 Holdings	
Premier Foods	4.4%
Standard Life Aberdeen	4.4%
Rio Tinto	4.3%
Barclays	4.2%
Chemring	3.9%
Prudential	3.8%
MJ Gleeson	3.7%
Johnson Matthey	3.6%
Imperial Brands	3.6%
Premier Miton	3.6%

Sector breakdown	
Industrials	27.8%
Financials	25.2%
Consumer Goods	17.4%
Consumer Services	13.2%
Basic Materials	11.0%
Oil & Gas	2.5%
Healthcare	2.4%
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 September 2020