

TB Saracen UK Alpha Fund

December 2020

SARACEN
share success

Signatory of:



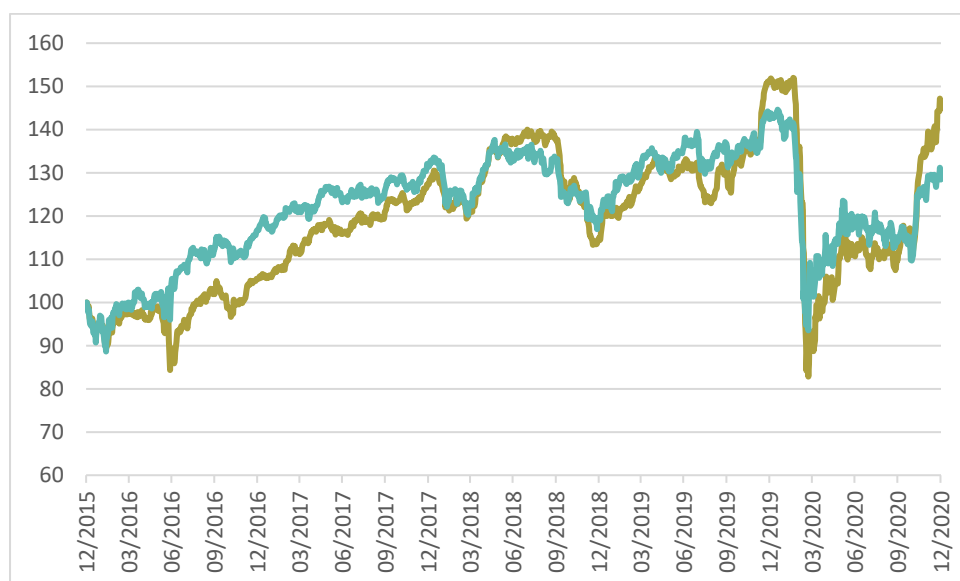
Fund Overview

- 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 18 out of 22 years and in 9 out of the last 11 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 (%)

— MSCI UK Allcap Index (TR)
— TB Saracen UK Alpha Fund B Acc



*Source: Bloomberg, as at 31st December 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 31st December 2020

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB Saracen UK Alpha B Acc	7.7%	31.9%	-4.2%	13.8%	44.8%	759.6%
MSCI UK All Cap Index (TR)	3.8%	12.4%	-11.3%	-5.3%	25.6%	
Sector Average	4.5%	15.3%	-6.0%	2.0%	28.9%	187.2%
Quartile Ranking	1	1	2	1	1	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 31st December 2020)

Fund size: £13.1m
Launch date: 05/03/99

No. of holdings: 35
Active share: 92%
Source: Bloomberg

Denomination: GBP

Valuation point: 12 noon

Fund prices:

A Accumulation: 521.04p
B Accumulation: 859.61p

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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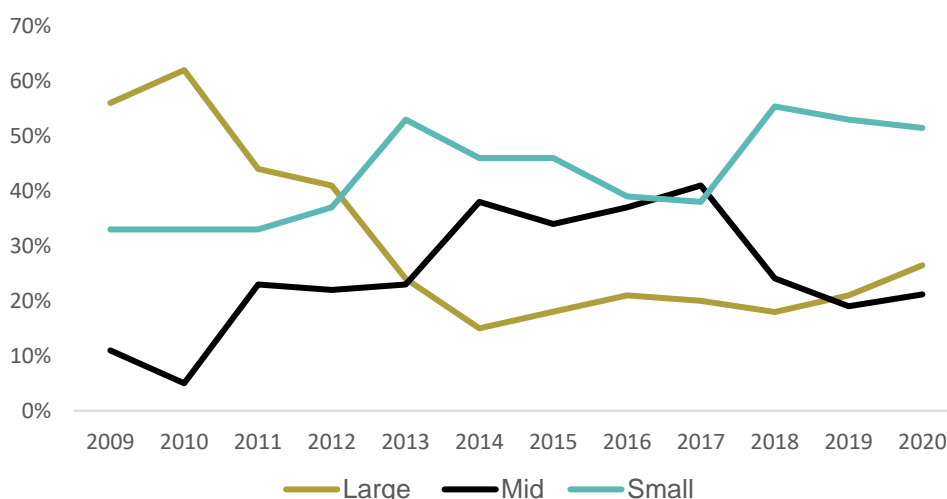
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Fund Breakdown by Market Capitalisation



Data as of 31st December 2020 Source: Saracen Fund Managers

Monthly Commentary

Market Background

Global markets had a strong December buoyed by the news of two COVID vaccines and the election of a new President in the US at last. In the UK PMIs continued to recover and retail sales remained strong despite low levels of consumer confidence. House prices continued to rise despite gloomy predictions otherwise. We finally had a Brexit deal announced on Christmas Eve which saw sterling rise to a thirty month high and mid and small cap indices outperform the FTSE100. We continue to believe that the UK equity market offers great value and we approach 2021 with cautious optimism.

Performance

December was another good month, following on from a very heartening November. The fund rose by 7.7%, which compared favourably with the return of 3.8% from the UK index and 4.5% from our peer group. As the month progressed the results of the US election became clearer and markets re-rated as they looked through the pandemic towards a recovery in 2021 earnings.

The performance of the fund was led by Kin+Carta which posted an impressive 32% return following the announcement of the disposal of a non-core business and a complementary acquisition. Inspects continued its strong run following the previous month's transformational acquisition and rose another 25%. Both of our housebuilders, MJ Gleeson and Vistry, performed strongly after very strong trading statements. In addition, we saw pleasing retruns across different parts of the portfolio with Restore, Melrose, Prudential, Premier Foods and Chemring all having a good month. The laggards were mainly holdings which had seen strong recovery in November and therefore an element of profit taking. Overall, there were no specific causes for concern other than frustration in the property sector where our holdings in Palace Capital and U and I stubbornly refused to join the market rally.

Portfolio Activity

It was another relatively quiet month of activity within the portfolio as we finished the year off strongly. We further reduced holdings in Melrose and Synthomer after good recovery and started a new position in the restructuring business, FRP Advisory. The Fund held 0.5% in cash (xd) at the month end pending the payment of an annual dividend of 3.867p per B share which went xd on 2nd January.

December – Attribution *

Top Contributors	Positive
Kin & Carta	+0.98%
Inspects	+0.80%
MJ Gleeson	+0.53%
Vistry	+0.41%
Premier Foods	+0.39%
Top Detractors	Negative
Palace Capital	-0.40%
Rio Tinto	-0.14%
Premier Miton	-0.12%
Eurocell	-0.12%
DFS Furniture	-0.12%

*Source: Refinitiv Eikon as at 31/12/20

Fund Breakdown

Top 10 Holdings	
Barclays	5.1%
Premier Miton	4.5%
Inspects	4.3%
Standard Life Aberdeen	4.3%
Kin & Carta	4.1%
Vistry	4.0%
Premier Foods	3.9%
MJ Gleeson	3.7%
Prudential	3.6%
Wood Group	3.6%

Sector breakdown	
Financials	26.9%
Industrials	24.2%
Consumer Goods	19.0%
Consumer Services	16.7%
Basic Materials	7.0%
Oil & Gas	3.6%
Healthcare	1.8%
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 – 6th January 2021