

TB Saracen UK Income Fund

January 2021

SARACEN
share success

Signatory of:



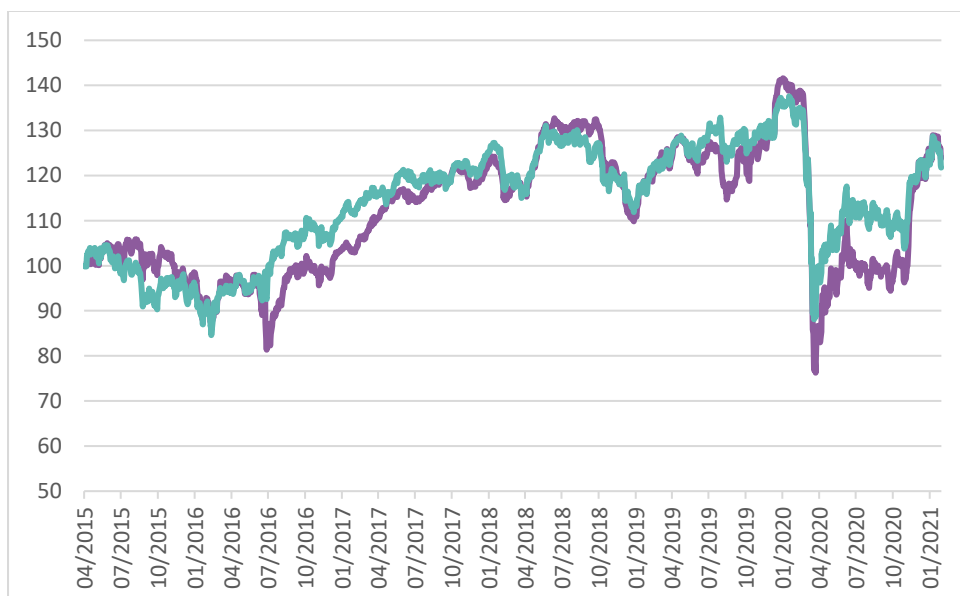
Fund Overview

- Objective: to provide income exceeding 110% of the dividend income of the MSCI All Cap index and an overall return (income plus capital growth) which is superior to that index. At least 80% of the fund will be invested in the shares of UK companies.
- 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.
- The investment philosophy is value-based, combining high yield and superior dividend growth strategies.
- A concentrated portfolio of 25-35 holdings, with a focus on high and growing dividend income.

Performance Chart*

Performance since launch (%)

— MSCI UK AllCap Index (TR)
— TB Saracen UK Income Fund B Acc



*Source: Refinitiv Eikon, as at 29th January 2021

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.

FOR PROFESSIONAL INVESTORS ONLY

Retail investors should consult their financial advisers

FUND DETAILS

(as at 29th January 2021)

Fund size: £3.4m
Launch date: 01/04/15

No. of holdings: 33
Active share: 84%

Source: Refinitiv Eikon

Denomination: GBP

Valuation point: 12.00 noon

XD date: 2 Jan
1 July

Pay date: 28/29 Feb
31 Aug

Fund prices:
B Accumulation: 124.0p
B Distribution: 94.74p

Policy is not to charge a dilution levy except in exceptional circumstances.

ACD:
T. Bailey Fund Services Limited

Cumulative Performance after all charges to 29th January 2021

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB Saracen UK Income B Acc	0.9%	28.4%	-9.2%	2.9%	33.5%	24.0%
MSCI UK All Cap Index (TR)	-0.7%	16.7%	-9.0%	-4.2%	28.4%	19.0%
Sector Average	-0.7%	19.1%	-9.0%	-3.8%	20.6%	15.7%
Quartile Ranking	1	1	2	1	1	1

Source: Financial Express; * launch date 01 April 2015

Sector: IA Sector (UK Equity Income)

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

Scott McKenzie
Fund Manager

David Clark
Fund Manager



Scott McKenzie joined Saracen in August 2014 and has managed the fund since launch. **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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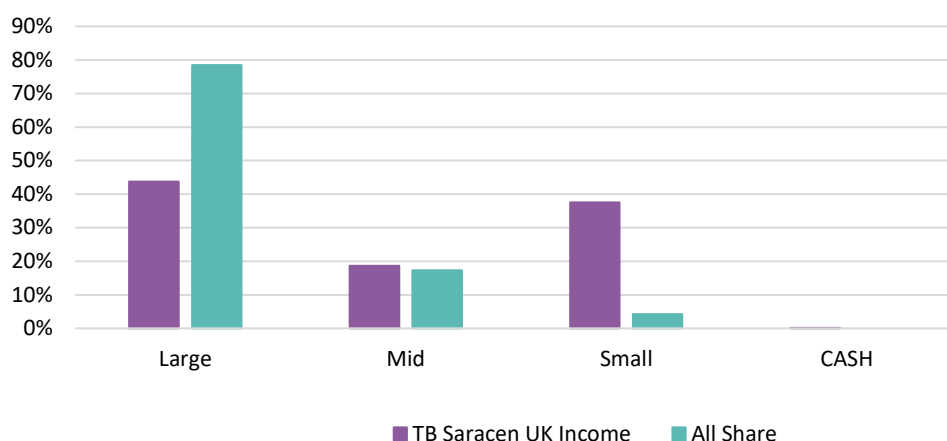
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Fund Breakdown by Market Capitalisation



Data as of 29th January 2021, Source: Saracen Fund Managers

Monthly Commentary

Market Background

It was a topsy-turvy month with continued strong gains in the early weeks of 2021 being tempered by the realisation that it will be a long path out of global lockdowns despite progress with COVID vaccinations. In addition there were a number of commentators warning of speculative bubbles, particularly with regards to the US markets, NASDAQ and various alternative assets. The salacious tale of Gamestop shares and hedge funds going under added to a nervous mood. By comparison the UK equity market remains a fairly drab affair and we continue to believe that this market offers great value in general. We approach 2021 with cautious optimism.

Performance

After an exceptionally strong end to 2020 the Fund made further modest progress, rising by 0.9%, ahead of the UK index and the sector average, both of which fell by 0.7%. January was a pretty mixed bag and many of the holdings were volatile. Our focus on financials, consumer and industrial sectors remains as well as a broad bias towards smaller companies in general. Smallcap indices made small gains over the month as larger companies faltered a little.

Ahead of the forthcoming final results season a number of our holdings released year end trading statements during January and these were broadly positive, with Eurocell, Vistry, Halfords and STV all delivering good updates. STV rose by 12% in response. Legal firm Gateley posted strong interim results and the shares rallied by 18%. Our holding in Johnson Matthey jumped by 22%, with its new energy technologies finally getting some long overdue recognition. There was an element of profit taking in holdings such as Vistry and Wood Group however, whilst Lloyds continued to be a stock for no season and Euromoney drifted a little after its update.

Portfolio Activity

The only trades during the month were small reductions in the holdings in Vistry, Standard Life Aberdeen and Wood Group. The Fund remains fully invested, ahead of what we believe will be a meaningful recovery in dividends during 2021.

January – Attribution *

Top Contributors	Positive
Johnson Matthey	+0.48%
Gateley	+0.45%
STV Group	+0.33%
Alpha FMC	+0.32%
Standard Life Aberdeen	+0.29%
Top Detractors	Negative
Vistry Group	-0.44%
Lloyds Banking	-0.31%
FRP Advisory	-0.26%
Euromoney	-0.26%
Imperial Brands	-0.20%

*Source: Refinitiv Eikon as at 29/1/21

Fund Breakdown

Top 10 Holdings	
Imperial Brands	4.4%
Vistry Group	4.0%
Close Brothers	3.8%
WPP	3.7%
Standard Life Aberdeen	3.7%
Phoenix Group	3.6%
Aviva	3.6%
Intermediate Capital	3.5%
FRP Advisory	3.4%
BHP Group	3.3%

Sector breakdown	
Financials	24.1%
Industrials	23.2%
Consumer Discretionary	21.3%
Basic Materials	9.0%
Consumer Staples	7.5%
Energy	6.3%
Real Estate	5.8%
Healthcare	2.9%
Telecoms	0.0%
Technology	0.0%
Utilities	0.0%

	ISIN	SEDOL	Bloomberg	EMX	Initial Charge	Annual Charge	Ongoing**
B Acc Shares	GB00BW9H1K24	BW9H1K2	BBG008D4LJ68	SARUKIFACC33	0%	0.50%	1.36%
B Dis Shares	GB00BW9H1L31	BW9H1L3	BBG008D4LJF8	SARUKIFDIS33	0%	0.50%	1.36%

** 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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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. 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 – 2nd February 2021