

# TB Saracen Global Income and Growth Fund

February 2021

**SARACEN**  
share success

Signatory of:

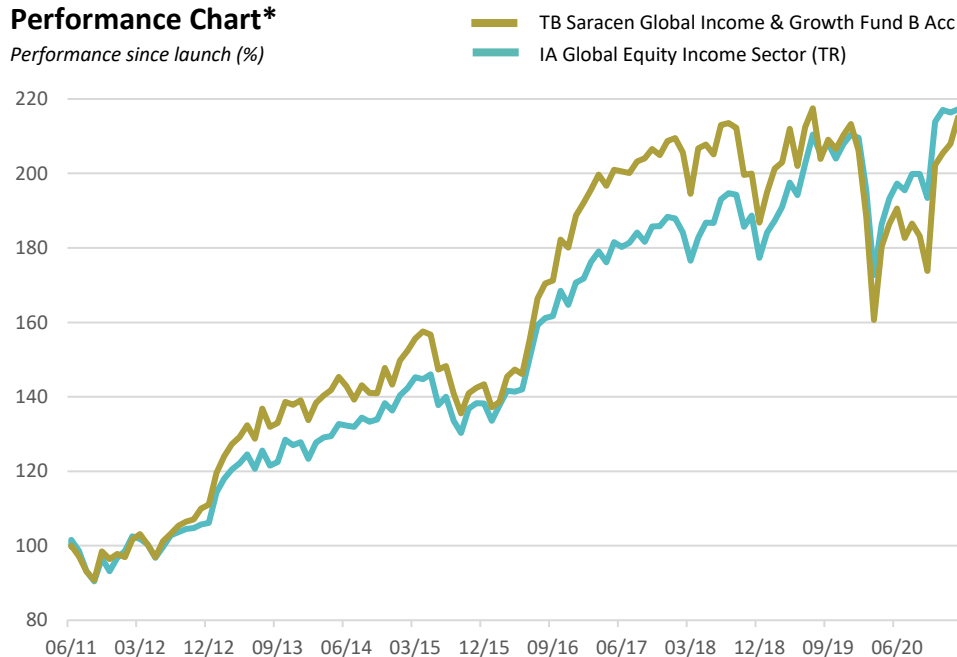


## Fund Overview

- 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 26<sup>th</sup> February 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.

## Cumulative Performance after all ongoing charges to 26 February 2021

	1 month	3 months	1 year	3 years	5 years	Since launch*
<b>TB SGIG B Acc</b>	+3.4%	+6.3%	+14.2%	+4.6%	+55.2%	+116%
<b>Sector Average</b>	+0.4%	+1.6%	+11.2%	+18.1%	+56.2%	+117%
<b>Quartile Ranking</b>	1	1	2	4	3	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 26<sup>th</sup> February 2021)

**Fund size:** £92m  
**Launch date:** 07/06/11  
**Historic yield:** 2.7%  
**No. of holdings:** 40  
**Active share:** 95%  
**Beta:** 1.2  
*Source: Eikon Refinitiv as at 26/02/21*  
**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:** 215.09p  
**B Distribution:** 159.82p

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

**ACD:**  
**T. Bailey Fund Services Limited**

**Graham Campbell** Chief Executive Director  
**Bettina Edmondston** Senior Global Analyst



**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.

**Bettina Edmondston** joined Saracen in 2015 from apoAsset where she was co-manager of the Global Healthcare Fund. She has over 20 years of industry experience.



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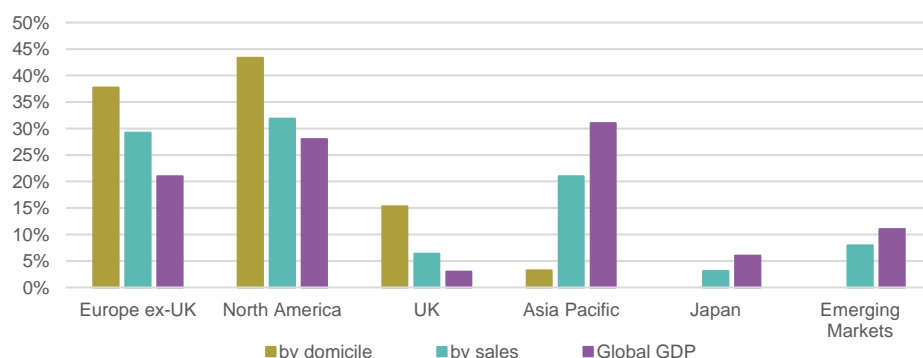
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## Fund Breakdown by Geography



Data as of 26<sup>th</sup> February 2021, Source: Saracen Fund Managers

## February – Attribution \*

Top Contributors	Positive
Barclays	+0.59%
AIB	+0.52%
Schlumberger	+0.42%
Chevron	+0.35%
Sabre	+0.30%
Top Detractors	Negative
Roche	-0.26%
Merck	-0.19%
Pfizer	-0.15%
Johnson & Johnson	-0.12%
Fuchs Petrolub	-0.12%

\*Source: Saracen Fund Managers as at 26/02/21

## Monthly Commentary

### Performance

After a short pause in January, Value outperformed strongly again in February. Financials and Oil & Gas companies rallied as did shares that were hit the hardest from Covid 19. These businesses are expected to gain the most from economies re-opening. On the other side, US tech companies underperformed, as bond yields continued to rise. This was an ideal scenario for our portfolio. The slow exit from lockdown and the US stimulus package should boost activity. We expect this trend to continue as valuations remain attractive in many cyclical and recovery businesses. During February TB SGIG returned +3.4%, compared to the Global Equity Income peer group (+0.4%).

### FX

Currency movements had a negative impact on the fund's performance. Sterling was up 1.6%, 1.8% and 3.5% against the USD, Euro and CHF respectively.

### Positives

Financials resumed their recovery with AIB (+34%) and Barclays (+19%) benefitting from rising bond yields and inflation expectations. The latter also reported better than expected results and reinstated a small dividend combined with a £0.7bn share buyback program. Schlumberger (+26%) and Chevron (+15%) rallied along with the oil price (+18%) on an improved economic outlook. Travel related companies like Sabre (+23%) bounced hard as market participants hope the roll out of the vaccine will lead to increased bookings for the summer holiday.

### Negatives

Pharma companies underperformed a cyclical rally in the market in February. The contribution of Roche (-3.5%), Merck (-4.2%), Pfizer (-5.6%) and JNJ (-3.7%) was exacerbated by a strong currency headwind. Fuchs Petrolub (-3.7%) saw some profit taking after a strong run since the middle of November.

### Portfolio activity

The theme of re-opening and potential pickup of travel pushed Samsonite shares almost back to pre-Covid levels. We took this opportunity to sell our holding. The proceeds were used to increase our two newest holdings, namely RELX and 3M. Additionally, we topped up Michelin and Valeo where we see strong upside from electric cars.

## Fund Breakdown

Top 10 Holdings	
eBay	3.9%
Cisco	3.8%
Roche	3.7%
Johnson Matthey	3.7%
Interpublic Group	3.6%
Philip Morris	3.5%
Intel	3.5%
Barclays	3.4%
Saint Gobain	3.3%
IBM	3.3%

Sector breakdown	
Financials	19.9%
Industrials	16.5%
Technology	15.6%
Healthcare	14.5%
Basic Materials	13.8%
Consumer Goods	8.1%
Consumer Services	6.7%
Oil & Gas	4.4%
Utilities	0.0%
Cash	0.5%

	ISIN	SEDOL	Bloomberg	EMX	Initial Charge	Annual Charge	Ongoing Charge **
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:**

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 – 2<sup>nd</sup> March 2021**