

# TB Saracen UK Alpha Fund

June 2021

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share success

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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 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 (%)

— TB Saracen UK Alpha Fund B Acc  
— MSCI UK All Cap (TR)



\*Source: Refinitiv Eikon, as at 30<sup>th</sup> June 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 charges to 30<sup>th</sup> June 2021

	1 month	3 months	1 year	3 years	5 years	Since launch*
<b>TB Saracen UK Alpha B Acc</b>	-0.5%	9.1%	55.2%	25.5%	94.3%	931.1%
<b>MSCI UK All Cap Index (TR)</b>	-0.01%	5.6%	21.0%	3.8%	33.4%	
<b>Sector Average</b>	-0.2%	5.6%	27.7%	11.1%	48.5%	221.1%
<b>Quartile Ranking</b>	3	1	1	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 30<sup>th</sup> June 2021)

**Fund size:** £14.1m  
**Launch date:** 05/03/99

**No. of holdings:** 33  
**Active share:** 98%

Source: Refinitiv Eikon

**Denomination:** GBP

**Valuation point:** 12 noon

**Fund prices:**  
**B Accumulation: 1028.95**

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

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



**David Clark**  
Fund Manager

David Clark joined the team in March 2019. David has over 30 years' experience managing UK equity funds.

# TB Saracen UK Alpha Fund

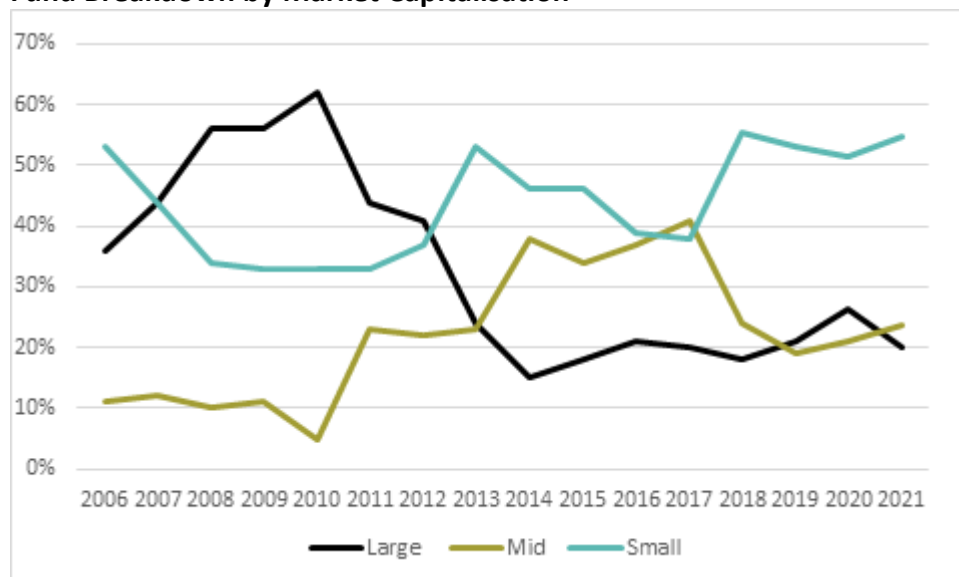
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## Fund Breakdown by Market Capitalisation



Data as of 30<sup>th</sup> June 2021 Source: Saracen Fund Managers

## Monthly Commentary

### Market Background

Performance in the UK market was a bit polarised during June. The FTSE100 index fell by only 0.6% but the Mid 250 and UK Small Cap Indices both fell by 2.2%. The AIM market too returned a small negative during the month. Market commentators were focussing on inflation and the possibility of interest rate rises, as well as the fact that policymakers are likely to scale back both fiscal and monetary support which may lead to a slower recovery and potentially weaker earnings growth. There is little doubt that many are asking what the prospects for markets are after such impressive returns over the last 15 months. Markets act as a discounting mechanism and as such are forward looking all the time. It may be that they have less to look forward to from here. It is interesting that European stocks have begun to outstrip the US in recent weeks and more cyclical markets such as the UK still look comparatively attractive.

### Performance

The UK Alpha Fund struggled a little through June. The Fund has more of a mid and small cap bias. It also did not help that one of our largest holdings is Barclays which had a poor month in common with financial stocks across the board. Other detractors from performance in June included Clinigen which announced that it would no longer be able to meet market earnings expectations. This was particularly galling given that the management encouraged the market to upgrade their earnings only a few months ago. Real Estate stocks too suffered and took housebuilders down with them at the same time so our positions in both Vistry and Gleeson were adversely affected. On the plus side, Kin+ Carta goes from strength to strength as did DiscoverIE and Halfords.

### Portfolio Activity

During the month we topped up our position in Chemring as our confidence grows in their trading performance. We also exited our position in Equiniti as it had been bid for and will soon be delisted. We took part in a placing and bought some Brickability which fits well with the fund's criteria.

## June – Attribution \*

Top Contributors	Positive
Kin + Carta	+1.12%
DiscoverIE	+0.51%
Halfords	+0.44%
Marlowe	+0.28%
Palace Capital	+0.15%
Top Detractors	Negative
Clinigen	-0.39%
Vistry	-0.23%
Barclays	-0.20%
National Express	-0.17%
Tyman	-0.15%

\*Source: Refinitiv Eikon as at 30.6.21

## Fund Breakdown

Top 10 Holdings	
Barclays	5.0%
Premier Miton	4.9%
Kin + Carta	4.5%
Vistry	4.1%
Premier Foods	3.8%
Tyman	3.8%
MJ Gleeson	3.8%
Halfords	3.8%
Intermediate Capital	3.8%
Johnson Matthey	3.5%

Sector breakdown	
Industrials	25.9%
Financials	22.3%
Consumer Discretionary	14.6%
Materials	9.2%
Communication Services	8.9%
Healthcare	5.3%
Consumer Staples	3.9%
Information Technology	3.4%
Real Estate	2.4%
Energy	2.3%
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](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 include:



#### Important information:

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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 –5<sup>th</sup> July 2021