

TB Saracen UK Alpha Fund

July 2021

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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,

Performance Chart*

5 Year Performance (%)

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



*Source: Refinitiv Eikon, as at 31st July 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 31st July 2021

	1 month	3 months	1 year	3 years	5 years	Since launch*
TB Saracen UK Alpha B Acc	-0.4%	2.1%	58.3%	23.1%	81.1%	926.8%
MSCI UK All Cap Index (TR)	0.6%	1.8%	26.8%	3.1%	39.2%	
Sector Average	1.3%	2.7%	32.3%	11.8%	41.4%	225.3%
Quartile Ranking	4	3	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 31st July 2021)

Fund size: £12.7m

Launch date: 05/03/99

No. of holdings: 33

Active share: 94%

Source: Refinitiv Eikon

Denomination: GBP

Valuation point: 12 noon

Fund prices:

B Accumulation: 1023.04

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



David Clark
Fund Manager

David Clark joined the team in March 2019. David has over 30 years' experience managing a variety of UK equity funds including unit trusts, life and pension funds and investment trusts across the whole range of market capitalisations.

TB Saracen UK Alpha Fund

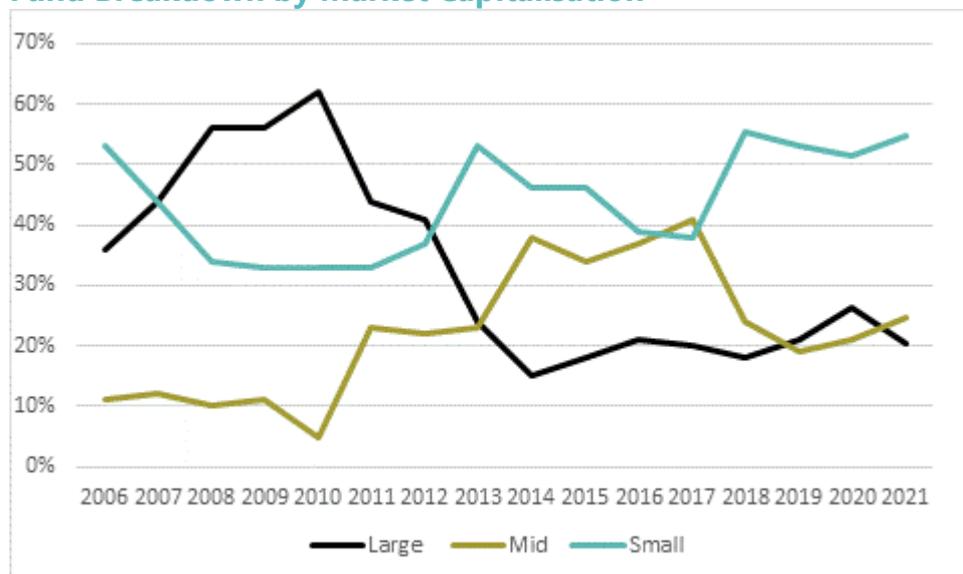
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Fund Breakdown by Market Capitalisation



Data as of 31st July 2021 Source: Saracen Fund Managers

Monthly Commentary

Market Background

The FTSE100 index was broadly flat through July while the MID250 rose by around 2.5% and the FTSE Small Cap index was also broadly flat though did fall some 4% during the month before staging something of a comeback. Distributions in the form of dividends have leapt in the last few months – Q2 pay-outs jumped 51% to £25.7bn and the full year bill is expected to be around £71bn (versus 2019 level of £100bn). It has also become apparent that a number of corporates are struggling with cost inflation whether it is wage increases as a result of the difficulty in hiring staff or raw material cost increases putting pressure on margins. Freight costs too have been rising. We have seen that UK stocks during July continued to underperform their European peers despite the UK market looking much cheaper than its continental rivals on almost every measure.

Performance

The UK Alpha fund had a poor July and was particularly badly hit by its exposure to small cap stocks when they fell sharply mid-month. In addition, the value tilt of the fund did it no favours as the outperformance of this part of the market paused for breath during July. Earnings upgrades continued apace during the month and there have also been several bids in the UK market with the ongoing tussle over Morrisons' and the more recent bid for Restore by Marlowe during July. Private Equity buyers have also been snapping up UK companies such as Equiniti. In fact, there have been 13 'public to private' deals this year in the UK totalling over \$30bn.

Portfolio Activity

We trimmed our holdings across a range of companies during July, happy to bank some profit following some very strong returns. Among those where we reduced our position were Barclays, Intermediate Capital, Halfords, Wood Group, Abrdn, Kin + Carta, Alpha FMC and Premier Miton. There were no outright sales and no new purchases.

July – Attribution *

Top Contributors	Positive
Restore	+0.60%
DiscoverIE	+0.23%
Chemring	+0.22%
STV	+0.19%
Premier Miton	+0.18%
Top Detractors	Negative
Halfords	-0.68%
Kin + Carta	-0.37%
MJ Gleeson	-0.34%
Marlowe	-0.33%
Tyman	-0.25%

*Source: Refinitiv Eikon as at 31.7.21

Fund Breakdown

Top 10 Holdings	
Vistry	4.5%
Intermediate Capital	4.2%
Barclays	4.1%
Tyman	4.0%
Premier Miton	4.0%
TT Electronics	3.8%
Johnson Matthey	3.7%
FRP Advisory	3.7%
Inspecs	3.6%
Restore	3.5%

Sector breakdown	
Industrials	28.3%
Financials	21.4%
Consumer Discretionary	13.9%
Materials	10.4%
Communication Services	8.3%
Healthcare	5.7%
Information Technology	3.8%
Consumer Staples	3.3%
Real Estate	2.6%
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%	1.12%

* 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 include:



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 –5th August 2021