

TB Saracen Global Income and Growth Fund

September 2021

SARACEN
share success

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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 (%)

— TB Saracen Global Income & Growth Fund B Acc
— IA Global Equity Income Sector (TR)



*Source: Financial Express, as at 30th September 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 30 September 21

	1 month	3 months	6 months	1 year	3 years	5 years	Since launch*
TB SGIG B Acc	-2.3%	+3.0%	+7.3%	+34.2%	+15.8%	+43.5%	+146%
Sector Average	-1.5%	+1.7%	+6.5%	+21.7%	+25.0%	+50.3%	+143%
Quartile Ranking	4	1	2	1	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 30th September 2021)

Fund size: £98m
Launch date: 07/06/11
Historic yield: 2.9%

No. of holdings: 40
Active share: 94%
Beta: 0.95

Source: Eikon Refinitiv as at 30/09/21

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: 245.77p
B Distribution: 179.71p

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

ACD:
T. Bailey Fund Services Limited

Graham Campbell **Bettina Edmondston**
Chief Executive Director Investment Director



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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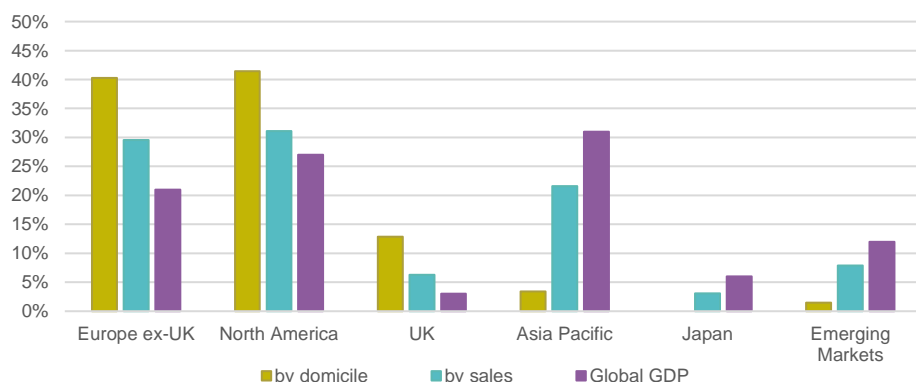


Signatory of:



CCC B BB BBB A AA AAA

Fund Breakdown by Geography



Data as of 30th September 2021, Source: Saracen Fund Managers

Monthly Commentary

Performance

Markets experienced a pull-back in September. As we discussed previously, volatility was likely to increase as we neared changes in monetary policy. Western Central Banks are considering reigning in their bond purchase programs and expectations for interest rate increases have been pulled forward. At the same time there is concern about slowing economic growth, partly due to tougher comps, rising input costs and above all the disruptions to supply chains. We wouldn't expect Q2 growth levels to continue but neither do we envisage negative growth rates next year. Underlying demand appears robust. Once the supply chains are functioning again we would expect growth to come in above long term levels. Many names in our portfolio have pricing power and can pass on input cost increases. We still believe we are well positioned for economic growth led by cyclical names. During September TB SGIG returned -2.3%, which was behind the Global Equity Income peer group (-1.5%).

FX

Currency movements had a positive impact on the fund's performance. Sterling was down 2.4% and 0.2% against the USD and Euro respectively. Sterling was flat against the CHF.

Positives

There was not much company specific news-flow during September. Interpublic (+5.2%) and Hugo Boss (+13.4%) continued their strong runs as of late. We took some profits in both names over the month. Schlumberger (+9.9%) and Chevron (+7.6%) benefitted from an almost 10% rise in the oil price. Svenska Handelsbanken (+4.1%), announced a special dividend and like other financials, gained on the back of rising bond yields as expectations for interest rates increased and more market participants now see inflation as more permanent. Our financial exposure temporarily moved above our self imposed sector limit of 20% due to the strong run in our holdings towards the end of the month.

Negatives

Wienerberger (-13%), HeidelbergCement (-11.7%) and Johnson Matthey (-10%) were amongst the cyclical names that pulled back amongst economic growth concerns. The latter also saw downgrades due to the decline in precious material prices, although this does not affect the underlying fundamental business. eBay (-7.5%) and Roche (-6.1%) saw profit taking after hitting all-time highs in August. We also took some money off the table in both names although we see long term value at 16x and 17x Y1 consensus PE respectively. (Source: Refinitiv Eikon)

Portfolio activity

There were no new positions or disposals in the portfolio. We took profits in recent outperformers like Hugo Boss, Roche, Interpublic and eBay. We increased our holding in HSBC to a more meaningful position size.

	ISIN	SEDOL	Bloomberg	Initial Charge	Annual Charge	Ongoing Charge**
B Acc Shares	GB00B5B35X02	B5B35X0	SARBACC LN	0%	0.75%	1.01%
B Dis Shares	GB00B3XPLG55	B3XPLG5	SARGIGA LN	0%	0.75%	1.01%

** Source: T Bailey Fund Services Ltd

September – Attribution *

Top Contributors	Positive
Interpublic	+0.18%
Hugo Boss	+0.17%
Schlumberger	+0.17%
Chevron	+0.14%
Svenska Handelsbanken	+0.13%
Top Detractors	Negative
Wienerberger	-0.30%
HeidelbergCement	-0.28%
eBay	-0.23%
Roche	-0.22%
Johnson Matthey	-0.22%

*Source: Saracen Fund Managers as at 30/09/21

Fund Breakdown

Top 10 Holdings	
Barclays	3.8%
IBM	3.7%
Philip Morris	3.6%
Interpublic	3.6%
Saint Gobain	3.6%
Cisco	3.5%
Danone	3.5%
DBS	3.5%
Roche	3.4%
Svenska Handelsbanken	3.2%

Sector breakdown	
Financials	20.7%
Materials	15.7%
Healthcare	14.5%
Industrials	14.4%
Information Technology	10.1%
Consumer Discretionary	8.2%
Consumer Staples	7.1%
Communication Services	5.0%
Energy	3.8%
Cash	0.5%

NB: We realigned our sector split with GICS Economic Sector classifications. This led to a slight increase in our Materials, Consumer Discretionary and Communication Services exposure. Our exposure to Industrials and IT was slightly reduced. Please get in touch should you want more information.

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 October 2021