

MANAGER COMMENTARY

December proved to be a positive month for investors, ending the year optimistically on the basis that we have reached the peak of the current interest rate cycle. All the US, UK, Japanese, and European policymakers kept the rates the same, and the consensus is now firmly pointing to material interest rate cuts in 2024. This optimism was driven by inflation continuing to fall. The latest US inflation figures were in line with expectations, and the UK figure was sharply lower than the markets' estimates. An early Santa rally was further boosted by Jerome Powell's extremely dovish comments and the fact that the possibility of rate cuts was discussed at the last Fed meeting. In the US, the S&P 500 was up by 3.81%; in the UK, the all-companies index was up by 3.35%, while the top 100 companies index returned 2.70%. This is the second month in a row where small and medium-sized stocks have outperformed the large-cap. In the fixed income world, the 10-year US Treasury yields rallied by 8.6%, but this was dwarfed by the rally in the 10-year UK gilts yields rally of 14.5%. The value of Sterling against the Dollar was almost unchanged, with a gain of 0.22%, whilst the Dollar index, as measured by the DXY, ended the month at 101.33, down 1.87%. *Data source: Uptata Analytics Pro, 01/12/2023 to 29/12/2023*

The positive change of sentiment in interest rate expectations proved beneficial for the Fund, which had a return of 2.23%* versus its benchmark of 1.53%*. All the sub-sectors had a positive return for the month, with macro assets as the leader, returning 3.5%, and fixed income as a laggard but with a positive return of 1.75%. At security selection level, the Fund's listed holdings did exceptionally well. Here, the pack leader was Next Energy Solar, with a return of 8%, followed by Cordiant Digital, at just under 6%. Trading activity was minimal: The only trade was the disposal of the Eco Advisers Equity Market Neutral Fund. The proceeds were split equally to increase the Fund's exposure to Vontobel Absolute Return Credit and Artemis Target Return Funds. **Source: FE Fundinfo, 30/11/2023 to 29/12/2023*

HOLDINGS AS AT 29/12/2023

| | |
|--|--------|
| Artemis Target Return Bond Fund | 11.42% |
| SVS Church House Tenax AbsRet | 10.17% |
| Lazard Rathmore Alternative | 9.87% |
| Vontobel Twentyfour Abs Ret Credit | 9.27% |
| FTF Clearbridge Global Infrastructure Income | 7.55% |
| VT RM Alternative Income | 7.09% |
| Goldman Sachs Alternative Trend | 5.96% |
| IFSL Brooks Macdonald Def Cap | 5.01% |
| Cohen & Steers SICAV Diversified Real Assets Fund FX GBP | 4.95% |
| Barclays 3 Year USD Tracker Commodity Basket | 4.73% |
| Ruffer Investment Company | 4.47% |
| Gresham House Energy Storage | 3.48% |
| NextEnergy Solar Fund | 2.11% |
| Cordiant Digital Infrastructure | 2.01% |
| Renewables Infrastructure Group | 1.88% |
| BNP Paribas 2Y Capital Protected NKY SPX Certificate | 1.53% |
| iShares £ Ultrashort Bond UCITS ETF | 5.32% |
| CASH | 3.16% |

RISK WARNINGS AND IMPORTANT INFORMATION

Risk factors should be taken into account and understood, including (but not limited to) currency movements, market risk, liquidity risk, concentration risk, lack of certainty risk, inflation risk, performance risk, local market risk and credit risk. Past performance is no guarantee of future performance. The value of an investment and the income from it can fall as well as rise and investors may get back less than they invested. The information on this factsheet is intended to provide information only and should not be interpreted as advice. Current fund prices and the latest copy of the prospectus and Key Investor Information Documents can be found at [Margetts.com](https://www.margetts.com). Margetts Fund Management Ltd is the operator of the fund. This document is issued and approved by Beckett Asset Management Ltd. The opinions stated are those of Beckett Asset Management Ltd, which is authorised and regulated by the Financial Conduct Authority. Please note some figures shown above have been rounded for ease of illustration and understanding. Therefore, figures may not total 100%.

†Prospective yield is not guaranteed and does not include deductions for expenses and tax. It is calculated using the holdings' expected distributions over the next 12 months (data as at 29 December 2023). Any variation in the actual amounts paid will impact the total yield. This impact could be positive or negative.

OBJECTIVE

The objective of the fund is to provide a positive total return over any 3 year period. The fund will be actively managed to provide a diversified portfolio of alternative assets, which behave differently to traditional forms of investment.

| | 3m | 6m | 1yr | 3yr | Since inception |
|----------------------|--------|-------|--------|-------|-----------------|
| Fund (B Acc) | 3.32% | 2.08% | -0.30% | | 2.63% |
| Comparator benchmark | 2.94% | 4.24% | 4.31% | 7.60% | 6.93% |
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Fund (B Acc) | -2.49% | | | | |
| Comparator benchmark | -0.37% | | | | |

PERFORMANCE

Source: FE Fundinfo, to 29 December 2023. All figures are in GBP terms.

KEY FACTS

Authorised Corporate Director (ACD): Margetts Fund Management Ltd

Investment Adviser: Beckett Asset Management Ltd

Managers: Samantha Owen, Tony Yousefian, Elliot Basford CFA

Comparator benchmark: IA Targeted Absolute Return

Valuation point: 8.30am

Launch date: 11 January 2021

ISIN B Acc: GB00BNDQ9C07

Yield B Acc: 2.48%

Prospective Yield†: 4.29%

Distribution payment dates: 31 July and 31 January

Ongoing Charges Figure B Acc: 0.89%

Fund size as at 31/12/2023: £101.3m