

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*

December was a positive month for the Fund in absolute terms. The Fund was up by 4.26%*. This compares favourably with the two IA Property sectors averages used for performance comparison by the managers: IA Property Other, 8.09%* and UK Direct property, 0.10%*. The listed property holdings and REIT Funds did exceptionally well at asset allocation. REIT collectives were up by just under 9% for the month, followed very closely by Listed property stocks of 8.75%. LXI REIT, with a return of around 13.25%, was the single best performer at holdings level followed by Schroder Global Cities Fund at 9%. The Fund's traditional bricks-and-mortar exposure continued to drag on performance, and the Legal & General Property Fund was the biggest detractor with a negative return of 0.20%. Other than a reduction to the TM Home Investor from 8% to 7.25%, which resulted from a programme of winding up the Fund (on an ongoing basis), there were no other changes. The proceeds were used to maintain the Fund's overall volatility by adding to the Ultra Short dated Bond ETF. **Source: FE Fundinfo, 30/11/2023 to 29/12/2023*

HOLDINGS AS AT 29/12/2023

	TOTAL
BRICKS AND MORTAR FUNDS	24.59%
TM Home Investor	7.10%
TIME Commerical Long Income	4.77%
ASI Global Real Estate	4.76%
L&G Property	4.60%
TIME Social Long Income	3.36%
REIT FUNDS	33.07%
Schroder Global Cities	13.27%
First Sentier Global Property Fund	11.35%
Premier Miton Pan Europe Property Share	5.84%
Janus Henderson Global Property Equities	2.61%
LISTED SECURITIES	25.09%
TR Property Trust	4.24%
Empiric Student Property	3.17%
LXI REIT	3.15%
Tritax Eurobox	3.14%
PRS REIT	3.11%
Supermarket Income REIT	2.58%
Schroder Real Estate Investment Trust	2.54%
Residential Secure income	1.75%
Life Science REIT	1.41%
iShares £ Ultrashort Bond UCITS ETF	14.92%
CASH	2.34%

OBJECTIVE

The objective of the fund is to provide income and capital growth over the medium to long term, from investing in a diversified range of property assets including bricks and mortar property funds, REIT funds and listed property securities. The maximum exposure to collective investment schemes that invest directly in property will be 50%. Direct investment includes funds that invest more than 70% of their assets directly in immovable properties.

PERFORMANCE

	3m	6m	1yr	3yr	Since inception
Fund (B Acc)	6.95%	6.71%	4.40%		2.31%
Comparator benchmark	11.83%	11.43%	6.25%	5.43%	6.19%
	2022	2021	2020	2019	2018
Fund (B Acc)	-13.02%				
Comparator benchmark	-19.01%				

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 Property Other
Valuation point: 8.30am
Launch date: 11 January 2021
ISIN B Acc: GB00BNDQ9757
Yield B Acc: 2.72%
Prospective Yield†: 4.48%
Distribution payment dates: 30 April, 31 July, 31 October, 31 January
Ongoing Charges Figure B Acc: 1.22%
Fund size as at 31/12/2023: £74m

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. 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.

BECKETT ASSET MANAGEMENT LIMITED

DETTINGEN HOUSE, DETTINGEN WAY, BURY ST EDMUNDS, SUFFOLK, IP33 3TU

T: 01284 754500 E: INFO@BECKETTINVEST.COM WWW.BECKETTINVEST.COM