

MANAGER COMMENTARY

The beginning of 2022 has seen raised levels of market volatility, the likes of which have not been seen since the start of 2020 at a time when investors were as concerned about their physical health as they were about their portfolios. Amongst the volatility, there has been a significant divergence in the performance of the different asset classes. Equities have come off worst and, in particular, our exposure to growth equities has suffered due to the prospect of rising interest rates, which will lead to an increase in the cost of borrowing. An exception is the UK, where the market has significantly outperformed other foreign indices. This is due to the market's large weighting to the financial and energy sectors, which have produced positive returns. On the other hand, the US market and sustainable equities are skewed towards being more growth in style, which are naturally less likely to perform well in a rising rate environment.

The Fund outperformed its benchmark by 3.34%, with a negative return of 1.34% versus its benchmark (IA Property Other Sector) of minus 4.48%. This is not surprising as your managers aim to provide a return better than traditional bricks & mortar funds, but with lower volatility than global REITs. As a result, the Fund combines the two asset classes. Last month, the Fund's losses in REITs were offset by the gains in bricks & mortar funds, leading to the Fund's relative outperformance by a wide margin. It is interesting to note that the IAUK Direct property sector had a positive return of 0.53%. Your managers remain comfortable with the current holdings and are cautiously optimistic about the outlook for 2022. However, they caution that the recent increase in volatility is unlikely to abate anytime soon.

HOLDINGS AS AT 31/01/2022

	TOTAL
BRICKS AND MORTAR FUNDS	49.2%
L&G Property	14.7%
TM Home Investor	9.9%
ASI Global Real Estate	9.7%
TIME Commerical Long Income	7.4%
TIME Social Long Income	7.4%
REIT FUNDS	25.2%
Premier Miton Pan Europe Property Share	13.0%
Schroder Global Cities	12.3%
LISTED SECURITIES	21.8%
TR Property Trust	3.2%
Empiric Student Property	3.2%
LXI REIT	2.9%
Tritax Eurobox	2.8%
Schroder Real Estate Investment Trust	2.6%
Civitas Social Housing	2.6%
Supermarket Income REIT Plc	2.5%
Residential Secure income	2.1%
CASH	3.8%

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)	1.37	2.16	11.77	20.38	11.39
Comparator benchmark	-0.62	1.25	18.32	20.38	17.87
	2017	2018	2019	2020	2021

Fund (B Acc)
Comparator benchmark

Source for all performance: FE analytics as at 31 January 2022.
All figures are in GBP terms.

KEY FACTS

Authorised Corporate Director (ACD): Margetts Ltd
Investment Adviser: Beckett Asset Management Ltd
Managers: Samantha Owen, Tony Yousefian, Elliot Basford
Comparator benchmark: IA Property Other
Valuation point: 8.30am
Launch date: 11 January 2021
Yield: TBC
Distribution payment dates: 30 April, 31 July, 31 October, 31 January
Ongoing Charges Figure (OCF) B ACC: 0.88%
Fund size as at 31/01/2022: £64.86m

RISK WARNINGS AND IMPORTANT INFORMATION

Investments in property carry specific risks due to the inherently illiquid nature of this sector. Although the fund provides daily dealing, there may be times when the fund experiences a high level of redemption requests, or the valuation of properties becomes uncertain. In these situations, it is the role of the ACD and depository to treat investors fairly, which may delay investors being able to make redemptions requests or receiving proceeds from their redemptions. 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. 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. 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.