

MANAGER COMMENTARY

After the drubbing of September, October proved to be a much better month for risk assets and a steadier one for the bond markets. In the US, the S&P 500 advanced by 6.77% in October, and in the UK, the index of the top 100 companies closed the month 2.91% higher.

In the fixed income markets, US Treasuries lost ground: both the 2-year and the 10-year prices were marginally down, with the 10-year yield breaching the 4% mark once again, reflecting that higher interest rates are still a big concern for market participants. In contrast, UK Gilts had a good month, with bond prices increasing across the yield curve, a clear vote of confidence in the newly appointed Chancellor of the Exchequer and Prime Minister. As a result, Sterling had a good month, rising by just under 4%.

The Fund had a negative return of 3.14%* versus its benchmark of negative 0.17%*. October was a very unusual month for the Fund, and for the first time since launch, the Fund's allocation to traditional bricks & mortar funds fell the most with a negative return of 3.96%. It was inevitable that the uncertainty over interest rates would eventually impact the valuations of traditional commercial property funds. The immediate outlook remains cautious for this asset class. However, value is already emerging in the sector, especially in REITs.

*DATA: FE FUNDINFO 01/10/2022 TO 31/10/2022

HOLDINGS AS AT 31/10/2022

	TOTAL
BRICKS AND MORTAR FUNDS	46.0%
L&G Property	11.4%
ASI Global Real Estate	10.3%
TM Home Investor	9.5%
TIME Social Long Income	7.8%
TIME Commerical Long Income	7.1%
REIT FUNDS	28.6%
Schroder Global Cities	13.5%
First Sentier Global Property Fund	11.0%
Premier Miton Pan Europe Property Share	4.0%
LISTED SECURITIES	19.5%
Empiric Student Property	3.0%
Tritax Eurobox	3.0%
TR Property Trust	2.8%
LXI REIT	2.7%
Supermarket Income REIT Plc	2.2%
Schroder Real Estate Investment Trust	2.2%
Civitas Social Housing	2.0%
Residential Secure income	1.7%
CASH	5.9%

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)	-9.81%	-12.95%	-9.83%		-0.92%
Comparator benchmark	-13.63%	-18.02%	-16.30%	-8.95%	-0.73%

	2017	2018	2019	2020	2021
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Fund (B Acc)

Comparator benchmark

Source: FE Analytics, all data to 31/10/2022.

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

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 B ACC: 1.29%

Fund size as at 31/10/2022: £63.43m

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 depositary 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.