

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, with a return of 3.51%*. However, it marginally underperformed its benchmark return of 3.82%*. As this is such a short period to compare performance, this is mainly down to the valuation time difference between the two; otherwise, the Fund has performed practically in line with the benchmark. None of the Fund's sub-sectors had a negative return. The Fund's UK equities exposure had the best performance with a return of 6.25%, followed by overseas equities of 6%, whilst fixed income, with a return of 2%, was the worst performing asset class. Regnan Global Equity was by far the best performer at the holdings level, with a return of 11.75%, whilst the Fund's exposure to Legal & General Property Fund was the most significant performance detractor with a negative 0.30% return. During the month, The Eco Advisers Equity Market Neutral and Wellington Global Impact Bond Funds were sold on the grounds of weak performance, and the proceeds were used to top up the Royal London Ethical Bond and the Vontobel Sustainable Short Term Bond Income Funds. *Source: FE Fundinfo, 30/11/2023 to 29/12/2023

HOLDINGS AS AT 29/12/2023

ALTERNATIVE

Vontobel Sustainable Short Term Bond	9.35%
JPM Global Macro Sustainable	4.24%
Gresham House Energy Storage	2.90%
Renewables Infrastructure Group	2.17%

FIXED INCOME

RLBF II Royal London Ethical Bond	12.02%
EdenTree Responsible and Sust Bond	5.23%
EdenTree Responsible and Sust Short Dated Bond	4.99%
Vontobel Sustainable Strategic Income	2.48%

PROPERTY

ARC TIME Social Long Income	4.73%
L&G UK Property	4.24%
PRS REIT	2.33%
Schroder Real Estate Investment Trust	1.36%

UK EQUITY

Janus Henderson UK Responsible Income	5.90%
Royal London Sustainable Leaders	4.83%

OVERSEAS EQUITY

Janus Henderson Global Sustainable Equity	8.88%
Regnan Global Equity Impact Solutions	7.81%
BNY Mellon Sust Global Equity Income	5.15%
Redwheel Responsible Global Income	4.01%
Aikya Global Emerging Markets	1.74%
iShares £ Ultrashort Bond UCITS ETF	3.82%

CASH

	1.84%
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TOTAL

18.66%

TOTAL

24.72%

TOTAL

12.66%

TOTAL

10.73%

TOTAL

27.59%

OBJECTIVE

The objective of the fund is to provide capital growth over time through investments considered by the Investment Manager to be ethical investment choices, across multiple asset classes, as defined in the Ethical Investment Policy, which is published on the ACD's website under prices and literature <https://advisers.mgtsfunds.com/literature-and-prices-2>. A minimum of 70% of the portfolio will be invested in collective investment schemes and overall exposure to equities will be a minimum of 20% and a maximum of 60%.

PERFORMANCE

	3m	6m	1yr	3yr	Since inception
Fund (B Acc)	5.70%	3.80%	6.27%		5.52%
Comparator benchmark	5.65%	5.53%	6.81%	3.66%	2.23%

	2022	2021	2020	2019	2018
Fund (B Acc)	-7.25%				
Comparator benchmark	-9.47%				

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 Mixed Investment 20-60% Shares
Valuation point: 8.30am
Launch date: 11 January 2021
ISIN B Acc: GB00BNDQ9H51
Yield B Acc: 2.10%
Prospective Yield†: 3.71%
Distribution payment dates: 31 July and 31 January
Ongoing Charges Figure B Acc: 0.81%
Fund size as at 31/12/2023: £96.8m

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.