

MANAGER COMMENTARY

As interest rates remained the focal point for investors, August saw a small town in Wyoming take centre stage: Jackson Hole, which annually hosts a much-anticipated symposium for Central bankers. The overall tone appeared cautiously optimistic that Central bankers are getting on top of inflation. Fed Chairman's speech that they would "proceed carefully going forward" was taken as US rates will likely remain on hold for the foreseeable future. In contrast, Ben Broadbent, representing the Bank of England, stated that "rates will probably have to remain in restrictive territory for quite some time yet", with the BOE having increased rates to 5.25% at the beginning of August, the highest level for 15 years! Thankfully, inflation is showing signs of slowing in the UK and Europe. The negative outlook for interest rates in the UK took nearly 3%* off the UK's all-stocks index, and the 2-year Gilt yields surpassed the September 2022 peak, ending the month at 5.156%*. Far Eastern stock markets had a poor month held back by the Chinese market, with the Chinese Shanghai Composite index down by 5.2%*. The Dollar had a good month, with the DXY ending the month up 1.29%* at 103.62*. *Source: Udata Analytics Pro: 01/08/2023 to 31/08/2023

In August, the Fund performed almost in line with its benchmark with a return of negative 0.26%* versus minus 0.18%*. At asset allocation level, the biggest detractor of performance was the Fund's exposure to convertibles via the Lazard Global Convertibles Fund, with a loss of almost 2%. Government Bonds, UK and Global Corporate Bonds were flat, whilst high-yield assets were the only positive contributors to performance. Here, the Fund's holding of Sequoia Economic Infrastructure had the best performance, with a return of 2.75%. There were no transactions in the month, as your managers are comfortable with the current ultra-cautious stance of the Fund. *Source FE Fundinfo: 01/08/2023 to 31/08/2023

HOLDINGS AS AT 31/08/2023

Artemis Corporate Bond	10.48%
Premier Miton Financials Capital Securities	10.01%
Nomura Global Dynamic Bond Fund	9.96%
iShares \$Treasuries 1-3 yr	9.05%
Wellington Global Impact Bond	6.92%
Lyxor US Treasury 7-10Y ETF	5.92%
Variety CKC Credit Opportunity	5.52%
Lazard Global Convertible Recovery	5.04%
Muzinich Dynamic Credit Income Fund	5.01%
IFSL Church House Investment Grade Fixed Income	5.01%
Jupiter Corporate Bond	4.96%
Emerging Markets Debt Opportunities Fund Class JHR GBP	4.48%
Sequoia Economic Infrastructure Income	3.32%
PGIM Emerging Market Total Return Bond Fund	2.52%
iShares £ Ultrashort Bond UCITS ETF	9.03%
CASH	2.76%

OBJECTIVE

The objective of the fund is to provide income. The fund will be actively managed to provide a diversified portfolio of Sterling denominated (or hedged back to Sterling) bonds. The type of bonds held may include government, investment grade, sub-investment grade and asset backed bonds.

PERFORMANCE

	3m	6m	1yr	3yr	Since inception
Fund (B Acc)	1.02%	-0.29%	-0.01%		-5.34%
Comparator benchmark	0.67%	0.19%	0.33%	-5.51%	-8.93%
	2022	2021	2020	2019	2018
Fund (B Acc)	-7.21%				
Comparator benchmark	-11.01%				

Source: FE Analytics, all data to 31/08/2023. 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 Sterling Strategic Bond
Valuation point: 8.30am
Launch date: 11 January 2021
ISIN B Acc: GB00BNDQ8V21
Yield B Acc: 3.53%
Prospective Yield†: 6.75%
Distribution payment dates: 30 April, 31 July, 31 October, 31 January
Ongoing Charges Figure B Acc: 0.63%
Fund size as at 31/08/2023: £114.90m

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.

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