

MANAGER COMMENTARY

December proved to be a negative month for the fund with a return of 0.53% versus its benchmark of plus 0.09%. Fixed Income as an asset class continues to remain out of favour with investors as inflation and prospects of higher interest rates continue to dominate investors' minds. Indeed, December saw the first increase in UK Interest rates since July 2007, vindicating investors' negative attitude towards this asset class. The increase in rates and the MPC's hawkishness to remain ahead of the curve triggered a sell-off in inflation-linked assets resulting in the fund's underperformance.

The underperformance was offset by positive gains made in emerging markets and investment grade bonds; regretfully, it was not sufficient to negate the overall negative return.

Your managers continue to remain ultra-cautious. As a result, we will be further enhancing the defensiveness of the portfolio by reducing the fund's exposure to inflation-linked assets.

Source of data: FE Analytics

HOLDINGS AS AT 31/12/2021

iShares \$Treasuries 1-3 yr Hedged	12.9%
Nomura Global Dynamic Bond Fund	10.0%
GAM Credit Opps	10.0%
Aegon European ABS	10.0%
American Century EMD TR	7.9%
HSBC GIF RMB Fixed Income	6.9%
iShares £ Index-Linked Gilts UCITS ETF GBP	5.7%
Lazard Global Convertible Recovery	5.1%
Eaton Vance EMD Opps	5.0%
Artemis Corporate Bond	4.9%
Wellington Global Impact Bond	4.9%
Real Estate Credit Investments Ord	2.9%
Fair Oaks Income	2.8%
SPDR Bloomberg \$ TIPS	2.0%
Honeycomb Investment Trust Plc	2.0%
CASH	7.2%

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

The fund has less than a 1 year track record so no past performance is provided.

The IA (Investment Association) Sterling Strategic Bond Sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is made up of funds with a similar strategy as defined by the IA.

KEY FACTS

Authorised Corporate Director (ACD): Margetts Fund Management Ltd

Investment Adviser: Beckett Asset Management Ltd

Managers: Samantha Owen, Tony Yousefian, Elliot Basford

IA sector: IA Sterling Strategic Bond

Valuation point: 8.30am

Fund launch date: 11 January 2021

Yield: TBC

Distribution frequency: Quarterly

Distribution payment dates: 30 April, 31 July, 31 October, 31 January

Ongoing Charges Figure (OCF) B ACC: 0.53%

Fund size as at 31/12/2021: £85.25m

RISK WARNINGS AND IMPORTANT INFORMATION

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.