

MANAGER COMMENTARY

The great optimism of January faded throughout February, and the month ended what can only be described as a mixed bag for equities and decidedly negative for fixed income, specifically in developed markets. In the US, the index of the largest 500 companies dropped by 3.62%* in February, whereas the largest 100 companies index in the UK rose by 1.48%*. The European and Chinese equity markets registered losses of 1.27%* and 0.16%*, respectively, as per the MSCI indices. The Japanese Nikkei 225 ended the month with a positive return of 0.36%*. In fixed income markets, most of the gains made in January were wiped out as the US 10-year Treasury yields increased from 3.398%* to 3.914%*. The 10-year UK Gilts faced similar losses, with the yield rising from 3.309%* to 3.824%*.

In February, the Fund outperformed its benchmark with a return of negative 0.98%* versus minus 1.69%*. There were only a few bright spots of positive returns in the Fund's holdings, however, the majority were either flat or marginally down. Stock selection was the primary reason for the Fund's outperformance. Your managers are pleased with the responsiveness of the Fund to the recent positive markets for the asset class whilst maintaining its capital preservation qualities during negative periods, such as in February. The star performer during the period was Fair Oaks Income, with a return of 6%, followed by Lazard Global Convertibles Recovery Fund at 3.5%.

* Source: FE Fundinfo, 01/02/2023 to 28/02/2023

HOLDINGS AS AT 28/02/2023

Artemis Corporate Bond	10.2%
Premier Miton Financials Capital Securities	9.8%
Nomura Global Dynamic Bond Fund	9.8%
IShares \$Treasuries 1-3 yr	9.0%
Wellington Global Impact Bond	6.7%
Lyxor US Treasury 7-10Y ETF	6.0%
Aegon European ABS	5.5%
Lazard Global Convertible Recovery	5.0%
AXAWF Asian High Yield Bonds	4.9%
Muzinich Dynamic Credit Income Fund	4.9%
Jupiter Corporate Bond	4.8%
IFSL Church House Investment Grade Fixed Income	4.8%
Eaton Vance EMD Opps	4.4%
Sequoia Economic Infrastructure Inc Ord	3.0%
PGIM Emerging Market Total Return Bond Fund	2.5%
Real Estate Credit Investments Ord	2.1%
Fair Oaks Income	1.5%
GCP Asset Backed Income Fund	1.1%
CASH	3.9%

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)	1.39%	0.29%	-3.56%		-5.06%
Comparator benchmark	0.95%	0.14%	-6.38%	-4.35%	-9.10%

	2022	2021	2020	2019	2018
Fund (B Acc)	-7.21%				
Comparator benchmark	-11.01%				

Source: FE Analytics, all data to 28/02/2023.

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

Comparator benchmark: IA Sterling Strategic Bond

Valuation point: 8.30am

Launch date: 11 January 2021

Yield B Acc: 2.24%

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

Ongoing Charges Figure B Acc: 0.58%

Fund size as at 28/02/2023: £113.2m

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.