

MANAGER COMMENTARY

The beginning of 2022 has seen raised levels of market volatility, the likes of which have not been seen since the start of 2020 at a time when investors were as concerned about their physical health as they were about their portfolios. Amongst the volatility, there has been a significant divergence in the performance of the different asset classes. Equities have come off worst and, in particular, our exposure to growth equities has suffered due to the prospect of rising interest rates, which will lead to an increase in the cost of borrowing. An exception is the UK, where the market has significantly outperformed other foreign indices. This is due to the market's large weighting to the financial and energy sectors, which have produced positive returns. On the other hand, the US market and sustainable equities are skewed towards being more growth in style, which are naturally less likely to perform well in a rising rate environment.

January proved to be a bruising month for fixed income assets, with the IA Sterling Strategic Bond sector average down by 1.59%. However, the Fund's ultra-cautiousness shone through as the Fund outperformed its benchmark by more than 1%, with a slight loss of 0.58%. All the different asset classes outperformed their relative sectors. High yield had the most significant positive impact on performance, with an absolute return of 0.05%, outperforming the IA Sterling High Yield sector by 1.78%. This asset class remains in favour in the face of rising interest rates and Inflation; as a result, your managers will continue to stay ultra-cautious for the time being.

HOLDINGS AS AT 31/01/2022

IShares \$Treasuries 1-3 yr Hedged	12.8%
Aegon European ABS	10.0%
GAM Credit Opps	9.9%
Nomura Global Dynamic Bond Fund	9.9%
American Century EMD TR	7.8%
HSBC GIF RMB Fixed Income	7.1%
Lazard Global Convertible Recovery	5.0%
Artemis Target Return Bond Fund	5.0%
Wellington Global Impact Bond	5.0%
Artemis Corporate Bond	4.9%
Eaton Vance EMD Opps	4.9%
Fair Oaks Income	3.2%
Real Estate Credit Investments Ord	3.0%
Honeycomb Investment Trust Plc	2.0%
CASH	9.8%

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 inception	Since inception
	2017	2018	2019	2020	2021
Fund (B Acc)	-0.58	-0.31	0.06		-0.02
Comparator benchmark	-1.34	-1.98	-0.67	13.50	-0.85

Fund (B Acc)
Comparator benchmark

Source for all performance: FE analytics as at 31 January 2022.
All figures are in GBP terms.

KEY FACTS

Authorised Corporate Director (ACD): Margetts 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: TBC
Distribution payment dates: 30 April, 31 July, 31 October, 31 January
Ongoing Charges Figure (OCF) B ACC: 0.51%
Fund size as at 31/01/2022: £85.41m

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.