

MANAGER COMMENTARY

After a relentless first half of negative markets in 2022, July provided a much-needed respite, with both bonds and equities making positive gains. In the US, the S&P 500 ended the month with an increase of 9.23%. Investors were generally relieved that the second quarter earnings were better than expected and were pleased to see the Fed's commitment to fighting inflation having increased interest rates by another 0.75%. The UK's top 100 largest companies index was positive by 3.54%, whilst high inflation and the soaring cost of living dominated the news headlines. In the fixed income world, the US 10 Year Treasuries yield ended the month at 2.64%, having started just north of 3%. A similar gain was seen in UK Gilts which moved down from the start of the month at 2.214% and finished at 1.862%. This was all good news and, during the month, Sterling proved to be remarkably stable versus the Dollar, starting the month at \$1.2176 and closing the month at \$1.2166.

The Fund underperformed in July on a relative basis with a return of 0.11%* versus its benchmark return of 2.69%*. This is not surprising as Fixed Income did rally quite strongly during the month, and the Fund did not fully participate in the upside owing to its defensive positioning. However, whilst this rally is a welcome change, and your managers are less bearish, it is too early to become optimistic, as one swallow does not make a summer. Nevertheless, some cash is currently being deployed very selectively and only in investments where investors are rewarded for waiting. *SOURCE OF DATA: FE ANALYTICS, DATE RANGE: 1 JULY 2022 TO 1 AUGUST 2022

HOLDINGS AS AT 31/07/2022

iShares \$Treasuries 1-3 yr Hedged	14.9%
Premier Miton Financials Capital Securities	9.6%
Aegon European ABS	9.4%
Nomura Global Dynamic Bond Fund	9.6%
HSBC GIF RMB Fixed Income	6.8%
Artemis Target Return Bond Fund	4.9%
Lazard Global Convertible Recovery	4.8%
Wellington Global Impact Bond	4.8%
Artemis Corporate Bond	4.8%
Fair Oaks Income	2.6%
SPDR Bloomberg 7-10y US Treasury Bond ETF	3.0%
Real Estate Credit Investments Ord	2.8%
Eaton Vance EMD Opps	2.6%
AXAWF Asian High Yield Bonds	2.4%
GCP Asset Backed Income Fund	1.9%
PGIM Emerging Market Total Return Bond Fund	1.5%
CASH	13.7%

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)	-2.70%	-5.68%	-5.97%		-5.70%
Comparator benchmark	-2.25%	-6.61%	-8.46%	0.48%	-7.40%

	2017	2018	2019	2020	2021
Fund (B Acc)					
Comparator benchmark					

Fund (B Acc)

Comparator benchmark

Source: FE Analytics, all data to 31 July 2022

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: TBC

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

Ongoing Charges Figure B ACC: 0.58%

Fund size as at 31/07/2022: £86.78m

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](https://www.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.