

BLENNHEIM

DIVERSIFIED FIXED INCOME FUND

JULY 2021

MANAGER COMMENTARY

June was another month of positive gains for the fund with a return of 0.84%. This compared favourably with the IA Sterling Strategic Bond Fund return of 0.76%.

During the month, the US 10-year Treasury yields continued to drift lower reaching a year low of 1.30%, despite all the concern about whether inflation is transitory or not. Towards the end of the month, inflation data from the US surprised to the upside but was not sufficient to change the direction of the yields.

Your managers continue to remain very cautious about this asset class and expect 10 year bond yields in US and UK to begin to drift up ending the year higher than their current levels. As a result, the managers' defensive positioning of the fund is unlikely to change - without missing investment opportunities to add value to the fund.

HOLDINGS AS AT 30/06/2021

Aegon European ABS	11%
Nomura Global Dynamic Bond Fund	10%
Allianz Strategic Bond	9%
Artemis Corporate Bond	8%
American Century EMD TR	8%
HSBC GIF RMB Fixed Income	7%
IShares \$Treasuries 1-3 yr Hedged	7%
Wellington Global Impact Bond	7%
GAM Credit Opps	7%
Lazard Global Convertible Recovery	5%
Eaton Vance EMD Opps	5%
SPDR Bloomberg \$ TIPS	3%
Real Estate Credit Investments Ord	3%
Fair Oaks Income	3%
Honeycomb Investment Trust Plc	2%
CASH	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

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

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 30.06.2021: £85.8m

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.

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