

MANAGER COMMENTARY

March proved to be a bruising month for fixed income assets, with the U.S. Treasury yields starting the month at 1.456% and reaching 1.746% as at the close of business on 31 March. This is an increase of approximately 20%. This sort of movement in such a short space of time is quite rare and as we all know higher bond yields mean lower bond prices. However, the fund benefited from its diversification and ended the month with a loss of only 0.36% (1st March 2021 to 1st April 2021).

The fund benefitted with inflows of new monies throughout the period. This cash flow has been used to strengthen further the defensiveness of the fund effectively moving it from a capital appreciation to a capital preservation mode. We believe that the rise in bond yields is likely to continue over the short to medium term as we see the economies in developed markets grow strongly over the remainder of 2021 and into 2022 and yields continue to rise, so we will remain cautious and defensive for the time being.

Within the fund the new capital has been used to reduce the fund's sensitivity to rising bond yields by increasing our exposure to short dated U.S Government bonds and reducing our exposure to UK corporate credit, and we will allow our cash holding to drift higher until a suitable investment is found.

HOLDINGS LIST AS AT 31/03/2021

Aegon Eu ABS Fund	11%
Nomura Global Dynamic Bond Fund	10%
Allianz Strategic Bond Fund	10%
Artemis Corporate Bond Fund	8%
American Century Emerging Markets Debt Total Return Fund	8%
iShares \$ Treasury Bd 1-3yr ETF	7%
Wellington Global Impact Bond Fund	7%
GAM Credit Opportunities Fund	7%
Jupiter Strategic Bond	6%
Lazard Global Convertibles Recovery Fund	5%
Eaton Vance Emerging Markets Debt Opps Fund	5%
SPDR Bloomberg Barclays US Tips UCITS ETF	3%
Real Estate Credit Investments Ord	3%
Fair Oaks Income	3%
CASH	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

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): 0.53%

Fund size as at 31.03.21: £79.16m

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.