

### MANAGER COMMENTARY

May was a mixed bag of returns for different asset classes with no apparent pattern emerging. In the UK, the widely used index of all listed companies was down a whopping 3.99%, whilst in the US, the S&P 500 closed higher up, albeit by a marginal 0.31%. The Japanese Topix index had a particularly good month with a gain of 2.91% in contrast to the Chinese Shanghai index loss of 3.08%. Government bond markets in the UK and the US lost money, with the 10 Year bond yields increasing in both regions by 9.31% and 5.42% respectively. In the currency markets, the Dollar found support with the DXY index rising by 2.62%, whilst Sterling lost ground against the Dollar and finished the month lower by 0.98%. Data Source: Updata analytics, 01/05/2023 to 31/05/2023

The Fund returned a negative 0.79%, outperforming its benchmark of negative 1.06%\*. This is unsurprising, as bond yields rose in the UK and the US, as alluded to earlier. However, good asset allocation and the short duration of the Fund contributed positively to the outperformance. At asset allocation level, emerging markets debt was the most significant positive contributor to performance with a return of just under 1% whilst, in contrast, the largest detractor of performance was UK corporate bonds.

In the short run, the managers remain cautious in the face of stickier inflation and increasing bond yields. However, as and when inflation begins to come under control, particularly in the UK, the negative outlook for this asset class will likely change very quickly.

\* Source: FE Fundinfo, 01/05/2023 to 31/05/2023

### HOLDINGS AS AT 31/05/2023

Artemis Corporate Bond	10.2%
Nomura Global Dynamic Bond Fund	9.9%
Premier Miton Financials Capital Securities	10.1%
IShares \$Treasuries 1-3 yr	9.0%
Wellington Global Impact Bond	7.1%
Lyxor US Treasury 7-10Y ETF	6.2%
Variety CKC Credit Opportunity	5.5%
Muzinich Dynamic Credit Income Fund	5.0%
Jupiter Corporate Bond	4.8%
AXAWF Asian High Yield Bonds	4.9%
IFSL Church House Investment Grade Fixed Income	4.9%
Lazard Global Convertible Recovery	5.0%
Eaton Vance EMD Opps	4.5%
Sequoia Economic Infrastructure Inc Ord	2.8%
PGIM Emerging Market Total Return Bond Fund	2.4%
Real Estate Credit Investments Ord	1.9%
Fair Oaks Income	1.4%
GCP Asset Backed Income Fund	0.9%
CASH	3.7%

### 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)	-1.31%	0.06%	-2.62%		-6.30%
Comparator benchmark	-0.48%	0.47%	-3.68%	-3.06%	-9.54%

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

Source: FE Analytics, all data to 31/05/2023.

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:** 2.95%

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

**Ongoing Charges Figure B Acc:** 0.58%

**Fund size as at 31/05/2023:** £113.5m

### 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](http://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.