

MANAGER COMMENTARY

We may look back in a year's time and call September the month when the UK and US policymakers had reached the top of the interest rate cycle. Both the Fed and the MPC decided not to increase interest rates. However, the Fed maintained its bullish stance on any future increases. As a result, both the 2-year and the 10-year Treasury yields increased, leading to a risk-off mode for equities in the US, where the index of the top 500 companies fell by just over 4%. Back in the UK market, participants took the opposite view about the future interest rate prospects. As a result, the 2-year Gilt yield dropped below 5%, providing a positive catalyst for the equity market, where the index of all listed companies' shares ended the month up by 1.43%. The US dollar-weighted index (DSY) benefited from the perception of higher future rates in the US and increased by 1.89% in the month. *Source of data: Udata Analytics Pro, 01/09/2023 to 29/09/2023*

In September, the Fund performed more or less in line with its benchmark with a negative return of 0.60%* versus the benchmark of 0.59%*. At asset allocation level, emerging market debt was the best-performing sector with a positive return of 0.50% followed by high yield return of 0.40%. In contrast, convertibles and global corporate bonds were the worst performers, with returns of 1.60% and 1.45%, respectively. The PGIM Emerging Markets Debt Fund was the best performer at holdings level, with a return of just over 2% for the month. In contrast, the worst-performing Fund was Wellington Global Bond, with a return of minus 2.55%.

There were no changes to the holdings in the month, and the managers remain sanguine about this asset class and are comfortable maintaining their overall cautious approach. **Source, FE Fundinfo, 01/09/2023 to 29/09/2023*

HOLDINGS AS AT 30/09/2023

Artemis Corporate Bond	10.42%
Premier Miton Financials Capital Securities	10.04%
Nomura Global Dynamic Bond Fund	9.83%
iShares \$Treasuries 1-3 yr	8.96%
Wellington Global Impact Bond	6.84%
Lyxor US Treasury 7-10Y ETF	5.77%
Variety CKC Credit Opportunity	5.56%
IFSL Church House Investment Grade Fixed Income	5.09%
Lazard Global Convertible Recovery	4.99%
Muzinich Dynamic Credit Income Fund	4.99%
Jupiter Corporate Bond	4.94%
Emerging Markets Debt Opportunities Fund Class JHR GBP	4.49%
Sequoia Economic Infrastructure Income	3.40%
PGIM Emerging Market Total Return Bond Fund	2.61%
iShares £ Ultrashort Bond UCITS ETF	9.13%
CASH	2.95%

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)	0.40%	0.51%	2.35%		-5.73%
Comparator benchmark	0.52%	-0.55%	4.94%	-6.11%	-9.42%
	2022	2021	2020	2019	2018
Fund (B Acc)	-7.21%				
Comparator benchmark	-11.01%				

Source: FE Fundinfo, to 30 September 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 CFA
Comparator benchmark: IA Sterling Strategic Bond
Valuation point: 8.30am
Launch date: 11 January 2021
ISIN B Acc: GB00BNDQ8V21
Yield B Acc: 3.34%
Prospective Yield†: 6.69%
Distribution payment dates: 30 April, 31 July, 31 October, 31 January
Ongoing Charges Figure B Acc: 0.63%
Fund size as at 30/09/2023: £114.20m

RISK WARNINGS AND IMPORTANT INFORMATION

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. 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. 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. Please note some figures shown above have been rounded for ease of illustration and understanding. Therefore, figures may not total 100%.

†Prospective yield is not guaranteed and does not include deductions for expenses and tax. It is calculated using the holdings' expected distributions over the next 12 months (data as at 29 September 2023). Any variation in the actual amounts paid will impact the total yield. This impact could be positive or negative.