TB Enigma Dynamic Growth Fund

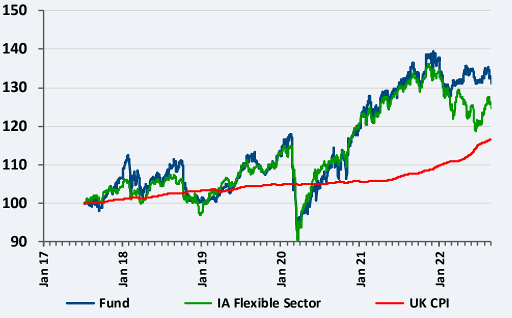
End-August 2022

Data-driven global investing

The objective of the TB Enigma Dynamic Growth Fund is to achieve long-term growth through a combination of capital and income. The Manager uses its proprietary data-driven "Enigma Investment Radar", which focuses on an objective assessment of Value and Momentum/Trends which are independent of opinion, emotion and forecasts. The Fund adopts a flexible and dynamic asset allocation policy between equities, bonds and cash. The equity investments are achieved by selecting attractive regions and global sectors which are generally implemented using Exchange Traded Funds (ETFs). The Fund adopts an active currency overlay which may seek to protect investors from overseas currency losses and to enhance returns. Use of ETFs enables flexible asset allocation, provides diversification and reduces stock specific risk.

	August	3 Mths	1 Year	2 Years	3 Years	* Since Inception
Fund	**-1.8%**	**-2.8%**	**-3.5%**	**16.7%**	**22.5%**	**31.2%**
IA Flexible Sector	0.4%	-0.6%	-6.1%	12.1%	15.7%	24.7%
UK CPI	0.7%	3.3%	8.2%	10.7%	12.0%	16.6%

	Year To Date	2021	2020	2019	2018	2017 (from 12/7/17)
Fund	**-4.3%**	**14.1%**	**6.9%**	**11.9%**	**-6.0%**	**6.8%**
IA Flexible Sector	-7.2%	11.4%	7.0%	15.6%	-6.6%	4.4%
UK CPI	6.2%	3.8%	0.8%	1.5%	2.2%	1.1%



Performance shown is the total return (net of fees & costs) for the Accumulation B share class. Inception date was 12 July 2017. The Fund is not managed against any benchmark – the Investment Association Flexible Sector and UK Consumer Price Inflation are shown as Comparator benchmarks as per FCA PS 19-04. The IA Flexible Sector contains a wide array of funds with a flexible mandate, hence the comparator, but many of them have different investment objectives and profiles. Past performance is not a reliable indicator of future performance. Source: Ekins Guinness LLP.

FUND MANAGER COMMENT

The Fund returned -1.8% in August 2022. World Equities and Bonds had another negative month - World Equities were down nearly 3% in price terms although that translates to a positive return of 0.7% in Sterling terms due to the continued strength of the Dollar which has been surging against all currencies. Gilts had a very poor month (down 7.6%), not helped by the Government's decision to reduce the inflation base for index-linked gilts which served to undermine investors' confidence in the security of government-backed sovereign bonds. US Treasuries were down 2.9% in US Dollar terms. The Fund had significant exposure to the US Dollar earlier in the year but, after the initial Dollar strength, the allocation to the US Dollar was reduced. The Fund has therefore only benefited slightly from the more recent Dollar strength.

Both Equities and Bonds are in a downtrend (i.e. a bear market), with Equity markets having peaked last November. There have been a few rallies in Equities this year, most notably in March and also July/August. Bonds also had a meaningful rally in July. When meaningful rallies occur even in a downtrend, our model tries to start taking advantage of them in case they are the beginning of the end of the bear market. Equity rallies, even in a bear market, can anyway sometimes be substantial. However, if the rally fails (like all the Equity rallies have done so far this year) and the medium/long term downtrend restablishes itself, then our allocations go defensive again - which is what happened in late August.

Given that the latest Equity and Bond rallies in July/August have petered out, the Fund has therefore moved again to a very defensive allocation. Whilst this isn't a long term solution (because it implies negative returns in real terms given the continued high inflation), it is preferable to losing money in absolute terms from Equities and Bonds if/when they fall further. Unfortunately, we are not yet seeing the conditions required to make a major re-investment in Equities or Bonds : neither asset class is cheap yet; neither asset class is currently oversold (if they were, our model would look for any subsequent short term rally to try and take advantage of an oversold situation); and it will take a while for medium/long term price trends to pick up.

When the various rallies in Equity markets have taken place during this bear market (effectively switching from risk-off to risk-on and then back to risk-off again), there has been significant Global Sector rotation. Our Global Sector model moved away from the Growth sectors at the start of the year (by focusing on Consumer Staples, Healthcare & Energy) but did recommit to Technology and Consumer Discretionary again during the rallies. As the recent July/August rally has failed, and as our Asset Allocation model became more defensive again, the Global Sector allocation is becoming more defensive again.

The US Dollar has been surging against all currencies, not just Sterling (look at the Euro and Yen too). This is partly because the Fed, eventually, moved from being complacent to hawkish on interest rates, so this acted as a Dollar boost. Also, uncertain times typically leads to Dollar strength as a safe haven. The Dollar is now hugely overvalued, but it may be that it doesn't start to fall until investors think that the next move in interest rates is down, rather than up, which is unlikely to come until sometime in 2023. Although the Dollar may therefore remain strong, there are increasing risks of having too much exposure to the US Dollar.

Commodity prices are weakening because inflation is in the process of peaking and industrial demand is likely to wane as economies slow. The Fund no longer has any Commodity exposure.

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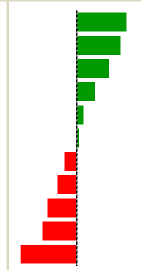
PORTFOLIO HOLDINGS

EQUITIES	**29.2%**
Global Sector ETFs	**26.2%**
db x-trackers MSCI World Information Technology Ind	9.1%
db x-trackers MSCI World Consumer Discretionary Ind	5.0%
db x-trackers MSCI World Industrials Index UCITS ETF (	5.0%
db x-trackers MSCI World Consumer Staples Index UC	2.0%
db x-trackers MSCI World Utilities Index UCITS ETF (DF	2.0%
SPDR MSCI World Health Care UCITS ETF	1.5%
db x-trackers MSCI World Energy Index UCITS ETF (DR)	1.4%
Regional Equity ETFs	**3.0%**
Vanguard FTSE Japan UCITS ETF	1.0%
Vanguard FTSE Developed Europe ex UK UCITS ETF	1.0%
SPDR FTSE UK All Share UCITS ETF	1.0%
FIXED INCOME	**54.9%**
Medium/Long Duration	**9.2%**
iShares $ Treasury Bond 7-10yr UCITS ETF	6.2%
Vanguard U.K. Gilt UCITS ETF	3.0%
Short Duration & Cash Equivalents	**45.7%**
SPDR Barclays 1-3 Year US Treasury Bond UCITS ETF	18.4%
iShares $ Ultrashort Bond UCITS ETF	10.4%
$ Treasury Bond 0-1y UCITS ETF USD Acc	10.4%
Wisdom Tree USD Floating Rate Treasury Bond UCITS I	6.4%
CASH	**16.0%**
TOTAL	**100.0%**

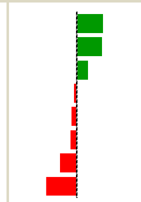
ANALYSIS OF EQUITY EXPOSURE

(pro-rated to 100% on a look-through basis across the ETFs)

BY SECTOR	Equity Allocation	Mkt Cap Wgt	Relative -15% +15%
Technology	31.7%	20.7%	
Industrials	19.0%	9.3%	
Cons. Discretionary	18.2%	11.2%	
Utilities	7.2%	3.1%	
Cons. Staples	8.9%	7.5%	
Energy	5.4%	5.1%	
Real Estate	0.1%	2.7%	
Basic Materials	0.7%	4.9%	
Healthcare	6.4%	13.0%	
Telecoms	0.4%	8.0%	
Financials	1.9%	14.5%	
	100.0%	100.0%	



BY REGION	Equity Allocation	Mkt Cap Wgt	Relative -15% +15%
Japan	11.2%	5.5%	
Europe ex UK	16.7%	11.2%	
UK	6.3%	3.9%	
USA	60.1%	60.7%	
Canada	2.3%	3.4%	
Australasia	0.7%	2.0%	
Dev. Asia ex Japan	0.5%	4.3%	
Emerging Mkts	2.3%	9.2%	
	100.0%	100.0%	



NET CURRENCY EXPOSURE

(on a look-through basis)

	Underlying	Overlay	Net
GBP	21%	+51%	72%
USD	69%	-51%	19%
CAD	1%	-	1%
AUD	0%	-	0%
Other Dollar	0%	-	0%
EUR	4%	-	4%
CHF	1%	-	1%
Other Europe	1%	-	1%
JPY	3%	-	3%
Emerging	1%	-	1%
	100%		**100%**

INVESTMENT APPROACH

We believe that the two most important drivers for most investment decisions are fundamental value and market trends. Fundamental value determines the potential over the medium/long term but can be a poor indicator of price movements in the short term. Market trends (including momentum and overbought signals) can be a good leading indicator of future price movements but can be dangerous if fundamental value is ignored. We believe that neither analytic should be used in isolation but it is logical to select investments based objectively on the combination of fundamental value and market trends, which are independent of opinion, forecasts and emotion.

ABOUT THE MANAGER

Ekins Guinness LLP was founded by Charles Ekins. Previously he was Chief Investment Officer at Valu-Trac Investment Management, prior to which he spent 19 years at Morgan Grenfell (Deutsche) Asset Management where he was a portfolio manager, member of the Investment Policy Committee and client director. The business is backed by Tim Guinness, Founder & Chairman of Guinness Asset Management. Jasper Falk joined from JP Morgan after 23 years as a senior fixed income specialist & Head of Global Inflation Trading.

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HOW TO INVEST

Visit: tbaileyfs.co.uk/funds/tb-enigma-funds ☎ 0115 988 8286

Availablity: Aegon, Alliance Trust, Ascentric, Aviva, Barclays, FNZ, Hargreaves Lansdown, Interactive Investor, Novia, Nucleus, Pershing, Transact & Zurich platforms

FUND INFORMATION

Structure: UK Authorised OEIC
UK UCITS: Yes
Size: £10m

ACD, Administrator & Registrar: T. Bailey Fund Services

Depositary: NatWest Bank
Custodian: Northern Trust
Auditor: Cooper Parry

Share Classes: GBP
Minimum Investment: £5,000

Income / Accumulation: Both
Dividend Payment Dates: 31 January & 31 July

Valuation & Cut Off: 12 noon daily
ISA Eligible: Yes

ISINs: GB00BD8YW428 (Acc), GB00BD8YW758 (Inc)
SEDOLs: BD8YW42 (Acc), BD8YW75 (Inc)

Bloomberg: TBEDGBA:LN (Acc), TBEDBIG:LN (Inc)
Investment Association: Flexible Sector

Fees and Expenses

0.84% Ongoing Charge Figure (as per latest Key Investor Information Document). This comprises a fixed Annual Management Charge of 0.70% (includes administration, custody, depositary, audit, registrar) plus the indirect charges of the various ETFs in which the Fund invests