

TB WISE MULTI-ASSET INCOME



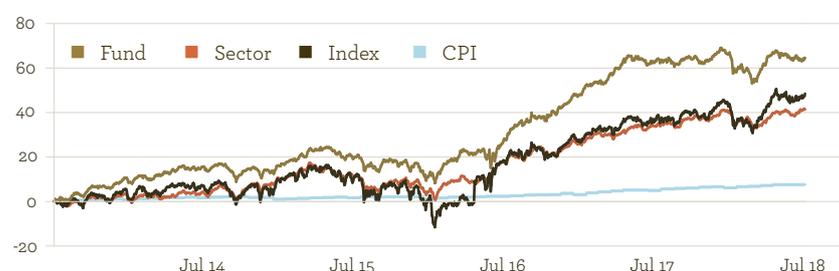
MONTHLY FACTSHEET
all data as at 31 July 2018

FUND ATTRIBUTES

The investment objectives of TB Wise Multi-Asset Income are to provide a yield in excess of the Cboe UK All Companies Index with the potential to provide income growth and capital growth over the medium to long term in line with, or better than, the rate of UK inflation (based on the Bank of England's preferred measure of UK inflation, which is currently the Consumer Price Index (CPI)).

- ✓ A One-Stop shop for investors looking for an attractive level of income
- ✓ The portfolio invests both direct and through open-ended and closed-ended funds
- ✓ Quarterly distributions
- ✓ Highly diversified portfolio
- ✓ Low turnover

FIVE YEAR PERFORMANCE (%)



CUMULATIVE PERFORMANCE

	1m	3m	6m	1yr	3yr	5yr
Fund ¹	0.1	0.1	-0.2	1.2	37.4	64.7
Index	1.2	4.1	5.3	9.1	30.7	46.0
Sector	1.6	3.0	1.3	5.6	26.9	41.3
Rank in sector	150/159	141/158	117/156	132/151	28/135	13/119
Quartile	4	4	3	4	1	1

DISCRETE ANNUAL PERFORMANCE

	31/07/17	31/07/16	31/07/15	31/07/14	31/07/13
	31/07/18	31/07/17	31/07/16	31/07/15	31/07/14
Fund ¹	1.2	26.8	7.1	3.9	15.4
Index	9.1	15.0	4.1	5.4	6.0
Sector	5.6	13.2	6.2	7.0	4.1

All performance data used on this factsheet is total return, bid-to-bid, net of UK dividend tax credit, and sourced from Financial Express.

The fund's main unit was changed to B shares on 1 December 2012 to comply with RDR regulation.

1. TB Wise Multi-Asset Income B Inc

Past performance is not a reliable indicator of future performance.

Ratings



Fund Managers



TONY YARROW

Portfolio Manager

Tony, a Cambridge graduate, founded Wise Investment in 1992 to provide investment advice and fund management to private clients. He started managing funds in 1988 and ran the successful Wise Investment Clients' Fund from inception in 1992 until the fund was subsumed by TB Wise Investment at its launch in 2004. Tony currently manages TB Wise Multi-Asset Growth and TB Wise Multi-Asset Income.



VINCENT ROPERS

Co-Portfolio Manager

Vincent joined the Wise Funds team as Co-Portfolio Manager in April 2017. He brings eleven years of multi-asset research and portfolio management experience, previously at Goldman Sachs, Fidelity International, Ignis Asset Management and, more recently, Standard Life Investments. He is a graduate from ESCP Europe in Paris and holds the Investment Management Certificate. Vincent also co-manages the TB Wise Multi-Asset Growth fund.

Key Details

IA Sector	Flexible
Index	Cboe UK All Companies
Launch date	3 October 2005
Fund value	£119.5 million
Holdings	44
Historic yield ²	5.20%
Div ex dates	1 Mar, Jun, Sep, Dec
Div pay dates	end Apr, Jul, Oct, Jan
Valuation time	12pm

2. The historic yield reflects distributions over the past 12 months as a percentage of the price of the B share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

Citywire rating is source & copyright of Citywire. Tony Yarrow has been awarded a AA rating by Citywire for his 3 year risk-adjusted performance for the period 30/06/2015 - 30/06/2018.

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T. Bailey Fund Services Ltd (www.tbailey.co.uk/wise)



PORTFOLIO ANALYSIS

MANAGER COMMENTARY

While trade and political tensions continued to be factors market participants had to deal with in July, their influence on price movements was mitigated by the news flow coming out of companies which reported their earnings. Broadly speaking, the second quarter appears to have been another strong period for companies. Looking at the US where about ¾ of companies had reported at the end of the month, 80% of them beat analysts' estimates, which had already been revised higher following the record earnings season in the first quarter. This is well above the historical average of 67%. This pattern is very much a US phenomenon however and, in the rest of the world, while earnings are still broadly positive, the surprise effect is much more aligned with historical norms. This US exception is mainly due to the tax reform announced last year, whose implications are still being worked out by companies and analysts. While undeniably positive, these effects are temporary by nature and this could be the reason why, despite all the positive surprises, the US stock market is still trading below its all-time high reached in January.

Another earnings-related development this month were the disappointing results from some of the technology darlings, namely Facebook, Netflix and Twitter. It is starting to become clear that these stocks are priced for perfection and that investors need to factor in the fact that their recent revenue and earnings growth rates may not be sustainable. As their user numbers plateau and they are increasingly competing with each other for revenues, some further disappointment may lie ahead. The media are already talking about replacing the FAANGs (Facebook, Amazon, Apple, Netflix and Google) by MAGA (Microsoft, Amazon, Google and Apple) denoting a change in leadership. How the tech sector evolves over the next few months will have important implications for markets and, even if, like us, one doesn't own any of these names, one needs to keep a close eye on this issue.

The TB Wise Multi-Asset Income fund was up 0.1% in July lagging both the Cboe UK All Companies index, up 1.2%, and its peer group, up 1.6%. We have made the point for some time that one needs to look beyond the top-level index return to get a clearer picture of the underlying activity within the market. For some months now, the top performing stocks or funds have continued to outperform, while areas disliked by the market continue to be disliked despite, in some cases, good operational performance. This dispersion of returns can easily get lost to the observer focusing only on the index. Last month was a good illustration of this phenomenon: while the index was up 1.2%, the range of returns from our holdings went from -36% (Safestyle) up to +18% (International Personal Finance). There was also a roughly equal number of holdings that went up than down. While we are obviously aiming at having more winners than losers, weakness in our positions over short periods of time gives us opportunities to revisit our investment case and add to our position at more attractive prices if appropriate.

This is how we added to our positions in Photo-Me after an encouraging call with management and Aviva. We also re-entered a position in convenience store chain McColl's which we sold in November last year on valuation grounds and is now trading more than 40% below our exit price at the time, having mainly fallen victim of the negative sentiment on the UK retail sector. On the other side of the performance spectrum, we closed our position in Sainsbury's. The supermarket chain rallied strongly after the announcement of the merger with Asda last April when we sold half of our then position. Since then, the share price has continued to perform well and we think the risks are more skewed to the downside given the uncertainty related to the approval and the timeframe of the actual deal. We also closed our position in the Bluefield Solar Income Trust which traded at a record premium since it listed in 2013.

The cash in the fund was 5.1% at the end of the month and the dividend yield, based on current holdings, was 5.26%.

B SHARES (CLEAN CLASS)

SEDOL Codes	Acc: B0LJ1M4	Inc: B0LJ016
Minimum Lump Sum	£1,000	
Initial Charge	0%	
Investment Management Fee	0.75% taken from capital	
Ongoing Charges Figure ^{1,2}	0.87% taken from capital	
Regular Savings Option Available?	Yes - minimum £50 per month	

TOP TEN HOLDINGS (%)

Legal & General	5.0
Princess Private Equity	4.6
Ecofn Global Utilities and Infrastructure Trust	3.9
Middlefield Canadian Income	3.7
Ediston Property	3.6
Blackrock World Mining	3.4
Rio Tinto	3.2
Aberdeen Asian Income Fund	3.0
Shoe Zone	2.9
British Land Company	2.9
Total	36.2

ASSET ALLOCATION (%)

Equities	
North America	3.7
Asia	3.0
UK Small-Cap	2.7
Global	1.6
Specialist	
Financials	15.8
Consumer Facing	12.2
Utilities	11.1
Construction	7.7
Private Equity	6.9
Mining And Resources	6.6
Telecommunications	4.6
Infrastructure	3.5
Clean Energy	1.8
Property	
Commercial Property	13.6
Cash & Income	5.1

How to Invest

TB Wise Multi-Asset Income is available as an OEIC and is also suitable to include in stocks and shares ISAs. You can buy shares in the fund by visiting www.tbailey.co.uk/wise; by telephoning the TB Wise Investor Dealing Line on 0115 988 8258 (open business days between 9am and 5pm); or through various third parties including Cofunds, Skandia, Axa Winterthur, Axa Elevate and Standard Life.

1. The Ongoing Charges Figure is based on the expenses incurred by the fund for the 12 months ended 31 August 2017. The figure may vary year to year.
2. Includes Investment Management Fee.

IMPORTANT INFORMATION

Full details of the TB Wise Funds, including risk warnings, are published in the TB Wise Funds Prospectus, the TB Wise Supplementary Information Document (SID) and the TB Wise Key Investor Information Documents (KIIDs) which are available on request and at www.wiseinvestment.co.uk. The TB Wise Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested. Capital appreciation in the early years will be adversely affected by the impact of initial charges and you should therefore regard your investment as medium-to-long term. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. Wise Funds Limited is authorised and regulated by the Financial Conduct Authority, No. 768269. T. Bailey Fund Services Limited is authorised and regulated by the Financial Conduct Authority, No. 190293