TB WISE MULTI-ASSET GROWTH

WISE FUNDS

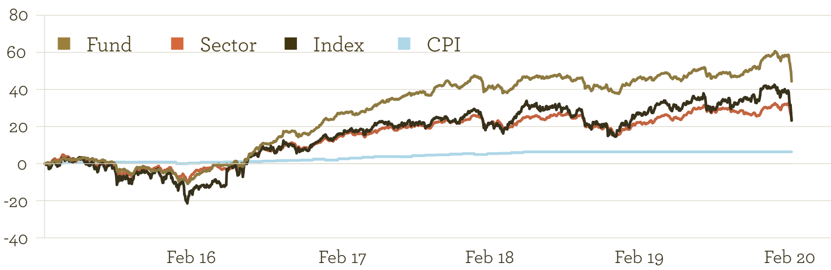
MONTHLY FACTSHEET
all data as at 29 February 2020

FUND ATTRIBUTES

The investment objective of TB Wise Multi-Asset Growth is to provide growth over the medium to long term in excess of the Cboe UK All Companies Index and 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)).

- Aims to provide long term capital growth ahead of the Cboe UK All Companies Index and inflation
- Portfolio of c.40 funds and investment trusts
- Adopts a value bias investment approach
- Focus on high-quality funds and investment trusts investing in out-of- favour areas
- Preference for fund managers with a disciplined, easy-to-understand investment process
- Low portfolio turnover

FIVE YEAR PERFORMANCE (%)



CUMULATIVE PERFORMANCE

	1m	3m	6m	1yr	3yr	5yr
Fund[1]	**-7.7**	**-5.3**	**-2.3**	**-0.9**	**13.7**	**44.3**
Relative to Cboe UK All Companies*	1.5	4.2	3.4	1.2	9.9	25.6
Relative to CPI*		-5.0	-2.1	-2.2	7.7	35.6
Relative to IA Flexible*	-3.0	-2.0	-0.5	-5.4	3.5	17.5
Rank in sector	144/160	120/160	100/158	135/154	29/128	10/119
Quartile	4	3	3	4	1	1

DISCRETE ANNUAL PERFORMANCE

	28/02/19 29/02/20	28/02/18 28/02/19	28/02/17 28/02/18	29/02/16 28/02/17	28/02/15 29/02/16
Fund[1]	**-0.9**	**2.8**	**11.6**	**37.7**	**-7.8**
Relative to Cboe UK All Companies*	1.2	1.2	7.2	14.0	-0.2
Relative to CPI*	-2.2	1.0	8.9	35.4	-8.1
Relative to IA Flexible*	-5.4	3.9	5.0	17.0	-3.1

*A negative figure denotes underperformance of the fund, and a positive figure denotes outperformance.
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 Growth B Acc
Past performance is not a guide to the future and outperforming target benchmarks is not guaranteed.

RATINGS

DYNAMIC PLANNER® PREMIUM FUND

FE fundinfo Crown Fund Rating

DYNAMIC PLANNER™ PROFILED 7

DEFAQTO 7 RISK MAPPING MEDIUM TO HIGH RISK Powered by Defaqto Engage

ELITE RATED by FundCalibre.com

PORTFOLIO MANAGERS

Vincent Ropers, Tony Yarrow, and Philip Matthews (left to right)

VINCENT ROPERS

Vincent joined the Wise Funds team in April 2017 as a co-portfolio manager, bringing twelve years of portfolio management experience.

TONY YARROW

Tony founded Wise Investment, now Wise Funds, in 1992. He has been managing investment funds since 1988 bringing thirty years experience.

PHILIP MATTHEWS

Philip joined the Wise Funds team in September 2018 as co-portfolio manager, bringing nineteen years of portfolio management experience.

KEY DETAILS

Target Benchmarks[2]	**Cboe UK All Companies, UK CPI**
Comparator Benchmark	**IA Flexible**
Launch date	**1 April 2004**
Fund value	**£56.6 million**
Holdings	**37**
Valuation time	**12pm**

2. The target benchmarks have been chosen as the most appropriate benchmarks for the fund. Targeting an income in excess of the CBOE UK All Companies Index and long term growth above the level of CPI. The comparator benchmark shows the fund against the Flexible sector. To find out more, please see the full prospectus.

CONTACT US

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PORTFOLIO ANALYSIS

MANAGER COMMENTARY

February's headlines and price actions were dominated by fears about the coronavirus outbreak. Since last month, the virus has quickly spread to more than 40 countries and is a cause of concern for future global economic growth and companies' earnings. Given the level of contagion and the difficulty in containing the virus, it seems highly likely that the number of contaminations will continue to grow in the coming weeks. What is much less clear is the impact it will have on the real economy. Quarantines, factories, offices and schools closures, travel cancellations, etc… all can have significant consequences on supply but also, potentially, demand. Although containment of the disease or at least the slowing down of its spread, is critical, one also needs to be reminded of the fact that fatality rates remain relatively low and seem to affect primarily a vulnerable section of the population. The optimistic scenario is thus that, as time passes, a more targeted approach could be put in place to protect the most-at-risk groups, while the rest of the population learns to live with the disease. This would lead to only a temporary economic impact. To put things into context, the seasonal flu, although less deadly than Covid-19, still kills 290,000 to 650,000 people a year globally (according to the World Health Organisation). This is very serious by all accounts, but people and companies aren't unduly concerned about its impact. Unfortunately, it is far too early to predict how the situation will evolve and the optimistic scenario is by no means guaranteed. This uncertainty is the reason why investors went into a panic in the last week of February, the like of which hadn't been seen since the Great Financial Crisis of 2008. Equities went into a technical correction (i.e. down more than 10%) in only a few trading sessions. Government bond yields -which move inversely to prices and are easier to use for historical comparisons- reached new all-time lows. Within commodities, the most cyclically exposed ones (oil and industrial metals) suffered badly, while investors rushed into gold. The VIX volatility index (a measure of how much stress equities are under in the short-term) reached levels akin to the ones experienced in 2008. Like most panic selling, the broad market movements are easily explainable but, under the surface, the picture is muddier. Many assets can suffer without any obvious relationship to the cause of the fear. In the short-term, there tends to be a "shoot first, ask questions later" attitude, translating into raising cash from whatever sources are available. This means that large, liquid companies can be overly affected (they are sold simply because they can be). Conversely, defensive or unaffected assets that should "benefit" from the crisis aren't purchased if they are deemed too illiquid -and thus too risky. Another example are assets that had performed well in the run-up to the panic which can be sold irrespective of considerations about their longer-term value, in a dash to harvest profits before they disappear. Those sorts of behaviours make it hard to think rationally about one's portfolio but, for patient investors, it should offer some attractive opportunities.

In this context, the TB Wise Multi-Asset Growth fund was down 7.7%, beating the CBOE UK All Companies index at -9.2% but behind its peer group which was down 4.5%. The biggest detractors to performance in February were our funds with the most cyclical and value exposure, such as Blackrock World Mining, TR European Growth, AVI Japan Opportunities and JO Hambro UK Equity Income. The fund has a 15% exposure to defensive strategies which, encouragingly, helped mitigate the downside. The one surprise in that bucket was the performance of the Merian Gold & Silver fund. At the end of the month, despite strong performance until then, gold suffered its worst daily drop in 6 years. We believe that the only reasonable explanation for a drop of that scale was forced liquidations from investors who had to raise cash from a liquid and strongly performing asset. This is a perfect example of some of the unexpected moves common in panicked markets we mentioned earlier. On the brighter side, our strongest performer was the Fidelity China Special Situations trust, which shows how assets can rebound once there is greater confidence that the epidemic is under control and when authorities are stepping in with stimulus.

Given the fluidity of the current situation and the comfort we get from having a decent allocation to defensive assets already, we don't think now is the time to make heroic changes to the portfolio. Opportunities will come up but there is a risk that the situation will get worse before it gets better. As such, we are staying patient. The only change of note in the month was the addition of a new listed private equity trust called Oakley Capital Investments after meeting with management. We believe that this is a good value story with strong idiosyncratic catalysts for the trust to catch up with its peers.

SHARE CLASS DETAILS - B SHARES (CLEAN CLASS)

SEDOL Codes	**Acc: 3427253**
Minimum Lump Sum	**£1,000**
Initial Charge	**0%**
Investment Management Fee	**0.75% taken from capital**
Ongoing Charges Figure[1,2]	**1.20% taken from capital**
Regular Savings Option Available?	**Yes - minimum £50 per month**

TOP TEN HOLDINGS (%)

AVI Global Trust	6.6
Caledonia Investments	6.1
JOHCM UK Equity Income Fund	4.6
Merian Gold & Silver Fund	4.5
Blackrock World Mining	4.1
Aberdeen Standard Asia Focus	4.0
TR European Growth Trust	3.9
TB Amati UK Smaller Companies	3.7
Schroder Global Recovery Fund	3.5
AVI Japan Opportunity Trust	3.2
Total	**44.2**

ASSET ALLOCATION (%)

Region	
Global	48.0
UK	22.0
Asia Pacific ex Japan	9.0
Emerging Markets	7.0
Europe ex UK	7.0
Japan	3.0
America	2.0
Investment Type	
Equities	65.0
Alternatives	31.0
Fixed Interest	2.0
Cash & Income	1.5

HOW TO INVEST

TB Wise Multi-Asset Growth 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 2019. 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.wise-funds.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.