TB WISE MULTI-ASSET INCOME

WISE FUNDS

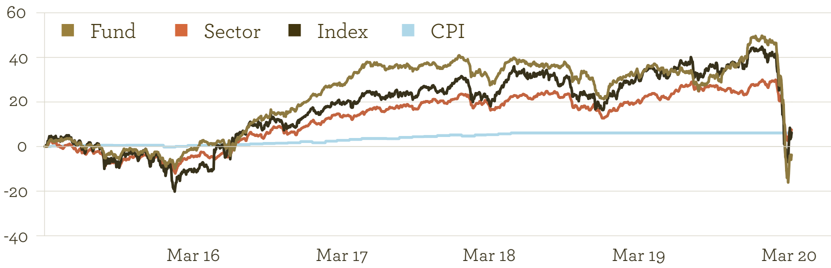
MONTHLY FACTSHEET
all data as at 31 March 2020

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 flexible, diversified portfolio that can invest in all asset classes
- A consistent and attractive level of income
- The portfolio invests both direct and through open and closed-ended funds
- Adopts a value bias investment approach
- Monthly distributions

FIVE YEAR PERFORMANCE (%)



CUMULATIVE PERFORMANCE

	1m	3m	6m	1yr	3yr	5yr
Fund[1]	**-24.5**	**-35.3**	**-27.4**	**-27.3**	**-24.6**	**-3.7**
Relative to Cboe UK All Companies*	-9.3	-9.7	-4.7	-8.2	-11.6	-5.9
Relative to CPI*		-35.4	-27.5	-28.8	-30.6	-12.6
Relative to IA Flexible*	-13.6	-19.8	-14.2	-19.2	-21.7	-14.4
Rank in sector	157/159	157/159	155/158	153/156	123/127	109/119
Quartile	4	4	4	4	4	4

DISCRETE ANNUAL PERFORMANCE

	31/03/19 31/03/20	31/03/18 31/03/19	31/03/17 31/03/18	31/03/16 31/03/17	31/03/15 31/03/16
Fund[1]	**-27.3**	**2.5**	**1.2**	**28.5**	**-0.7**
Relative to Cboe UK All Companies*	-8.2	-3.7	0.0	5.9	3.4
Relative to CPI*	-28.8	0.6	-1.2	26.2	-1.2
Relative to IA Flexible*	-19.2	-0.8	-1.2	9.4	3.6

*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 Income B Inc
Past performance is not a guide to the future and outperforming target benchmarks is not guaranteed.

RATINGS

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

defaqto INCOME RISK RATED FUND

DYNAMIC PLANNER® PREMIUM FUND

MONEY OBSERVER RATED FUND 2019

FE fundinfo Crown Fund Rating

DYNAMIC PLANNER™ PROFILED 8

PORTFOLIO MANAGERS

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

PHILIP MATTHEWS

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

VINCENT ROPERS

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

KEY DETAILS

Target Benchmarks[2]	**Cboe UK All Companies, UK CPI**
Comparator Benchmark	**IA Flexible**
Launch date	**3 October 2005**
Fund value	**£79.1 million**
Holdings	**43**
Historic yield[3]	**7.8%**
Div ex dates	**First day of every month**
Div pay dates	**Last day of following month**
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.

3. 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.

CONTACT US

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PORTFOLIO ANALYSIS

MANAGER COMMENTARY

During March, large parts of the world economy were brought to a standstill by the coronavirus, Covid-19. This event has no parallel in living memory. It has precipitated a deep recession, and a surge in unemployment.

Most recessions follow periods of excessive demand or excesses in the financial system. This recession is different and is entirely due to the rapid spread of the pandemic, and the actions taken to contain it. We are in no position to predict when economic recovery might take place, and whether it might be shaped like a V, U, L, W or any other capital letter. However, we can see three potentially positive factors.

The first is in the Covid-19 data, which shows that Asian countries with their previous experience of SARS, have been able to contain the disease at low levels, and are gradually returning towards prior levels of activity without triggering a second wave of infections. Meanwhile, the growth in active cases in continental European countries has slowed markedly in recent days, and in some instances gone into reverse, leading us to expect there to be intense pressure on the governments of these countries to begin reversing the lockdown by the end of April, with the UK reaching the same point perhaps two weeks later (for more detail on this subject please refer to the Journal of the Plague Year blog on the Wise Funds website).

A second factor has been the promptness and extent of the policy response in all affected countries, with the clear intention of minimising the economic damage caused by the lockdown, and clear guidance that should the measures already announced prove inadequate, the authorities are prepared to do 'all it takes' as Mario Draghi did during the Euro crisis in 2012.

A third factor is the dramatically lower oil price, which will act as a helpful stimulant in all consuming countries, once activity resumes.

The events of the last month have caused a sudden and extremely violent reaction in the financial markets. The VIX index, an indicator of risk aversion, shot up to a level only just below its peak following the bankruptcy of Lehman Brothers bank at the height of the Financial Crisis in 2008. The market reaction has followed a pattern already familiar in other macro-economic shocks of recent years (Euro crisis, 'taper tantrum' Brexit, trade wars etc) but on a bigger scale. Bond markets went up and 'bond proxies' such as infrastructure funds were spared the worst, while stock markets fell precipitously. As on previous occasions, the 'value' sectors fared worse than the overall stock market. In the UK, 'value' fell by 45% in the three months to March, almost 20% worse than the overall market. This development has greatly disappointed us, as 'value' was already at an unprecedentedly wide discount to the rest of the market, and had begun a long-awaited revival before the coronavirus arrived. As many of our investors know, the managers of TB Wise Multi-Asset Income hold a substantial part of our personal wealth in this fund and share the pain – and sometimes the rewards – with our co-investors. During the month, the fund fell by 24.5%, while its benchmark, the CBOE UK All-Companies Index was down 15.2%, and the IA Flexible Sector average, 11.0%.

Towards the end of March, companies began cutting their dividends or passing them altogether, to an unprecedented extent. For the immediate future, our best guess is that the fund has lost as much as half its dividend income, more than in the entire Financial Crisis. For a fund which exists to pay a substantial dividend stream, and grow it over time, this new development is extremely concerning. The situation is changing by the day, and we will update investors regularly while the current turbulent situation persists.

At present, our holdings fall into several different categories in relation to dividends. There are those like Rio Tinto and Legal & General which are continuing to pay dividends – in L&G's case, contrary to a warning from its regulator, the FCA, not to do so. Next come companies like the banks (only 3% of the portfolio) which could easily afford to pay dividends but have been instructed not to do so by their regulator (mistakenly, in our view). Then, companies which can easily afford to pay dividends, but have decided not to do so because of the extreme lack of visibility in the near-term outlook and a prudent decision to conserve cash. Finally, there are companies whose business models are directly challenged by the lockdown, such as landlords whose tenants are unable to pay rent while their incomes have dried up, and the home-credit company Provident Financial whose agents can't visit clients at their homes. When choosing companies to invest in, we look for ones that are able to withstand significant shocks, including unexpected ones such as Covid-19, and we believe that the assets we own are capable of surviving the current hiatus, and of resuming dividend payments once more normal patterns of trading return.

As fund managers our activity has been relatively limited and has been focussed on using the bear market as an opportunity to add to our strongest income-producing ideas, while reducing others in whom we have less conviction at this more uncertain time. For example, we disposed of PZ Cussons, which had been unable to turn its Nigerian business round, and where trading in other areas has been patchy. PZ Cussons make soaps and Carex hand sanitiser, so its shares performed relatively strongly during the sell-off, which presented an opportunity. We also top-sliced some of our better-performing holdings such as Rio Tinto, while adding to others such as Legal & General. Following the Financial Crisis, we worked hard to rebuild the fund's dividend income, and we are determined to do so again.

We continue to manage the fund for the longer term and thank all our investors for your loyal support at this difficult time.

SHARE CLASS DETAILS - 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]	**0.88% taken from capital**	
Regular Savings Option Available?	**Yes - minimum £50 per month**	

TOP TEN HOLDINGS (%)

Legal & General	6.8
Princess Private Equity	6.7
Rio Tinto	5.8
Blackrock World Mining	5.5
Aberdeen Asian Income Fund	4.4
Middlefield Canadian Income	4.0
Chesnara	3.5
Ecofin Global Utilities and Infra. Trust	2.7
Ediston Property	2.7
BT Group	2.5
Total	**44.6**

ASSET ALLOCATION (%)

Region	
UK	44.0
Europe	16.0
Global	13.0
Asia	12.0
North America	6.0
Europe ex UK	5.0
Investment Type	
Equities	71.0
Alternatives	15.0
Property	10.0
Cash & Income	4.2

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 2019. The figure may vary year to year.
2. Includes Investment Management Fee.