TB WISE MULTI-ASSET INCOME

WISE FUNDS

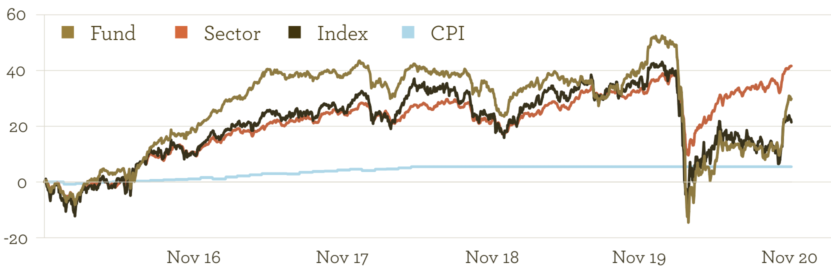
MONTHLY FACTSHEET
all data as at 30 November 2020

FUND ATTRIBUTES

The investment objective of the Fund is to provide an annual yield in excess of the Cboe UK All Companies Index with the potential to provide income and capital growth over Rolling Periods of 5 years in line with or in excess of the Consumer Price Index, in each case after charges.

- 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]	**18.5**	**14.3**	**20.8**	**-9.5**	**-6.7**	**29.3**
Relative to Cboe UK All Companies*	4.9	7.4	13.8	1.7	-3.8	7.9
Relative to CPI*		13.9	20.2	-10.0	-11.0	20.5
Relative to IA Flexible*	11.2	8.7	10.2	-15.5	-20.3	-12.3
Rank in sector	2/165	3/165	7/160	154/157	132/136	89/118
Quartile	1	1	1	4	4	4

DISCRETE ANNUAL PERFORMANCE

	30/11/19	30/11/18	30/11/17	30/11/16	30/11/15
	30/11/20	30/11/19	30/11/18	30/11/17	30/11/16
Fund[1]	**-9.5**	**8.2**	**-4.8**	**16.6**	**18.9**
Relative to Cboe UK All Companies*	1.7	-3.1	-3.0	2.9	8.9
Relative to CPI*	-10.0	6.8	-7.1	13.5	17.8
Relative to IA Flexible*	-15.5	-0.5	-3.2	4.0	8.2

*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. As the factsheets are produced prior to the publication of the latest monthly CPI figures, the performance calculations assume the published CPI for the most recent month is the same as the previous month.
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

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 twenty one 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 two years experience.

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

KEY DETAILS

Target Benchmarks[2]	**Cboe UK All Companies, UK CPI**
Comparator Benchmark[2]	**IA Flexible**
Launch date	**3 October 2005**
Fund value	**£83.8 million**
Holdings	**38**
Historic yield[3]	**3.9%**
Div ex dates	**First day of every month**
Div pay dates	**Last day of following month**
Valuation time	**12pm**

2. The benchmarks have been chosen as the most appropriate benchmarks for the fund, given the fund's stated investment objectives and policy. 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

We have tried in recent monthly commentaries to express the extent to which we felt markets offered an exceptional opportunity to invest in unloved value sectors. Conversely, risk aversion and the comfort blanket that came with investing into sectors largely unaffected by Covid had led to fixed interest becoming highly unattractive to income investors and technology valuations becoming extremely stretched.

At the end of October investors were faced with numerous uncertainties, which always make investing difficult. Whilst the US election was imminent and the market had become increasingly confident a Democrat victory was likely, there remained a nagging doubt about the predictive ability of pollsters, what the tax and spending implications of such a result might be and how Donald Trump would respond. Covid was rearing its ugly head again across Europe, with a series of second lockdowns being announced and consequent downgrades to economic forecasts. Whilst results from three frontrunning vaccine trials were due before Christmas, there was no guarantee they would be effective or safe and worries had grown over the length of time antibodies remained in the body with anecdotal stories circulating of people having had the virus more than once. Brexit negotiations were rumbling on with little clarity as to whether the areas of disagreement could be overcome. Finally, there was still uncertainty over the medium-term economic consequences of Covid as support measures to prevent unemployment have left government finances stretched. The ability of the economy to bounce back whilst furlough stabilisers are removed remains a fine balancing act and ultimately we will need to address who will bear the cost of governmental debt to GDP ratios rising above 100%. In many ways, however, these fears were a necessary component to subsequent strong investment returns as the more uncertainty abounds, the less negative surprises there are to drive markets lower. Valuations had become exceedingly stretched to a point that none of us had witnessed in our investment careers, including the technology crash and the Global financial crisis.

This set the scene for the strong rotation to value that we saw in November. Firstly, Biden won a clear victory in the US election. From a market perspective the fact the result was narrower than expected appears to have been ideal. A more conciliatory President reduces the risk of escalating global trade wars whilst a more fiscally conservative Senate means the risk of tax rises and excessive spending diminish. Most significant, however, was the news over the vaccines. All three vaccines have proved to be highly effective in combatting the virus (albeit there is some debate over the quality of data from the AstraZeneca vaccine). This has given investors the opportunity to look to an investment environment no longer dominated by the uncertainty of Covid and to better quantify over how long to model its financial cost. Finally, the second wave of infections in Europe appears to have peaked and the risk of an extended second lockdown has receded. This led to some very significant moves in the portfolio yet we continue to believe there is still significant opportunity for the portfolio to continue to perform well as the world returns to a greater level of normality. In many instances, valuations remain below long run multiples on earnings which remain depressed. Uncertainty still remains over the likelihood of a smooth economic recovery and Brexit lingers as a concern.

During the month the TB Wise Multi-Asset Income fund rose 18.5%. This compared to a rise of 13.6% for the CBOE UK All Companies index and a rise of 7.3% for the IA Flexible sector average. Performance has been broadly spread across our financial, property, UK equity and Private equity holdings. A number of the investment trusts that we added over the last quarter have performed extremely well as value rebounded and extreme discounts narrowed. It may be helpful to consider a couple of our direct equity holdings, which we believe illustrate the further potential upside in the portfolio and reflect similar undervalued positions in our fund holdings. Despite having risen 108% from its lows, Paragon, a buy-to-let lender, stills sits 19% below its recent peak. Whilst increasing its provisions by 500% to cover the expected impact of Covid, recent results show the company has remained highly profitable, has restored its dividend and improved its capital strength. Looking to 2021, there appears to be more reason to expect provisions to be released as they have been conservatively applied whilst the growth in the company's loan book suggests 2021 earnings could be higher than 2019. However, given the level of uncertainty analysts have pencilled in a reduction of 15%. Nonetheless the shares trade on a lower multiple than a year ago on these depressed earnings, with the costs of Covid having been fully absorbed and with the balance-sheet significantly strengthened in the interim. Morses Club, a home collected credit provider, has rallied 34% since we added to our holding two weeks' ago. In order for them to return to their previous peak they would have to deliver a further 220% return. We believe there is substantial scope for earnings to recover over the next two years yet today we can invest on a multiple of less than three times these recovered profits whilst receiving a dividend yield of 4.6%.

Finally, we have been very encouraged by the number of companies returning to paying dividends. We continue to expect more companies to announce a resumption in paying dividends. Our base case remains that the fund should deliver a yield of 4.5% over the next twelve months whilst recognising there is considerable scope for dividends to grow as earnings recover post-Covid.

TOP TEN HOLDINGS (%)

Princess Private Equity	6.5
Legal & General	5.8
Blackrock World Mining	5.7
Temple Bar Inv Trust	5.1
Middlefield Canadian Income	4.4
Aberdeen Asian Income Fund	3.9
Aberforth Smaller Companies Trust	3.8
European Assets Trust	3.8
Ediston Property	3.7
Rio Tinto	3.6
Total	**46.3**

ASSET ALLOCATION (%)

Region	
UK	52.6
Europe	13.4
Global	13.0
Asia Pacific ex-Japan	9.1
North America	5.7
Europe ex UK	5.3

Investment Type	
Equities	63.0
Alternatives	18.0
Property	11.8
Fixed Interest	6.3
Cash & Income	1.0

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**

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 29 February 2020. The figure may vary year to year.
2. Includes Investment Management Fee.

IMPORTANT INFORMATION