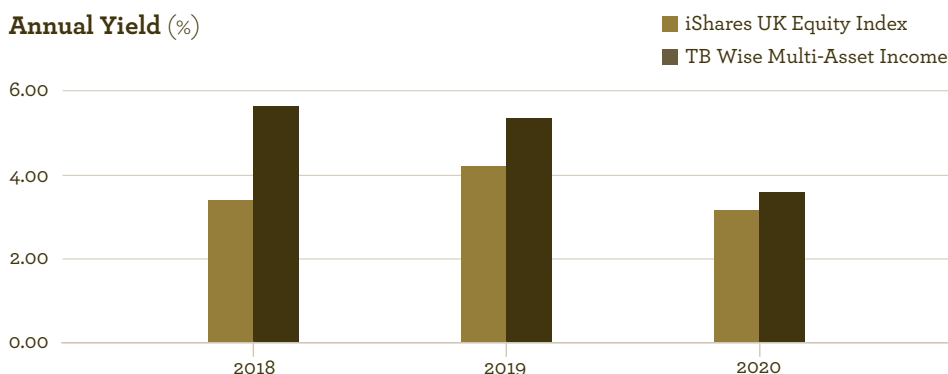


# TB WISE MULTI-ASSET INCOME

## INVESTMENT OBJECTIVE

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.

### Annual Yield (%)



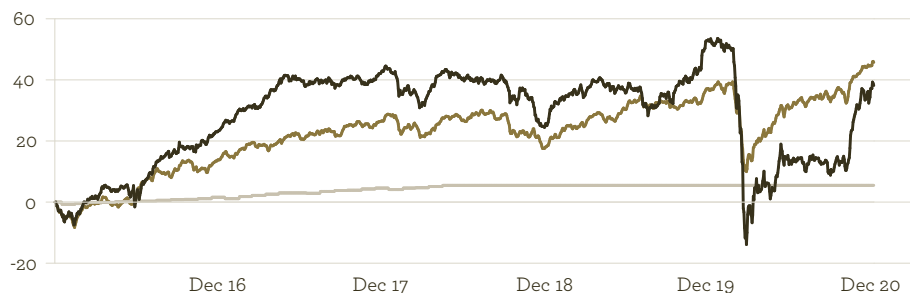
Historic Yield has been calculated by summing the dividends over the given period divided by the price on the final XD date for the period.

The iShares UK Equity Index yield is shown as a proxy for the Cboe UK All Companies Index yield as a yield is not currently published for this index.

Annual Income paid for TB Wise MAI B Inc

Source: Financial Express 31 December 2020

## 5 YEAR PERFORMANCE (%)



### Cumulative Performance (%)

	1m	3m	6m	1y	3y	5y
■ Fund <sup>1</sup>	5.6	25.8	22.1	-9.9	-3.8	37.5
■ CPI		-0.2	0.3	0.4	3.8	8.6
■ IA Flexible Investment	2.6	8.7	11.2	6.7	15.1	45.7
Quartile	1	1	1	4	4	3

### Discrete Annual Performance

12 months to	31.12.20	31.12.19	31.12.18	31.12.17	31.12.16
Fund <sup>1</sup>	-9.9	21.4	-12.0	15.8	23.5
CPI	0.4	1.3	2.1	2.9	1.6
IA Flexible Investment	6.7	15.7	-6.7	11.2	13.8

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.

<sup>1</sup>TB Wise Multi-Asset Income B Inc.

Both the Cboe UK All Companies and CPI are target benchmarks. The IA Flexible Investment Sector has been chosen as an additional comparator benchmark. To find out more, please see the full prospectus.

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.

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

## PORTFOLIO MANAGERS

Wise Funds adopt a team approach. For full bios see [www.wise-funds.co.uk/about-us/our-people](http://www.wise-funds.co.uk/about-us/our-people).



### PHILIP MATTHEWS

Philip started his investment career in 1999 before he joined the Wise Funds team in September 2018 as a co-portfolio manager.



### TONY YARROW

Tony started his investment career in 1988 before he founded Wise Investment, now Wise Funds, in 1992 as a co-portfolio manager.



### VINCENT ROPERS

Vincent started his investment career in 2004 before he joined the Wise Funds team in April 2017 as a co-portfolio manager.

## FUND ATTRIBUTES

- ④ A flexible, diversified portfolio that can invest in all asset classes.
- ④ Targets a consistent and attractive level of income.
- ④ The portfolio invests both direct and through open and closed-ended funds.
- ④ Adopts a value bias investment approach.
- ④ Monthly distributions.

## INVESTOR PROFILE

- ④ Seek a high level of income and the prospect of some capital growth.
- ④ Accept the risks associated with the volatile nature of an adventurous multi-asset investment.
- ④ Plan to hold their investment for the long term, 5 years or more.

## RATINGS





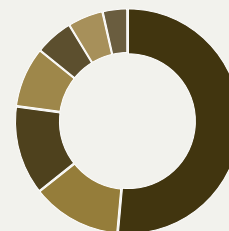
PORTFOLIO

Top 20 Holdings (%)

Princess Private Equity	6.3
Blackrock World Mining Trust	6.0
Legal & General	5.8
Temple Bar Investment Trust	4.5
Aberdeen Asian Income	4.0
Middlefield Canadian Income	3.9
European Assets Trust	3.9
Aberforth Smaller Companies Trust	3.8
Ediston Property	3.7
TwentyFour Income	3.3
Rio Tinto	3.2
Paragon	3.1
Palace Capital	2.8
Aviva	2.5
Standard Life Property	2.4
Murray International	2.3
Provident Financial	2.2
NewRiver REIT	2.0
Henry Boot	1.9
Chesnara	1.9
<b>Total</b>	<b>69.4</b>

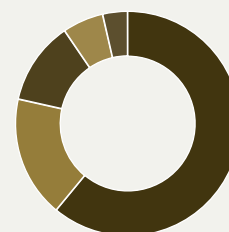
Geographical Allocation (%)

UK	51.5
Global	12.9
Europe	12.8
Asia Pacific ex Japan	8.7
Europe ex UK	5.5
North America	5.1
Cash	3.6



Asset Allocation (%)

Equities	61.0
Alternatives	17.5
Property	12.0
Fixed Interest	5.9
Cash	3.6



CONTRIBUTIONS TO PERFORMANCE

Top 5 Contributors	Monthly Contribution (%)
Blackrock World Mining Trust	0.86
Paragon	0.56
Rio Tinto	0.49
NewRiver REIT	0.37
Legal & General	0.33
Top 5 Detractors	
Starwood European Real Estate Finance	-0.02
SThree	-0.02
U and I Group	-0.03
Randall & Quilter Investment Holdings	-0.10
Palace Capital	-0.29

The contributions are the holdings that either contributed or detracted on performance over the month, showing the top 5 (where relevant) of each category.

All Data is sourced from Wise Funds and Factset.

ANNUAL DIVIDEND PAYMENTS

Year	Pence/share	Rolling 5 Year Change	5 Year UK CPI (Inflation)
2010	4.22	NA	+14.25%
2011	4.95	NA	+16.75%
2012	5.29	23.02%	+17.41%
2013	5.10	1.39%	+17.83%
2014	5.35	16.30%	+16.24%
2015	5.34	26.54%	+12.81%
2016	5.49	10.91%	+8.48%
2017	6.06	14.56%	+7.36%
2018	6.87	34.71%	+7.26%
2019	6.62	23.74%	+7.34%
2020	6.09	14.04%	+9.15%

Pence/share figures relate to the fund's financial year ended February of the relevant year.

Rolling 5 Year change figure is calculated as Pence/share figure for relevant year compared to same figure from 5 years before.



## MONTHLY COMMENTARY

December saw financial markets extend the gains made in November as evidence grew that the global economy was recovering strongly in the second half of the year and was supported by further positive vaccine news. We believe investor positioning has remained highly defensive with wide valuation dispersion suggesting that a gradual return to normal economic conditions once a vaccine is rolled out should allow for further outperformance of cyclical and financial 'value' sectors. However, increased investor optimism that a vaccine should ultimately end the nightmare Covid has unleashed was tempered in the month by the acceleration in cases of the new, highly contagious variant of the virus that has resulted in a third national lockdown in the UK. This will lead to another quarter of subdued economic growth and offset the positive news that a Brexit trade deal had finally been reached. As such, fears of queuing lorries at Dover did materialise but not on account of a hard deal Brexit. Sterling has performed strongly with the sterling-dollar exchange rate reaching a 30-month high reflecting improved sentiment towards the UK. It is worth highlighting that the deal struck covers goods but not services, a far larger part of the UK economy, and agreements over access in this area will be next on the political agenda. Nonetheless, the agreement removes a large amount of uncertainty and provides a framework that should allow greater confidence for businesses to invest. A second political development that could have implications for financial markets has been the narrowing of the US Senate election race in Georgia for its last 2 senators. It now looks probable that the Democrats will secure a majority in both houses making it much easier for President-elect Biden to push through his programme of legislation. In particular, increased stimulus both to support low-income families and a major infrastructure investment programme looks more likely to proceed. The impact, so far, has been most clearly seen in bond markets where the US Treasury yield has gone back above 1% and further supports a rotation in value sectors of the market.

During the month the TB Wise Multi-Asset Income fund rose 5.6% compared to a rise of 2.6% for the IA Flexible sector average. Whilst we are encouraged that recent positive news over the vaccine and the Brexit trade deal has seen the fund's performance improve markedly over the last 6 months, we are highly aware that performance across the year has been disappointing and unusually volatile. In addition, the fund's income has suffered given the unprecedented levels of dividend cuts within our direct equity holdings. Over the year the fund fell 9.9% compared to a rise of 0.4% for the Consumer Price Index and 6.7% for the IA Flexible Sector. The performance of the fund over the year was closer to that of the UK equity market reflecting our belief at the start of the year (pre-Covid) that having a high allocation to domestic equities should provide both higher levels of income and value upside. Whilst the outlook domestically remains clouded by the lockdown for the first quarter of the year, we believe investors will look beyond this to a post-vaccine investment environment that combines strong economic recovery with low cyclically-adjusted valuations.

December saw strong performance across a number of our Investment Trust holdings. UK investment trusts Temple Bar, Aberforth UK Smaller Companies and Schroder UK Midcap all saw strong growth over the month. Our commodity holdings, Blackrock World Mining and Rio Tinto performed very strongly as commodity demand from China proved very robust and iron ore producer Vale reduced production expectations, pushing the commodity price higher. European Assets Trust and Aberdeen Asian Income also performed strongly reflecting strong underlying performance combined with discounts narrowing. Our property holdings, Standard Life Investment Property Income and New River Reit, performed well as investors digested last month's results from the latter and the news that the former had sold 10% of its portfolio at the latest NAV valuation whilst the shares started the month at a 30% discount to NAV. Despite the disruption the current lockdown will bring, we believe the property sector has some of the best recovery prospects within the fund once tenants are able to return to trade normally and anomalously wide discounts narrow. A number of our direct financials holdings also performed strongly on the back of the Brexit deal and investors no longer extrapolating Covid disruption into perpetuity. We highlighted the valuation anomaly here last month and believe there remains significant scope for valuations to recover further.

Over the month we chose to slightly increase the cash level within the fund reflecting the strong short-term performance, the fact several catalysts have played out and given the uncertainty of the third wave of the virus. Discounts on Temple Bar, Middlefield Canadian Income, Princess Private Equity and Blackrock World Mining have narrowed significantly so we took the opportunity to trim our holdings. We also reduced our holding in Man GLG Income following strong performance. We added to Standard Life Investment Property Income where we think the dividend yield is well covered by rental payments and the strong balance-sheet positions it well for the future. There was further encouraging news regarding dividends in the month. Paragon returned to paying a dividend and regulators announced that they are happy for banks to return to paying dividends and undertaking share buybacks if prudent. This bodes well for our holdings in Natwest and Standard Chartered. Our latest calculations (based on portfolio holdings and information as at 31 December 2020) suggest the portfolio can produce a weighted yield of approximately 4.4%\* in 2021.

\* Yield is calculated as a weighted average of forecast yields of individual holdings in the fund based on their individual financial years ended in 2021. It is therefore not a forecast yield for the TB Wise Multi-Asset Income Fund and is not guaranteed.



## SHARE CLASS DETAILS

	B Acc (Clean)	B Inc (Clean)	W Acc (Institutional)	W Inc (Institutional)
Sedol Codes	BoLJ1M4	BoLJo16	BD386V4	BD386W5
ISIN Codes	GB00BoLJ1M47	GB00BoLJo160	GB00BD386V42	GB00BD386W58
Minimum Lump Sum	£1000	£1000	£100 million	£100 million
Initial Charge	0%	0%	0%	0%
IFA Legacy Trail Commission	Nil	Nil	Nil	Nil
Ongoing Charges Figure <sup>1,2</sup>	0.88%	0.88%	0.63%	0.63%

<sup>1</sup>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.

<sup>2</sup>Includes Investment Management Fee.

## KEY DETAILS

Target Benchmarks <sup>1</sup>	Cboe UK All Companies, UK CPI
Comparator Benchmark <sup>1</sup>	IA Flexible Investment Sector
Launch Date	3 October 2005
Fund Value	£88.1 million
Holdings	39
Historic yield <sup>2</sup>	3.7%
Div ex Dates	First day of every month
Div pay Dates	Last day of following month
Valuation Time	12pm

<sup>1</sup>To find out more, please see the full prospectus.

<sup>2</sup>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.

## 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](http://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 platforms. Please contact us if you can not find the fund on your chosen platform.

## 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](http://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.

## CONTACT US



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Business Development Manager

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