

# TB WISE MULTI-ASSET GROWTH

## INVESTMENT OBJECTIVE

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

## 5 YEAR PERFORMANCE (%)



## Cumulative Performance

	1m	3m	6m	1yr	3yr	5yr
■ Fund <sup>1</sup>	0.0	-2.2	-1.5	-4.6	29.4	38.2
■ Cboe UK All Companies	-1.7	-3.3	-1.0	1.8	11.9	17.0
■ CPI		1.4	5.8	9.3	13.0	18.0
■ IA Flexible Investment	0.5	-0.6	-0.6	-5.9	14.4	22.2
Quartile	3	4	3	2	1	1

## Discrete Annual Performance

12 months to	31.08.2022	31.08.2021	31.08.2020	31.08.2019	31.08.2018
Fund <sup>1</sup>	-4.6	32.9	2.1	0.8	6.0
Cboe UK All Companies	1.8	27.1	-13.5	0.3	4.3
CPI	9.3	3.2	0.2	1.8	2.6
IA Flexible Investment	-5.9	19.2	2.0	2.1	4.6

## Rolling 5 Year Performance

5 years to	31.08.2022	31.08.2021	31.08.2020	31.08.2019	31.08.2018
Fund <sup>1</sup>	38.2	81.1	55.6	47.1	61.5
Cboe UK All Companies	17.0	31.4	16.6	31.1	44.3
CPI	18.0	11.1	8.3	8.2	7.9
IA Flexible Investment	22.2	46.3	38.4	36.7	44.8

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.

1. TB Wise Multi-Asset Growth B Acc.

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).



### VINCENT ROPERS

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



### PHILIP MATTHEWS

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

## FUND ATTRIBUTES

- ④ Aims to provide long term capital growth (over 5 year rolling periods) ahead of the Cboe UK All Companies Index and inflation.
- ④ Specialised focus on investment trusts across asset classes.
- ④ Adopts a value bias investment approach.
- ④ Focus on high-quality funds and investment trusts investing in out-of-favour areas.
- ④ Preference for fund managers with a disciplined, easy-to-understand investment process.

## INVESTOR PROFILE

- ④ Seek capital growth over a long timeframe.
- 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





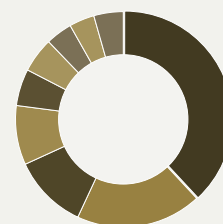
PORTFOLIO

Top 20 Holdings (%)

AVI Global Trust	4.6
AVI Japan Opportunity Trust	4.0
Oakley Capital Investments	3.8
Pantheon International	3.7
Fidelity Asian Values	3.6
Caledonia Investments	3.5
TwentyFour Income Fund Ltd.	3.4
CF Ruffer Equity & General	3.4
Odyssean Investment Trust	3.3
LF Lightman European Fund	3.2
Schroder Global Recovery	3.1
Blackrock World Mining	3.0
JOHCM UK Equity Income	2.9
Aberforth Smaller Companies Trust	2.8
Fidelity Special Values	2.8
International Biotechnology Trust	2.8
Jupiter Gold & Silver	2.6
Man GLG Undervalued Assets	2.5
Premier Miton Global Infrastructure Income	2.5
Mobius Investment Trust	2.5
<b>Total</b>	<b>64.0</b>

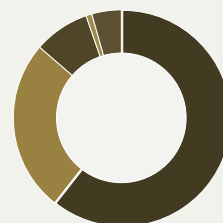
Geographical Allocation (%)

Global	38.1
UK	18.9
Europe	11.2
Emerging Markets	8.9
Asia Pacific ex Japan	5.5
North America	5.2
Japan	4.0
Europe ex UK	3.8
Cash & Income	4.4



Asset Allocation (%)

Equities	60.6
Alternatives	25.8
Fixed Interest	8.4
Property	0.9
Cash & Income	4.4



CONTRIBUTIONS TO PERFORMANCE

Top 5 Contributors

Monthly Contribution (%)

Pantheon International	0.16
Fidelity Asian Values	0.15
BlackRock Frontiers Investment Trust	0.14
Blackrock World Mining	0.13
MI Sommerset EM Discovery Fund	0.13

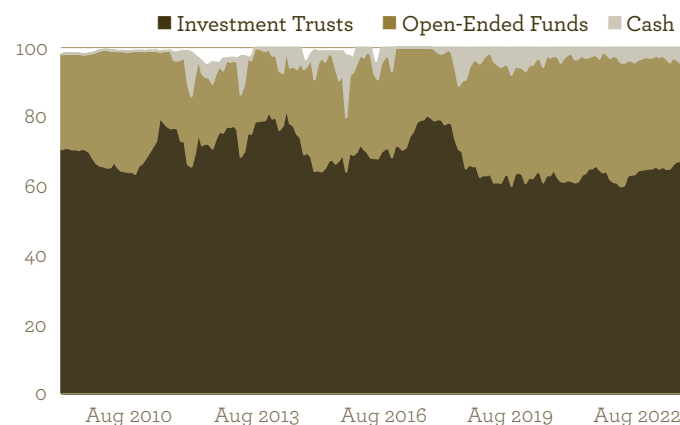
Top 5 Detractors

Fidelity Special Values	-0.12
TB Amati UK Smaller Companies	-0.12
Aberforth Smaller Companies Trust	-0.18
Caledonia Investments	-0.20
Oakley Capital Investments	-0.23

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.

INVESTMENT TYPE ALLOCATION (%)



All Data is sourced from Wise Funds and Factset.

Geographical data is based on underlying asset revenues.



## MONTHLY COMMENTARY

The pendulum between growth and inflation expectations remained the main driver of financial assets during August. Investors continued to be glued to economic releases and central bank meetings given how important both of those are for the future direction of market prices. The first set of data help indicate how bad the state of the global economy is in a post-Covid and post-invasion of Ukraine inflationary world. Central banks meetings on the other hand give clues as to how strict financial conditions are to be expected for the upcoming months and how likely central bankers are to bring back the punch bowl and put the music back on after months of tightening.

Last month, we noted that investors had moved their focus towards recession risks since the bad news on inflation was pretty much priced in, paradoxically improving their propensity to buy the bad news in the expectation that central bankers wouldn't be able to raise rates too aggressively. In the US, both sides of that narrative took a hit in August. Firstly, although economic data proved mixed, jobs data were much stronger than anticipated, suggesting that growth might be relatively resilient. Secondly, the US central bank left no ambiguity that its foot was nowhere near being taken off the brakes yet. This was done through a number of speeches by its governors throughout the month, culminating with its chairman announcing at the Jackson Hole annual symposium that there will be "restrictive policy stance for some time". The latter speech was made a few weeks after the latest US inflation numbers came out flat for July, suggesting that we may be past peak inflation. Even if this is the case, there is more tightening to be done before the US Federal Reserve think they have done enough.

In the UK, the Bank of England (BoE) raised rates by 0.5%, the biggest such rate rise in more than a quarter of a century. While anticipated in light of inflation hitting more than 10% year-on-year and spreading increasingly to non-discretionary items, notably food, the hike came in spite of the BoE predicting a recession in 2023 to match the one in the early nineties while household incomes drop the most in sixty years. There again, the message seems quite clear: central banks are determined to combat inflation aggressively, on both sides of the Atlantic, even if this will undoubtedly inflict pain in the short term to their economies.

It thus seems premature for market participants to expect support from monetary policy. As such, there were few hiding places performance-wise in August, with equities and bonds alike ending the month in the red, while commodities were mixed.

As we see month after month, however, we are living a very fluid crisis at present with lots of moving parts, including political, which have got the potential to create big swings in sentiment. With the bulk of investors still holding on to their positions in so-called risk assets, despite reports of record negative sentiment, we continue to expect volatile times ahead.

In August, the TB Wise Multi-Asset Growth fund was flat, ahead of the CBOE UK All Companies Index (-1.7%) but behind the IA Flexible Investment sector (+0.5%). As we mentioned, there were few places to hide last month but some of those could be found in emerging markets whose economies, in many cases, are behaving differently from the developed countries struggling with rampant inflation and dismal growth. A lot of emerging countries, particularly the frontiers ones (i.e. the smallest in the universe) are either used to high inflation or not seeing current inflation anywhere near past records. Their growth is also often idiosyncratic and somewhat insulated from broader macro-economic trends. In the larger countries, we mentioned Brazil a couple of months ago, which presents strong fundamentals, cheap valuations and has been in a tightening interest rates cycle for the past 18 months already. It was one of the strongest markets in August, up more than 6% in US Dollar terms. Those factors helped take our emerging markets holdings to the top of the contributors' list in August, particularly Somerset EM Discovery, Blackrock Frontiers Investment Trust and Mobius Investment Trust. Other notable contributors were Blackrock World Mining Trust and Ecofin Global Utilities and Infrastructure Trust which continue to play well in the inflation theme. Finally, Pantheon International, which we added to recently because of the, in our view, unjustifiably large discount, saw the latter tightened and also helped our performance.

On the negative front, Oakley Capital Investments, unlike Pantheon above, suffered from a discount widening despite its recent solid results and announcements of cash deployment into new acquisitions which should support future growth. Caledonia Investments also saw discount volatility impacting its share price and Aberforth Smaller Companies Trust was weak alongside the broader UK smaller companies sector.

Given the doubts we expressed about the equity rebound in July, we refrained from participating in the excitement and took a cautious approach. As such, we increased our cash from 3.6% at the start of the month to 4.4% at the end, through inflows and by taking some profit in Caledonia Investments before its discount widened (it had tightened from 30% in July to 22% mid-August, before widening again to 28%). Otherwise, we continued to build our position in the VPC Specialty Lending we mentioned in last month's commentary. Finally, we took advantage of some price volatility to switch some of our positions. For example, we exited our position in the Polar UK Value Opportunities to switch into the Fidelity Special Values Trust, back at an 8% discount. We also took some profit in the Ecofin Utilities and Infrastructure Trust which benefitted in recent months from both strong Net Asset Value and price performance, and switched some of our exposure into the Premier Miton Global Infrastructure Income Fund, which gives us access to the same theme but, being an open-ended fund, hasn't seen the same price increase recently.

Thanks to our increased cash buffer, we will be ready to take advantage of opportunities as and when those present themselves over the next few weeks.



## SHARE CLASS DETAILS

	B Acc (Clean)	W Acc (Institutional)
Sedol Codes	3427253	BD386X6
ISIN Codes	GB0034272533	GB00BD386X65
Minimum Lump Sum	£1,000	£100 million
Initial Charge	0%	0%
IFA Legacy Trail Commission	Nil	Nil
Ongoing Charges Figure <sup>1,2</sup>	1.15%	0.90%

1. The Ongoing Charges Figure is based on the expenses incurred by the fund for the period ended 31 August 2021. The figure may vary year to year.

2. 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	1 April 2004
Fund value	£86.0 million
Holdings	40
Valuation time	12pm

1. To find out more, please see the full prospectus.

## 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](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.

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