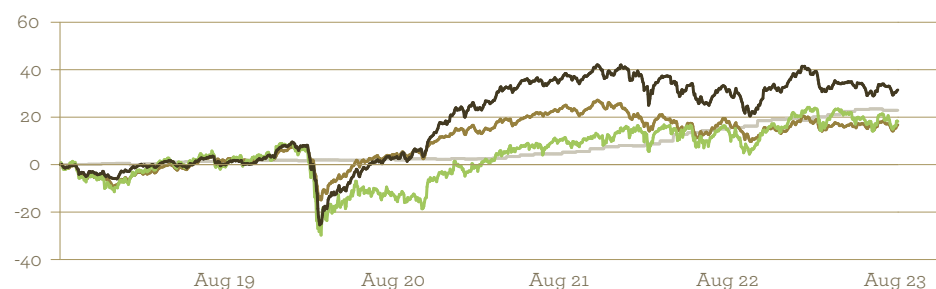


# TB WISE MULTI-ASSET GROWTH

## 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>	-1.7	-0.7	-4.7	0.8	27.8	31.5
■ Cboe UK All Companies	-2.6	1.0	-3.6	5.5	36.5	18.4
■ CPI		-0.3	2.3	6.3	20.5	22.9
■ IA Flexible Investment	-1.3	0.7	-0.4	0.0	12.1	16.8
Quartile	3	4	4	2	1	1

## Discrete Annual Performance

12 months to	31.08.2023	31.08.2022	31.08.2021	31.08.2020	31.08.2019
Fund <sup>1</sup>	0.8	-4.6	32.9	2.1	0.8
Cboe UK All Companies	5.5	1.8	27.1	-13.5	0.3
CPI	6.3	9.8	3.2	0.2	1.8
IA Flexible Investment	0.0	-5.9	19.2	2.0	2.1

## Rolling 5 Year Performance

5 years to	31.08.2023	31.08.2022	31.08.2021	31.08.2020	31.08.2019
Fund <sup>1</sup>	31.5	38.2	81.1	55.6	47.1
Cboe UK All Companies	18.4	17.0	31.4	16.6	31.1
CPI	22.9	18.6	11.1	8.3	8.2
IA Flexible Investment	16.8	22.2	46.3	38.4	36.7

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.



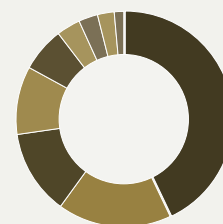
PORTFOLIO

Top 20 Holdings (%)

AVI Global Trust	5.0
Pantheon International	4.2
Fidelity Special Values	3.8
Oakley Capital Investments	3.8
TwentyFour Income Fund Ltd.	3.6
LF Ruffer Equity & General	3.6
TwentyFour Strategic Income Fund	3.6
Caledonia Investments	3.4
Jupiter Gold & Silver	3.4
Aberforth Smaller Companies Trust	3.3
Odyssean Investment Trust	3.2
LF Lightman European Fund	3.2
Mobius Investment Trust	3.1
Worldwide Healthcare Trust	3.0
Templeton EM Investment Trust	3.0
AVI Japan Opportunity Trust	2.9
International Biotechnology Trust	2.8
Premier Miton Global Infrastructure Income	2.6
Schroder Global Recovery	2.5
Blackrock World Mining	2.5
<b>Total</b>	<b>66.5</b>

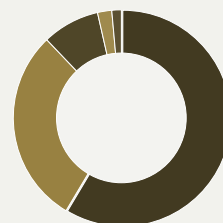
Geographical Allocation (%)

Global	42.9
UK	17.1
Europe	12.7
Emerging Markets	10.2
North America	6.7
Asia Pacific ex Japan	3.6
Japan	2.9
Europe ex UK	2.5
Cash & Income	1.4



Asset Allocation (%)

Equities	58.6
Alternatives	29.3
Fixed Interest	8.6
Property	2.1
Cash & Income	1.4



CONTRIBUTIONS TO PERFORMANCE

Top 5 Contributors

Monthly Contribution (%)

Pantheon International	0.23
AVI Global Trust	0.08
Worldwide Healthcare Trust	0.07
Oakley Capital Investments	0.02
Pacific G10 Macro Rates	0.02

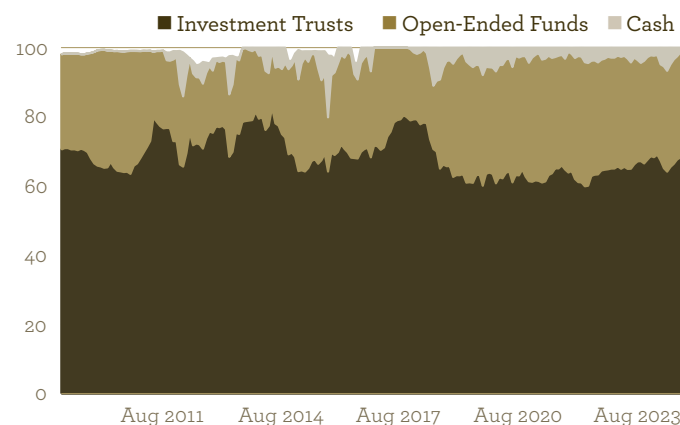
Top 5 Detractors

Blackrock World Mining	-0.14
Odyssean Investment Trust	-0.14
Baker Steel Resources Trust	-0.16
Ecofin Global Utilities and Infra. Trust	-0.16
Fidelity China Special Situations	-0.17

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

With August bringing its usual summer lull, markets were driven by low volumes and by a reduced news flow. Unsurprisingly, the main themes remained the same as for the past few months with the ongoing tug-of-war between the “peak interest rates” team in one corner and the “there is more tightening to come” team in the other, raging on. Over the month, the latter team took the upper hand with future interest rates expectations in developed countries slightly higher at the end of August than in July. This was driven by stronger than expected inflation data in the US (albeit marginally), which prompted the Chair of the US Central Bank to remind investors that “inflation remains too high”. Equally, in the UK, wage growth beat expectations to reach a record annual growth rate of 7.8% for the three months to June, and a similar picture of strong wage inflation emerged in the Eurozone. Wage inflation is the factor that worries central bankers because the longer it goes on, the more embedded it becomes, driving employees to continuously expect annual salary increases. While this continues, despite experiencing higher cost inflation themselves, consumers are feeling more upbeat, as illustrated by strong retail sales figures in the US and an improvement in consumer sentiment in the UK. This creates an opportune environment for central banks to increase rates further to ensure inflation does genuinely come down.

The “peak interest rates” team did not fully capitulate, however, and had moments in the sun when jobs data in the US gave signs of weakening and economic activity across developed countries fell for the first time this year. The argument goes that, if the economy –and the jobs market in particular, is slowing down, not only will inflation come down on its own (a weaker jobs market means less negotiating power for prospective employees), but central bankers will also be reluctant to aggravate the situation further by increasing interest rates. As such, bond yields (which move inversely to prices) oscillated, rising strongly in the first half of the month, putting downward pressure on equities, before coming back down again. Rising rates in the face of a sluggish economic environment is not an appealing scenario for investors, explaining why most assets were down last month. With so much uncertainty and policy makers being data-dependent, the tug-of-war game will go on for some time and the upper hand is likely to change again before a winner is declared. It remains a time to be prudent.

Separately, China, which has been on its own trajectory since the start of the Covid pandemic in 2020, continued to display signs of weakness, leading its equity market to underperform the rest of the world. While already fighting deflation, it reported its worst declines in both exports and imports for the past three years, as its recovery remains tepid, hurt by rising youth unemployment, low consumption and persisting issues in the property development sector which represents ~25% of its economy. The government announced a few marginal stimulus measures during the month but, so far, those have failed to convince investors.

In August, the TB Wise Multi-Asset Growth Fund was down 1.7%, ahead of the CBOE UK All Companies Index (-2.6%) but behind its peer group, the IA Flexible Investment Sector (-1.3%). The worst detractors were our China related plays, namely Fidelity China Special Situations, but also our broader emerging markets names. Similarly, given the importance of China in the commodities market, the weak economic data reported over the month impacted our two mining trusts, Blackrock World Mining and Baker Steel Resources. The weakness in UK smaller companies persisted, impacting Odyssean, Amati UK Smaller Companies and Aberforth Smaller Companies. Finally, ICG Enterprise, a private equity trust we added in the portfolio earlier this year gave back its gains from July, with its discount moving back to a wide 43%.

In the same private equity sector, however, Pantheon International was our largest contributor. We have talked about how anomalously wide the discounts in the listed private equity sector have been for months, and this has been the key reason for increasing our positions. While in a “normal” environment, investors would spot those valuations anomalies, buy the shares, and help bring the discount back to at least an average level, which for Pantheon would be ~30% vs ~46% at the start of August, if the anomaly persists, one would like to see support from the board of the trust. This support would typically take the form of share buybacks where the company buys its own shares back. This is not only a strong signal to the market that the people closest to the trust believe it is trading too cheaply but is also value accretive because a reduction in the number of outstanding shares increases the ownership stake for remaining shareholders. A share buyback might not always be appropriate, however, for example if a trust is small already (it further reduces the size of the trust), if it hasn’t sufficient liquidity to buy the shares, or if the managers can find better investment opportunities elsewhere. None of those is an issue for Pantheon International which has a market capitalization of ~£1.5bn, has net cash available and, with a discount of 46% offers an upside potential hard to find elsewhere in the private market. As such, the board had already bought ~£20m shares back in the past year but, in its annual results at the beginning of August, its chairman made as supportive an announcement as possible by committing up to £200m to buybacks this financial year and, as importantly, dedicating a proportion of the Company’s net cash flow to share buybacks thereafter. This means that buybacks are now an explicit part of the investment strategy, as opposed to an after-thought, sending a strong message that, as long as the discount remains as wide as it currently is, the company will be supporting its share price by buying and cancelling shares. This helped send the price of the trust to its highest level in a year and has turned Pantheon into an example of what strong corporate governance should look like.

Portfolio activity was limited during the month. Given the strong discrepancy in performance between ICG Enterprise and Pantheon International (~15% while their net asset values performed similarly), we took some profit in the latter and switched into the former. Pantheon remains our second largest holding in the portfolio, highlighting our conviction in the name, but this switch allows us to build up our position in ICG on attractive terms.

RATINGS AND AWARDS





## 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%
Exit Charge	0%	0%
IFA Legacy Trail Commission	Nil	Nil
Investment Management Fee	0.75%	0.50%
Operational Costs	0.13%	0.13%
Look-Through Costs CIS <sup>4</sup>	0.22%	0.22%
Ongoing Charges Figure ex-IC <sup>3</sup>	1.10%	0.85%
Look-Through Costs IC <sup>5</sup>	0.80%	0.80%
Ongoing Charges Figure <sup>1,2</sup>	1.90%	1.65%

**Important note:** The recommended methodology for calculating the underlying charges of the OCF has recently changed and now includes Investment Companies (investment trusts/closed ended funds). This has resulted in an increase in the published OCF, however there has been no increase in the underlying charges applied to the fund, nor have the investments held by the fund changed, except where mentioned in the monthly commentary; the only change is that of the disclosure rules.

**All performance is still quoted net of fees.** To find out more click [here](#).

1. The Ongoing Charges Figure is based on the expenses incurred by the fund for the period ended 28 February 2023.

2. Includes Investment Management Fee, Operational costs and look-through costs.

3. The Ongoing Charges Figure ex-IC is based on the expenses incurred by the fund for the period ended 28 February 2023 excluding the look-through costs of Investment Companies.

4. Collective Investment Schemes (open ended funds)

5. Investment Companies (investment trusts/closed ended funds)

The figures may vary year to year

## 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	£83.8 million
Holdings	39
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.

## CONTACT US



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Business Development Manager

John started his investment career in 2003 before he joined the Wise Funds team in November 2015 as the business development manager.

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