

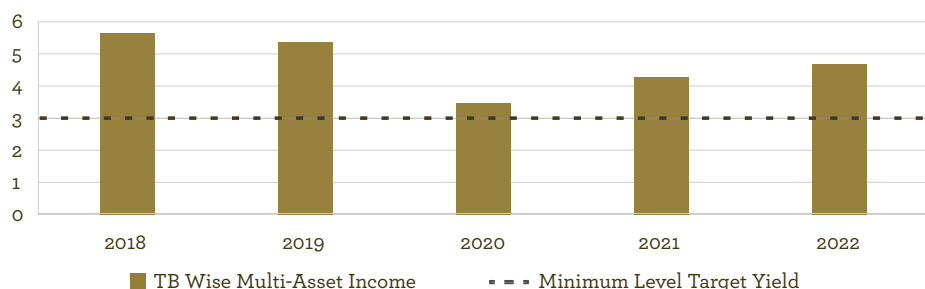
# TB WISE MULTI-ASSET INCOME

## INVESTMENT OBJECTIVE

The Fund aims (after deduction of charges) to provide:

- an annual income in excess of 3%; and
- income and capital growth (after income distributions) at least in line with the Consumer Price Index ("CPI"), over Rolling Periods of 5 years.

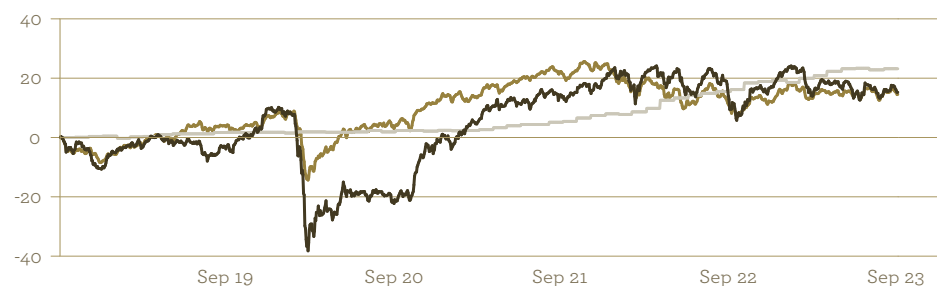
## Annual Historic Yield (%)



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.

Source: Financial Express 30 September 2023

## 5 YEAR PERFORMANCE (%)



## Cumulative Performance

|                        | 1m   | 3m   | 6m   | 1yr | 3yr  | 5yr  |
|------------------------|------|------|------|-----|------|------|
| Fund <sup>1</sup>      | -0.8 | 0.5  | -0.6 | 5.2 | 45.0 | 13.7 |
| CPI                    |      | -0.2 | 1.9  | 6.1 | 20.3 | 23.2 |
| IA Mixed 40-85% Sector | -0.7 | -0.2 | 0.0  | 5.1 | 10.1 | 14.6 |
| Quartile               | 3    | 2    | 3    | 2   | 1    | 3    |

## Discrete Annual Performance

| 12 months to           | 30.09.2023 | 30.09.2022 | 30.09.2021 | 30.09.2020 | 30.09.2019 |
|------------------------|------------|------------|------------|------------|------------|
| Fund <sup>1</sup>      | 5.2        | -5.1       | 45.2       | -19.6      | -2.4       |
| CPI                    | 6.1        | 10.1       | 3.0        | 0.6        | 1.8        |
| IA Mixed 40-85% Sector | 5.1        | -10.2      | 16.6       | -0.2       | 4.2        |

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.

The CPI quoted is the target benchmark. The IA Mixed 40-85% Investment Sector has been chosen as an additional comparator benchmark. To find out more, please see the full prospectus. 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.



### 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 an attractive 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.



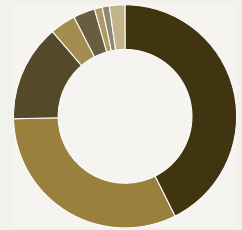
## PORTFOLIO

## Top 20 Holdings (%)

|  |             |
|--|-------------|
| TwentyFour Strategic Income Fund         | 7.3         |
| Schroder Global Equity                   | 5.7         |
| TwentyFour Income Fund Ltd.              | 5.6         |
| Aberforth Smaller Companies Trust        | 5.5         |
| Legal & General                          | 4.6         |
| BlackRock Energy & Res Inc Trust         | 4.2         |
| Blackrock World Mining                   | 3.9         |
| Polar Capital Global Financials Trust    | 3.9         |
| abrdn Asian Income Fund                  | 3.7         |
| abrdn Property Income Trust              | 3.7         |
| Ct Private Equity Trust                  | 3.6         |
| Ecofin Global Utilities and Infra. Trust | 3.5         |
| Paragon                                  | 3.5         |
| Fidelity Special Values                  | 3.2         |
| Middlefield Canadian Income              | 3.2         |
| HICL Infrastructure Company              | 3.0         |
| Fulcrum Income Fund                      | 2.6         |
| Urban Logistics REIT                     | 2.6         |
| <b>Total</b>                             | <b>73.3</b> |

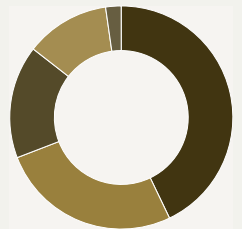
## Geographical Allocation (%)

|                       |      |
|-----------------------|------|
| Global                | 42.6 |
| UK                    | 32.0 |
| Europe                | 14.1 |
| Asia Pacific ex-Japan | 3.7  |
| North America         | 3.2  |
| Emerging Markets      | 1.1  |
| Japan                 | 1.0  |
| Cash & Income         | 2.2  |



## Asset Allocation (%)

|                |      |
|----------------|------|
| Equities       | 42.9 |
| Alternatives   | 26.3 |
| Fixed Interest | 16.4 |
| Property       | 12.2 |
| Cash & Income  | 2.2  |



## CONTRIBUTIONS TO PERFORMANCE

| Top 5 Contributors                       | Monthly Contribution (%) |
|--|--------------------------|
| ICG Enterprise Trust                     | 0.18                     |
| abrdn Property Income Trust              | 0.15                     |
| Polar Capital Global Financials Trust    | 0.09                     |
| BlackRock Energy and Resources Income    | 0.09                     |
| Legal & General                          | 0.08                     |
| Top 5 Detractors                         |                          |
| Ecofin Global Utilities and Infra. Trust | -0.17                    |
| Urban Logistics REIT                     | -0.21                    |
| HICL Infrastructure Company              | -0.23                    |
| Ct Private Equity Trust                  | -0.24                    |
| Paragon                                  | -0.26                    |

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) |
|------|-------------|-----------------------|---------------------------|
| 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%                    |
| 2021 | 3.77        | -31.33%               | +9.32%                    |
| 2022 | 5.63        | -7.10%                | +13.42%                   |
| 2023 | 5.83        | -15.14%               | +20.50%                   |

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

The ongoing debate over how high global interest rates will have to rise in order to tame inflation, how long they will need to stay at elevated levels for and whether a cooling of the economy can be neatly achieved without inadvertently tipping into recession continued to dominate investor sentiment over the month. The US Federal Reserve has been the most aggressive in tightening monetary policy, both in terms of the level of interest rate rises and the speed at which those increases have been applied. Inflation data there, has led the way in returning towards the targeted level and investors continue to believe that 5.5% now marks the peak in this interest rate cycle. Investors had been hoping that interest rates could start to fall in 2024 as economic growth slowed and inflation continues to come under control. Economic data over the month, however, provided mixed support to this argument. On the one hand, there are signs to show that strength in the US jobs market is cooling with substantial revisions lower to previously reported jobs growth being announced and the unemployment rate rising to an 18-month high of 3.8%, higher than the forecast 3.5%. On the other hand, rising energy costs pushed US inflation above forecast in August with consumer prices rising 3.7% year on year, up from 3.2% in July, and ahead of consensus forecasts of 3.6%. Core inflation, which strips out volatile energy and housing, continued its fall to 4.3% year on year but was stronger compared to July than expected. The Federal Reserve kept interest rates steady at their latest meeting but surprised markets by increasing their projection of how long interest rates would need to stay at higher levels for. Their new interest rate forecast is for rates to be a full 0.5% higher in 2025 than they expected in June, driven by their assessment that economic growth this year and next will be stronger than anticipated 3 months ago. The decision whether to raise rates in the Eurozone was finely balanced and, despite faltering economic growth, the European Central Bank elected to raise interest rates 0.25% to an all-time high of 4.0%. Given recent weak economic data, slow bank lending and a softer labour market, investors had on balance been expecting no change and as a result have now reflected this moving interest rate expectations marginally higher over the next 18 months as a result. The accompanying statement suggested that this would be the last rate rise this cycle.

The UK was an outlier, therefore, as September saw a sharp move down in the expected level of interest rates. At the start of the month investors were anticipating interest rates were set to rise a further 0.5% to a peak of 5.75% by the year end. They would then stay at that level for the next 12 months before starting to fall in 2025. Whilst wage growth announced over the month grew at the fastest pace on record at 7.8%, other data provided welcome relief to the Bank of England that inflation was more under control and the economy was responding to their efforts to cool it down. Firstly, UK economic growth in July contracted more than expected in July, partly impacted by strikes and wet weather. Secondly, unemployment moved higher than anticipated but most importantly inflation data was surprisingly weak. Having anticipated a rise in headline inflation to 7.0% from 6.8% in August, the announced fall to 6.7% was taken well by investors. Furthermore, core inflation (ex food and energy) fell to 6.2% from 6.9% compared to a forecast of no change. This allowed the Bank of England to hold rates flat at 5.25% and saw a significant shift in expectations that rates are now set to peak at that level, 0.5% lower than previously expected.

Whilst the change in UK interest rate expectations was positive for domestic equity markets, the view that US and Eurozone interest rates were likely to remain higher for longer acted as a headwind to both equity and bond markets elsewhere. There were few assets globally that provided positive returns. Energy and commodities stood out as the oil price moved higher following recently announced supply restrictions and iron ore (one of the main raw materials used to make steel) was boosted by comprehensive stimulus announcements in China to boost its ailing property sector. The dollar was notably strong against sterling and the Yen, reflecting the relative changes in the outlook for interest rates.

In September, the TB Wise Multi-Asset Income Fund fell 0.8%, marginally behind the IA Mixed Investment 40-85% Sector, which fell 0.7%. We have highlighted the issue of discount widening within our investment trust holdings in recent months and over the course of the month this almost entirely explains the Fund's negative performance. Once again, the largest impact was felt within our infrastructure and property holdings, despite evidence suggesting investor pessimism towards these sectors has been stretched too far. Ediston Property announced it would sell its portfolio of retail warehouses at a 10% discount to net asset value compared to the near 30% discount they traded at in the summer. Similarly, HICL announced the disposal of a £241m portfolio of school, hospital and offshore electricity transmission assets at a premium to its latest net asset value. Despite this validation of their valuation methodology and reducing debt in the process, the discount widened 6% to 25% over the month. On the positive side, our UK equity exposed funds performed strongly as did our commodity holdings and ICG Enterprise, a private equity fund which has seen its discount narrow.

We sold our holding in Ediston Property on the confirmation of their asset disposal and reinvested the proceeds into TR Property, Urban Logistics and initiated a holding in London office specialist, Helical. We also topped Ecofin Global Utilities and Infrastructure, INPP and TwentyFour Strategic Income given the defensiveness of these holdings and as we reach the peak in the interest rate cycle. Within the UK, we sold out of Temple Bar and reinvested the proceeds into open-ended funds, Man GLG Income, Schroder Global Equity Income and Jupiter Income, which are all managed with a similar value approach.

## RATINGS AND AWARDS





## SHARE CLASS DETAILS

|   | B Acc (Clean) | B Inc (Clean) | W Acc (Institutional) | W Inc (Institutional) |
|---|---------------|---------------|-----------------------|-----------------------|
| Sedol Codes                               | BoLJ1M4       | BoLJ016       | BD386V4               | BD386W5               |
| ISIN Codes                                | GB00BoLJ1M47  | GB00BoLJ0160  | GB00BD386V42          | GB00BD386W58          |
| Minimum Lump Sum                          | £1,000        | £1,000        | £100 million          | £100 million          |
| Initial Charge                            | 0%            | 0%            | 0%                    | 0%                    |
| Exit Charge                               | 0%            | 0%            | 0%                    | 0%                    |
| IFA Legacy Trail Commission               | Nil           | Nil           | Nil                   | Nil                   |
| Investment Management Fee                 | 0.75%         | 0.75%         | 0.50%                 | 0.50%                 |
| Operational Costs                         | 0.15%         | 0.15%         | 0.15%                 | 0.15%                 |
| Look-Through Costs CIS <sup>4</sup>       | 0.10%         | 0.10%         | 0.10%                 | 0.10%                 |
| Ongoing Charges Figure ex-IC <sup>3</sup> | 1.00%         | 1.00%         | 0.75%                 | 0.75%                 |
| Look-Through Costs IC <sup>5</sup>        | 0.75%         | 0.75%         | 0.75%                 | 0.75%                 |
| Ongoing Charges Figure <sup>1,2</sup>     | 1.75%         | 1.75%         | 1.50%                 | 1.50%                 |

**Important note:** The recommended methodology for calculating the underlying charges of the OCF has recently changed and now includes closed ended funds (e.g. investment trusts). 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>    | UK CPI                            |
| Comparator Benchmark <sup>1</sup> | IA Mixed 40-85% Investment Sector |
| Launch date                       | 3 October 2005                    |
| Fund value                        | £78.1 million                     |
| Holdings                          | 33                                |
| Historic yield <sup>2</sup>       | 6.1%                              |
| Div ex dates                      | First day of every month          |
| Div pay dates                     | Last day of following month       |
| Valuation time                    | 12pm                              |

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

2. 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.

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