

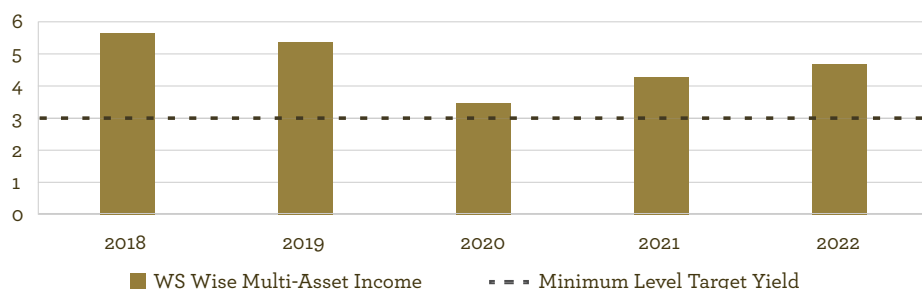
# WS WISE MULTI-ASSET INCOME

## 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 31 December 2023

## 5 YEAR PERFORMANCE (%)



## Cumulative Performance

|                        | 1m  | 3m   | 6m  | 1yr | 3yr  | 5yr  |
|------------------------|-----|------|-----|-----|------|------|
| Fund <sup>1</sup>      | 7.5 | 8.9  | 9.4 | 7.2 | 25.5 | 37.2 |
| CPI                    |     | -0.2 | 0.2 | 3.5 | 20.6 | 23.0 |
| IA Mixed 40-85% Sector | 4.2 | 5.8  | 5.6 | 8.1 | 7.9  | 31.5 |
| Quartile               | 1   | 1    | 1   | 3   | 1    | 2    |

## Discrete Annual Performance

| 12 months to           | 31.12.2023 | 31.12.2022 | 31.12.2021 | 31.12.2020 | 31.12.2019 |
|------------------------|------------|------------|------------|------------|------------|
| Fund <sup>1</sup>      | 7.2        | -3.7       | 21.6       | -10.0      | 21.4       |
| CPI                    | 3.5        | 10.5       | 5.4        | 0.6        | 1.3        |
| IA Mixed 40-85% Sector | 8.1        | -10.0      | 10.9       | 5.3        | 15.8       |

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. WS 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.



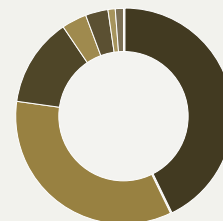
## PORTFOLIO

## Top 20 Holdings (%)

|  |             |
|--|-------------|
| TwentyFour Strategic Income Fund         | 6.8         |
| TwentyFour Income Fund Ltd.              | 5.7         |
| Schroder Global Equity                   | 5.7         |
| Aberforth Smaller Companies Trust        | 5.6         |
| Legal & General                          | 5.0         |
| Paragon                                  | 4.3         |
| abrdn Property Income Trust              | 4.3         |
| BlackRock Energy & Res Inc Trust         | 4.2         |
| Ecofin Global Utilities and Infra. Trust | 4.1         |
| Polar Capital Global Financials Trust    | 4.0         |
| Blackrock World Mining                   | 4.0         |
| HICL Infrastructure Company              | 3.9         |
| abrdn Asian Income Fund                  | 3.7         |
| Middlefield Canadian Income              | 3.5         |
| Urban Logistics REIT                     | 3.5         |
| Ct Private Equity Trust                  | 3.5         |
| Fidelity Special Values                  | 3.4         |
| International Public Partnerships Ltd    | 3.4         |
| TR Property Investment Trust Plc         | 3.0         |
| Man GLG Income                           | 2.3         |
| <b>Total</b>                             | <b>83.9</b> |

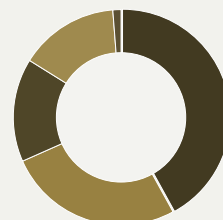
## Geographical Allocation (%)

|                       |      |
|-----------------------|------|
| Global                | 42.8 |
| UK                    | 34.4 |
| Europe                | 13.3 |
| Asia Pacific ex-Japan | 3.8  |
| North America         | 3.4  |
| Emerging Markets      | 1.1  |
| Cash & Income         | 1.2  |



## Asset Allocation (%)

|                |      |
|----------------|------|
| Equities       | 42.0 |
| Alternatives   | 26.4 |
| Fixed Interest | 15.5 |
| Property       | 14.9 |
| Cash & Income  | 1.2  |



## CONTRIBUTIONS TO PERFORMANCE

| Top 5 Contributors                | Monthly Contribution (%) |
|-----------------------------------|--------------------------|
| Paragon                           | 1.55                     |
| Legal & General                   | 0.49                     |
| TR Property Investment Trust      | 0.39                     |
| abrdn Property Income Trust       | 0.35                     |
| Aberforth Smaller Companies Trust | 0.34                     |
| Top 5 Detractors                  |                          |
| ICG Enterprise Trust              | -0.02                    |

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 month started with central bankers pushing back against investor hopes that 2024 might see more interest rate cuts than previously expected. These hopes had gained momentum in November as signs emerged that the global economy was slowing whilst at the same time inflation was falling faster than expected. Over the course of November, global bond investors had priced in an extra 0.25% of interest rate cuts in the UK and the Eurozone and 0.5% in the US by the end of 2024. Despite better inflation data than feared, it was unsurprising that central bankers were keen to ensure that investors did not get ahead of themselves in believing the battle against inflation had been won or that market expectations of lower future borrowing costs did not undermine the present policy that still necessitates them being kept high. Stronger than US jobs growth at the beginning of the month was accompanied by Jerome Powell, Chairman of the US Federal Reserve, stressing that it was premature to say interest rates had peaked or outlining a timeframe over which they might start to fall. Within a couple of weeks, however, there had been a stark shift in this position with Powell indicating the present interest rate tightening cycle was not only over but that the central bank was also very focussed on not waiting too long to cut rates. By their own projections, US policy rate is now anticipated to fall by 0.75% in 2024 and a further 1% in 2025, before it stabilises at 2.75% in 2026. Rather than the normal position of tempering investor optimism when inflation data has surprised on the downside, this shift in language fanned its flames and drove both bond and equity markets sharply higher over the month. US Inflation data released at the end of the month was in line with market expectations and did not contain any surprises that explained such a change in tone. In the Eurozone, the European Central Bank stuck to its position that there is still work to be done in taming price pressures and rates are likely to remain higher for longer, although investors have more reason to be sceptical. Business activity in the eurozone declined at a steeper rate than expected last month, both in the services and manufacturing sectors, whilst German business confidence fell more than expected as did inflation across the region. In the UK, there was similarly positive news on inflation, which has proved stickier than elsewhere. UK inflation slowed to 3.9%, better than the 4.6% expected. However, core inflation (which strips out energy and food) whilst moving in the right direction remains high at 5.1%, which restricts the Bank of England's ability to lower rates without evidence that the tight labour market is weakening.

The extent of the change the market view on global interest rates is perhaps best explained by looking at where investors expect interest rates to end 2024 now compared to their expectation at the start of the month. In the US and the Eurozone investors now expect a further 0.50% of interest rate cuts over the year whilst interest rates in the UK are now expected to be 0.75% lower than forecast at the end of November. The volatility of these expectations has been particularly marked in the UK. Over the course of the summer investors expected interest rates to end 2024 at 6% whereas now that expectation has fallen back to 3.75%. Such changes have been very supportive of both global equities and bond markets, with more interest-rate sensitive small and mid-cap equity indices performing well. Expectations of lower interest rates in the US has seen the dollar weaken.

In December, the TB Wise Multi-Asset Income Fund rose 7.5%, ahead of the IA Mixed Investment 40-85% Sector, which rose 4.2%. This strong finish to the year was driven by many of the same sectors as last month. Our financials holdings performed strongly as investors welcomed the prospect of easing monetary policy. Paragon Banking Group, a buy-to-let lender, was notably strong following an excellent set of full year results delivering record profits, strong dividend growth and the prospect of further share buy backs. Our property holdings rose strongly once again as the pressure from higher rates eased. Abdn Property Income highlighted the potential rental growth within their portfolio and announced positive increased rents achieved within their industrial portfolio as well as a new letting of a refurbished asset. Starwood European Real Estate Finance announced the repayment of a property loan enabling a further capital distribution to shareholders as part of the strategy to wind the company down. Our infrastructure holdings performed well as investors were attracted the high inflation-linked yields available across the sector at a time when the yields from government bonds are now falling. International Public Partnerships announced the disposal of four investments at a modest premium to the latest net asset value, highlighting the extent to which the current discount undervalues the company whilst enabling the group to pay down their expensive debt facility and undertake a buy back of shares. There was broad strength across our equity and commodity holdings, driven on the whole by strong underlying net asset value performance rather than discount narrowing among our investment trust positions. Aberforth Smaller Companies, Middlefield Canadian Income and International Biotech were notably strong.

Whilst investor expectations for December 2024 interest rates are broadly similar at the end of the year as they were at the start, there has been a strong divergence of performance within the fund's holdings over that period. Infrastructure and property have been particularly weak and we topped up our exposure to both sectors during the month. We trimmed holdings which have performed strongly, such as Paragon, TwentyFour Strategic Income and Aberforth Smaller Companies whilst increasing exposure to weaker performing positions, such as our commodity holdings, International Biotechnology and Middlefield Canadian Income. We exited our holding in Jupiter Income on the announcement of a change in manager as well as Fulcrum Income, a more defensive holding, in order to maintain the balance of risk within the fund.

## 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        | £50 million           | £50 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                        | £71.3 million                     |
| Holdings                          | 30                                |
| Historic yield <sup>2</sup>       | 5.3%                              |
| 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

WS 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.waystone.com/waystone-fund-services-uk-limited/tb-wise-funds](http://www.waystone.com/waystone-fund-services-uk-limited/tb-wise-funds); by telephoning the WS 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 WS Wise Funds, including risk warnings, are published in the WS Wise Funds Prospectus, the WS Wise Supplementary Information Document (SID) and the WS 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 WS 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. Waystone Fund Services Limited is authorised and regulated by the Financial Conduct Authority, No. 190293.

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