

VT SENECA DIVERSIFIED INCOME FUND

MONTH END DECEMBER 2020

FOR PROFESSIONAL ADVISORS ONLY

INVESTMENT AIM

To generate a high level of income with the prospect of maintaining the real value of capital over the long term, by investing in a multi-asset portfolio managed with a focus on value. The fund may include directly invested UK equities with a bias towards mid cap stocks, and overseas equity, fixed income, specialist assets and managed liquidity held through third party funds.

INCOME (B INC SHARECLASS ONLY)

 Historic Net Yield 5.1%¹

Distributions Monthly

FIVE YEAR PERFORMANCE CHART (%)


■ VT Seneca Diversified Income B Inc TR in GB (36.99%) ■ IA Mixed Investment 20-60% Shares TR in GB (29.88%) 31.12.2015-31.12.2020 Data from FE fundinfo 2020

CUMULATIVE PERFORMANCE (%)	1 month	3 months	6 months	1 year	3 years	5 years	Since Launch
VT Seneca Diversified Income Fund Inc	3.7	13.5	16.0	2.7	12.2	37.0	150.5
VT Seneca Diversified Income Fund Acc**	3.7	13.5	16.0	2.8	n/a	n/a	n/a
IA Mixed Investment 20-60% Shares	1.9	6.6	7.9	3.5	9.9	29.9	126.3

DISCRETE ANNUAL PERFORMANCE (%)	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017	31 Dec 2016
VT Seneca Diversified Income Fund Inc	2.7	11.0	-1.6	11.0	10.0
VT Seneca Diversified Income Fund Acc**	2.8	n/a	n/a	n/a	n/a
IA Mixed Investment 20-60% Shares	3.5	11.8	-5.1	7.2	10.3

**The VT Seneca Diversified Income Fund Accumulation Shareclass was launched in Oct 2019

Cumulative & Discrete figures are sourced from FE Analytics. Basis: Bid to bid, net income reinvested and net of fees in UK Sterling terms. The information on this factsheet is as at 31.12.2020 and refers to the 'B' Inc share class with the exception of performance prior to 26.03.2012 which is calculated using the 'A' share class, unadjusted for the lower fees of the 'B' Inc share class.

RESEARCH AREA	INVESTMENT TEAM
UK Equities	Mark Wright- Fund Manager
Specialist Assets	Richard Perfect- Fund Manager*
Fixed Income & Overseas Eq (EM)	Tom Delic- Fund Manager*
Fixed Income & Overseas Eq (Dev)	Gary Moglione- Fund Manager

* Portfolio oversight (process implementation, cash and cashflow management)

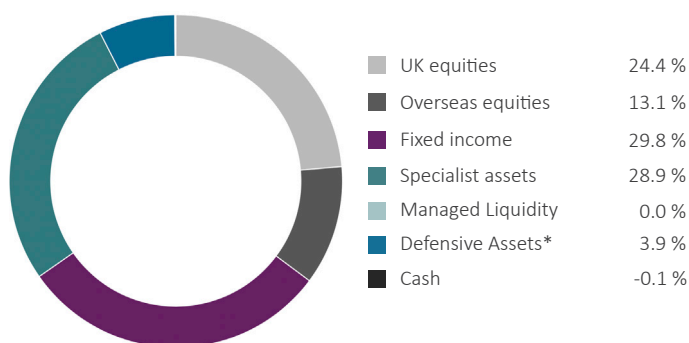
COMMENTARY

- Equity markets continued to rally helped by further positive vaccine news. Markets are looking beyond the latest lockdown measures and we believe there is significant upside for value oriented strategies.
- We participated in the Initial Public Offering of Conduit Holdings, a newly formed reinsurance business. With losses stemming from the ongoing COVID-19 pandemic still uncertain for many reinsurers, market conditions are very attractive for a new firm to enter the industry. Conduit enters the market with no uncertainty regarding legacy insurance claims and a clean balance sheet, allowing it to allocate its capital to new businesses at increasingly attractive rates. We believe an investor at Initial Public Offering has a very attractive risk return profile, with shareholders investing at book value for a company, aiming to deliver a mid-teens return on equity.
- December saw us exit our position in the Liontrust European Enhanced Income Fund.
- We participated in the Initial Public Offering of Gore Street Energy Storage Fund which owns a portfolio of operational lithium-ion battery storage assets across the UK and Republic of Ireland. The assets can generate revenue via several means, of which multiple revenue streams can be stacked on a single battery. Managed by an experienced investment team and backed by several large public and private investors, the Fund is targeting a minimum gross return of 10%, along with a dividend yield of 7%.

Your capital is at risk. Past performance should not be seen as an indication of future performance. The value of investments and any income may fluctuate and investors may not get back the full amount invested.



ASSET BREAKDOWN



Source: Seneca IM

Short-term negative cash positions are not displayed on the pie chart above.

TOP FIVE HOLDINGS

UK EQUITIES		
1.	Purplebricks Group	1.6 %
2.	BT Group Plc	1.6 %
3.	Diversified Gas & Oil	1.6 %
4.	Legal & General Group	1.5 %
5.	Marston's Plc	1.3 %

OVERSEAS EQUITIES		
1.	CIM Dividend Income Fund	3.3 %
2.	Morant Wright Fuji Yield Fund	2.4 %
3.	HMG Global Emerging Markets Equity Fund	2.3 %
4.	Prusik Asian Equity Income Fund	1.4 %
5.	Conventum Lyrical Fund	1.4 %

FIXED INCOME		
1.	Royal London Sterling Extra Yield Bond Fund	9.0 %
2.	Royal London Short Duration High Yield Bond Fund	6.0 %
3.	Absalon Emerging Markets Corporate Debt Fund	5.3 %
4.	TwentyFour Select Monthly Income Fund	4.0 %
5.	Muzinich Short Duration High Yield Bond Fund	3.4 %

SPECIALIST ASSETS		
1.	Chrysalis Investments Ltd	2.3 %
2.	Fair Oaks Income Ltd	2.2 %
3.	Schroder UK Public Private Trust	2.0 %
4.	Ediston Property	2.0 %
5.	Sequoia Economic Infrastructure	1.9 %

IMPORTANT INFORMATION

*Defensive assets have reduced/negative correlation to equity markets to provide a more defensive element during times of stress. Defensive assets consists of a variety of investments such as gold**, government bonds, short ETFs and managed futures strategies. **Exposure to physical gold is achieved through investments in exchange traded certificates (ETC) which aim to provide the performance of gold, as measured by the LBMA Gold Price (PM), which is a recognised benchmark for gold. A Gold ETC is a certificate which is secured by gold bullion, held within the vaults of a nominated custodian.

1. The Historic Yield reflects distributions declared over the past twelve months as a percentage of the unit price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. A portion of the fund's expenses are charged to Capital. This has the effect of increasing the distribution(s) for the year and constraining the fund's capital performance to an equivalent extent.

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Seneca Investment Managers Limited, the Investment Manager of the Fund (0151 906 2450) is authorised and regulated by the Financial Conduct Authority and is registered in England No. 4325961 with its registered office at Tenth Floor, Horton House, Exchange Flags, Liverpool, L2 3YL. All calls are recorded. Your capital is at risk.

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KEY FACTS

Launch date	8 April 2002
Size	£151.39m
A Class month end price	91.06p
B (INC) Class month end price	111.18p
B (ACC) Class month end price	105.89p
N Class month end price	108.90p
Total holdings	64
IA sector	Mixed Investment 20-60% shares
Share type	Monthly income only
Valuation point	12:00 midday

SHARE CLASS INFO	A	B (INC)	B (ACC)	N
OCF***	1.74%	1.09%	1.09%	1.34%
Min lump sum	£3,000	£100,000	£100,000	£1,000
Min reg saver	£50	-	-	£50
ISIN	GB0031467961	GB00B7JTF560	GB00BKV4HY34	GB00B61Y0911
SEDOL	3146796	B7JTF56	BKV4HY3	B61Y091

***Based on expenses and the net asset value as at 31.05.2020

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