

VT SENECA DIVERSIFIED INCOME FUND

MONTH END FEBRUARY 2021

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	4.6% ¹
Distributions	Monthly

FIVE YEAR PERFORMANCE CHART (%)


CUMULATIVE PERFORMANCE (%)	1 month	3 months	6 months	1 year	3 years	5 years	Since Launch
VT Seneca Diversified Income Fund Inc	1.8	6.5	13.9	11.2	17.0	44.8	157.2
VT Seneca Diversified Income Fund Acc**	1.8	6.5	13.9	11.2	n/a	n/a	n/a
IA Mixed Investment 20-60% Shares	-0.1	1.5	5.7	6.5	11.0	31.3	125.4

DISCRETE ANNUAL PERFORMANCE (%)	28 Feb 2021	29 Feb 2020	28 Feb 2019	28 Feb 2018	28 Feb 2017
VT Seneca Diversified Income Fund Inc	11.2	0.3	4.9	6.4	16.3
VT Seneca Diversified Income Fund Acc**	11.2	n/a	n/a	n/a	n/a
IA Mixed Investment 20-60% Shares	6.5	4.4	-0.2	3.5	14.4

**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 28.02.2021 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

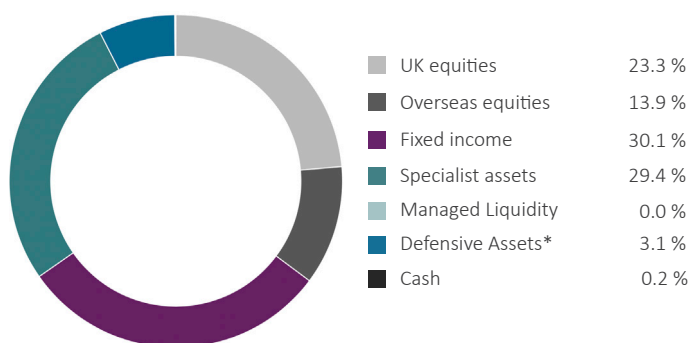
- Ultra Electronics was reintroduced into the UK equity portfolio. The business weathered the COVID-19 crisis well and we believe the shares now offer reasonable upside. As an electronics business with a heavy bias to defence, the holding will bring welcome diversification to the UK equity portfolios.
- dotDigital was reduced, having re-rated significantly since we initiated a position in March 2020. Given the diversification it brings to the UK equity portfolio, we believe it is worth maintaining a position, albeit reduced due to the valuation.
- During the month, we increased our allocation to the HMG Global Emerging Markets Equity Fund. This was funded by reductions in property.
- During February we introduced Cordiant Digital Infrastructure to the portfolio. The newly formed investment company will invest in what is colloquially known as the "plumbing of the Internet". The company will seek exposure to three main categories of digital infrastructure: mobile communication towers, data centres and fibre-optic networks; the demand for the physical infrastructure that enables these exchanges to take place has never been greater. We believe the investment manager (Cordiant Capital) is highly experienced, boasting Steven Marshall, former CEO of American Tower Corporation as its Chairman. The Company is targeting a total return of 9% per annum.
- Chrysalis published a strong set of FY20 results and also announced December's NAV, an uplift of 12.3% since end September, driven by the strong operational and financial progress of its assets.

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.



Income Acc shareclass only

ASSET BREAKDOWN



Source: Seneca IM

TOP FIVE HOLDINGS

UK EQUITIES		
1.	Diversified Gas & Oil	1.7 %
2.	Legal & General Group	1.5 %
3.	OneSavings Bank	1.4 %
4.	Strix Group	1.2 %
5.	BT Group	1.2 %

OVERSEAS EQUITIES		
1.	CIM Dividend Income Fund	3.6 %
2.	HMG Global Emerging Markets Equity Fund	2.5 %
3.	Morant Wright Fuji Yield Fund	2.4 %
4.	JP Morgan European Investment Trust	1.7 %
5.	Prusik Asian Equity Income Fund	1.5 %

FIXED INCOME		
1.	Royal London Sterling Extra Yield Bond Fund	9.0 %
2.	Royal London Short Duration High Yield Bond Fund	5.9 %
3.	Absalon Emerging Markets Corporate Debt Fund	5.5 %
4.	TwentyFour Select Monthly Income Fund	4.3 %
5.	Muzinich Short Duration High Yield Bond Fund	3.4 %

SPECIALIST ASSETS		
1.	Schroder UK Public Private Trust	2.4 %
2.	Fair Oaks Income Ltd	2.1 %
3.	Chrysalis Investments	2.1 %
4.	Ediston Property	1.9 %
5.	Sequoia Economic Infrastructure	1.8 %

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	£151.24m
A Class month end price	92.73p
B (INC) Class month end price	113.34p
B (ACC) Class month end price	108.74p
N Class month end price	110.97p
Total holdings	66
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***	1.80%	1.15%	1.15%	1.40%
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 31.12.2020

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