

VT SENECA DIVERSIFIED INCOME FUND

MONTH END SEPTEMBER 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 5.2%¹

Distributions Monthly

FIVE YEAR PERFORMANCE CHART (%)


■ VT Seneca Diversified Income B Inc TR in GB (24.78%)
 ■ IA Mixed Investment 20-60% Shares TR in GB (25.50%)
 30.09.2015-30.09.2020
 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	-2.2	2.2	17.5	-7.2	0.3	24.8	120.7
VT Seneca Diversified Income Fund Acc**	n/a	n/a	n/a	n/a	n/a	n/a	n/a
IA Mixed Investment 20-60% Shares	-0.4	1.3	11.5	-1.2	5.5	25.5	112.4

DISCRETE ANNUAL PERFORMANCE (%)	30 Sept 2020	30 Sept 2019	30 Sept 2018	30 Sept 2017	30 Sept 2016
VT Seneca Diversified Income Fund Inc	-7.2	7.2	0.7	12.7	10.5
VT Seneca Diversified Income Fund Acc**	n/a	n/a	n/a	n/a	n/a
IA Mixed Investment 20-60% Shares	-1.2	4.0	2.6	6.2	12.1

**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 30.09.2020 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 Parfect- 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

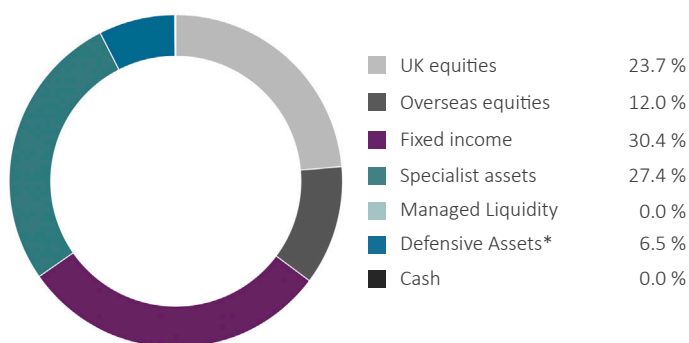
- September saw another step taken by both the Bank of England (BoE) and Federal Reserve (Fed) into entering the upside-down world of negative interest rates.
- At the BoE's latest monetary policy committee meeting, rates were left unchanged at 0.1% but the committee was briefed on how a negative interest rate could be implemented.
- Across the pond, Fed chair Jerome Powell forecast rates will remain at record lows until at least 2023.
- The latest Q2 UK GDP data showed a record 20% fall in economic output, accompanied by slow progress in Brexit negotiations and continuing uncertainty posed by COVID-19.
- Vistry Group plc published their interim results highlighting COVID-19's significant short-term impact. Dividends are set to resume next year with a progressive policy thereafter.
- Babcock International Group announced the appointment of David Mellors as Chief Financial Officer, having most recently worked at Cobham (as CFO) with David Lockwood (CEO), successfully turning around that business which was ultimately sold to Advent.
- AJ Bell was exited, having performed exceptionally well since Initial Public Offering. The company is very well managed and its long term growth prospects are promising, however, the valuation has priced a lot, if not all, of that in.
- Syncona noted that its portfolio company, Autolus Therapeutics, announced further positive progress on AUTO3. The Trust also expanded its cell therapy portfolio via its investment in Neogene Therapeutics, a company that looks to target solid tumour cancers.
- We took the opportunity to reduce our allocation to a number of property funds following their recent rally. LondonMetric Property, LXI REIT and PRS REIT had all performed well since their March lows.

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 Plc	1.5 %
2.	OneSavings Bank Plc	1.5 %
3.	Purplebricks Group Plc	1.5 %
4.	Marston's Plc	1.3 %
5.	Origin Enterprises Plc	1.3 %

OVERSEAS EQUITIES		
1.	CIM Dividend Income Fund	3.4 %
2.	HMG Global Emerging Markets Equity Fund	2.0 %
3.	Liontrust European Enhanced Income Fund	1.6 %
4.	Morant Wright Fuji Yield Fund	1.4 %
5.	Prusik Asian Equity Income Fund	1.4 %

FIXED INCOME		
1.	Royal London Sterling Extra Yield Bond Fund	8.2 %
2.	Royal London Short Duration High Yield Bond Fund	6.8 %
3.	Absalon Emerging Markets Corporate Debt Fund	5.6 %
4.	TwentyFour Select Monthly Income Fund	4.1 %
5.	Muzinich Short Duration High Yield Bond Fund	3.6 %

SPECIALIST ASSETS		
1.	Merian Chrysalis	2.4 %
2.	Fair Oaks Income Ltd	2.2 %
3.	Hipgnosis Songs Fund	2.0 %
4.	Sequoia Economic Infrastructure	2.0 %
5.	Schroder UK Public Private Trust	2.0 %

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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KEY FACTS

Launch date	8 April 2002
Size	£140.48m
A Class month end price	81.33p
B (INC) Class month end price	99.14p
B (ACC) Class month end price	93.31p
N Class month end price	97.17p
Total holdings	60
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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