

VT SENECA DIVERSIFIED INCOME FUND

MONTH END SEPTEMBER 2019

FOR PROFESSIONAL ADVISORS ONLY

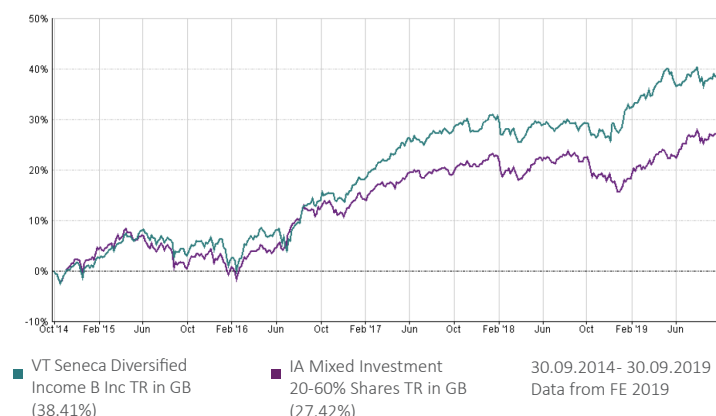
INVESTMENT AIM

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

Historic Net Yield 4.9%

Distributions Monthly

FIVE YEAR PERFORMANCE CHART (%)


CUMULATIVE PERFORMANCE (%)	3 months	6 months	1 year	3 years	5 years	Since Launch
VT Seneca Diversified Income Fund	0.4	2.4	7.2	21.7	38.4	137.7
IA Mixed Investment 20-60% Shares	1.8	4.7	4.0	13.3	27.4	114.9

DISCRETE ANNUAL PERFORMANCE (%)	30 Sep 2019	30 Sep 2018	30 Sep 2017	30 Sep 2016	30 Sep 2015
VT Seneca Diversified Income Fund	7.2	0.7	12.7	10.5	3.0
IA Mixed Investment 20-60% Shares	4.0	2.6	6.2	12.1	0.3

RESEARCH AREA	INVESTMENT TEAM
Asset Allocation	Peter Elston- Chief Investment Officer
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

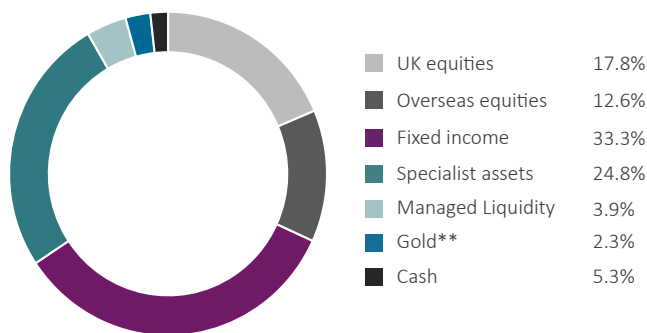
- There were no asset allocation changes in September.
- Central banks in both the US and Europe cut interest rates in the face of weakening economic growth.
- Equity markets remained firm, reflecting a belief that a dose of monetary easing can help to prolong the economic cycle.
- A new position was taken in Purplebricks, the UK's leading estate agency. The group is cash flow positive, has net cash on the balance sheet and a new management team in place.
- Ultra Electronics was reduced after re-rating considerably over the previous 6 months, returning 48%.
- In Japan, we introduced the Morant Wright Fuji Yield Fund, a value focused manager that seeks companies with strong balance sheets trading at low valuations.
- To fund the investment in Morant Wright, we exited the holding in the CC Japan Income & Growth Trust.
- We added to the Royal London Sterling Extra Yield Bond Fund and TwentyFour Dynamic Bond Fund.
- Sequoia Economic Infrastructure Income Fund had another successful equity placing which was substantially oversubscribed in which we took a small allocation.
- We participated in International Public Partnerships additional £116.5m equity placing, to fund further pipeline investments as the management team further diversify and broaden the geography and asset base of the portfolio's infrastructure 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.



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 30.09.2019 and refers to the 'B' 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' share class.

ASSET BREAKDOWN



Source: Seneca IM

TOP FIVE HOLDINGS

UK DIRECT EQUITIES*	
1. iShares Core FTSE 100	2.2 %
2. AJ Bell	1.9 %
3. Marston's	1.2 %
4. Babcock International Group	1.1 %
5. BT Group plc	1.1 %

OVERSEAS EQUITIES*	
1. CIM Dividend Income Fund	3.3 %
2. Investec Global Gold Fund	2.4 %
3. Prusik Asian Equity Income Fund	1.5 %
4. Liontrust European Enhanced Income Fund	1.4 %
5. Morant Wright Fuji Yield Fund	1.0 %

FIXED INCOME	
1. Royal London Short Duration Global High Yield Bond Fund	8.9 %
2. Muzinich Short Duration High Yield Fund	7.9 %
3. Royal London Sterling Extra Yield Bond Fund	6.4 %
4. Templeton Emerging Markets Bond Fund	4.4 %
5. TwentyFour Select Monthly Income Fund	3.1 %

SPECIALIST ASSETS	
1. International Public Partnerships	2.2 %
2. Fair Oaks Income Fund	2.0 %
3. Merian Chrysalis	1.9 %
4. Sequoia Economic Infrastructure	1.9 %
5. Hipgnosis Songs Fund	1.6 %

* Investment may also be made in UK equities via other third party funds.
Source: Seneca IM

IMPORTANT INFORMATION

** 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.

The views expressed are those of the fund manager at the time of writing and are subject to change without notice. They are not necessarily the views of Seneca Investment Managers and do not constitute investment advice. Whilst Seneca Investment Managers has used all reasonable efforts to ensure the accuracy of the information contained in this communication, we cannot guarantee the reliability, completeness or accuracy of the content. This document is provided for the purpose of information only and if you are unsure of the suitability of this investment you should take independent advice. Before investing you must read the key investor information document (KIID) as it contains important information regarding the fund, including charges, tax and fund specific risk warnings and will form the basis of any investment. This fund may experience high volatility due to the composition of the portfolio or the portfolio management techniques used. The prospectus, KIID and application forms are available in English from Valu-Trac Administration Services (01343 880344).

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.

Ratings: Defaqto is a financial information business. Profile published 09.09.2019 by Distribution Technology based on data and information as at 30.06.2019. Morningstar Rating™ as of 31.08.2019 copyright ©2019 Morningstar, all rights reserved, the information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely; neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. FE Crown Fund Ratings as of 30.09.2019 do not constitute investment advice offered by FE and should not be used as the sole basis for making any investment decision. All rights reserved. FP19 313.

KEY FACTS

Launch date	8 April 2002
Size	£167.03m
A Class month end price	92.79p
B Class month end price	112.37p
N Class month end price	110.42p
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	N
OCF*	1.79%	1.14%	1.39%
Min lump sum	£3,000	£100,000	£1,000
Min reg saver	£50	-	£50
ISIN	GB0031467961	GB00B7JTF560	GB00B61Y0911
SEDOL	3146796	B7JTF56	B61Y091

* Based on expenses as at 21.05.2019

CONTACT US

STEVE HUNTER
Head of Business Development
D 0151 906 2481
M 07470 478 974
E steve.hunter@senecaim.com

LUCY DOLAN
Business Development Consultant
D 0151 906 2479
M 07384 116 526
E lucy.dolan@senecaim.com

HELEN O'LOUGHLIN
Business Development Consultant
D 0151 906 2483
M 07789 745 214
E helen.oloughlin@senecaim.com

SENECA DEALING LINE
Valu-Trac Administration Services
T 01343 880344