

VT SENECA DIVERSIFIED INCOME FUND

MONTH END JUNE 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 5.3%¹

Distributions Monthly

FIVE YEAR PERFORMANCE CHART (%)


■ VT Seneca Diversified Income B Inc TR in GB (18.77%)
 ■ IA Mixed Investment 20-60% Shares TR in GB (19.35%)
 30.06.2015-30.06.2020
 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	2.5	15.0	-11.4	-8.8	0.2	18.8	116.0
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	1.4	10.1	-4.1	-0.6	4.7	19.4	109.8

DISCRETE ANNUAL PERFORMANCE (%)	30 June 2020	30 June 2019	30 June 2018	30 June 2017	30 June 2016
VT Seneca Diversified Income Fund Inc	-8.8	7.5	2.1	19.7	-1.0
VT Seneca Diversified Income Fund Acc**	n/a	n/a	n/a	n/a	n/a
IA Mixed Investment 20-60% Shares	-0.6	2.9	2.4	11.9	1.9

**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 30.06.2020 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

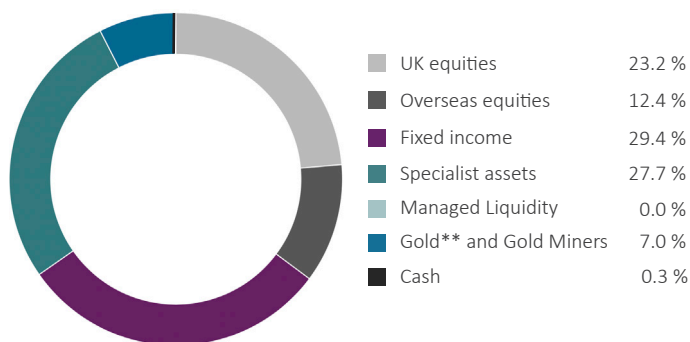
- Markets continued to be dominated by the COVID-19 pandemic as investors fear a second wave and potentially another round of lockdowns.
- The UK equity market recovered 30% from its 23rd March low which led us to exit our position in the iShares Core FTSE 100 ETF.
- We took the opportunity to add exposure to US equities via the Conventum Lyrical Fund. The team is led by Andrew Wellington in New York and they follow a deep value philosophy across US equity markets. The portfolio trades on an extremely low valuation, both in absolute terms and relative to the broader market.
- Our position in the BlackRock World Mining Trust was exited in order to provide capital for other opportunities. The trust had delivered a 27% annualised return since the lows of early 2016, considerably outperforming wider equity markets.
- In specialist assets, we reduced our allocations to some renewables trusts in the portfolio taking advantage of their high premiums to net asset value and providing a source of capital for investments elsewhere.
- Following the increase to our holding in Syncona, their largest holding, Freeline, raised \$80m resulting in Syncona's share in the company being written up to £181.5m (an uplift of £30.8m).
- AEW signed a 15 year lease renewal at Standford House in Solihull with Secretary of State for Communities & Local Government as the tenant. The new lease is on a 30% uplift of rent and is also expected to result in a significant value increase, from the purchase price of £5.4m, when the portfolio is revalued.

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. Marston's	1.4 %
2. Phonenix Group Holdings	1.4 %
3. BT Group	1.4 %
4. Diversified Gas & Oil	1.4 %
5. OneSavings Bank	1.3 %

OVERSEAS EQUITIES	
1. CIM Dividend Income Fund	4.0 %
2. HMG Global Emerging Markets Equity Fund	2.1 %
3. Liontrust European Enhanced Income Fund	1.5 %
4. Prusik Asian Equity Income Fund	1.5 %
5. Morant Wright Fuji Yield Fund	1.2 %

FIXED INCOME	
1. Royal London Sterling Extra Yield Bond Fund	7.1 %
2. Royal London Short Duration High Yield Bond Fund	6.6 %
3. Absalon Emerging Markets Corporate Debt Fund	5.5 %
4. TwentyFour Select Monthly Income Fund	4.0 %
5. Muzinch Short Duration High Yield Bond Fund	3.3 %

SPECIALIST ASSETS	
1. Hipgnosis Songs Fund	2.4 %
2. Merian Chrysalis	2.3 %
3. Sequoia Economic Infrastructure	2.2 %
4. Fair Oaks Income	2.1 %
5. International Public Partnerships	2.0 %

KEY FACTS

Launch date	8 April 2002
Size	£147.58m
A Class month end price	80.71p
B (INC) Class month end price	98.22p
B (ACC) Class month end price	91.30p
N Class month end price	96.33p
Total holdings	61
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

CONTACT US

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

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

HELEN O'LOUGHLIN
Senior 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

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.

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