

# TB Wise Investment

MONTHLY EDITION, June 2014

All data as at 30 May 2014

IMA sector	Flexible
Launch date	1 Apr 2004
Fund value	£39.0m
Holdings	42
Valuation time	12pm
Fund Manager	Tony Yarrow

## PRICES

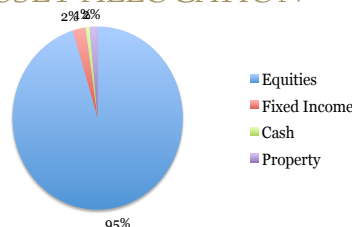
A Accumulation 212.87p

B Accumulation 227.64p

## TOP 10 HOLDINGS

Caledonia	9.0%
HG Capital	6.8%
British Empire	5.9%
Graphite Enterprise	5.3%
Better Capital (2012)	4.7%
RIT Capital	4.5%
Ecofin Water & Power	4.3%
JOHCM UK Opps	3.7%
Herald	3.7%
Investec UK Special Sits	3.7%
<b>Top 10 Total</b>	<b>51.6%</b>

## ASSET ALLOCATION



## SECTOR ALLOCATION

International	23.1%
Private Equity	22.9%
UK Growth	12.0%
UK Smaller Companies	4.5%
Specialist - Technology	4.3%
Specialist - Utilities	4.3%
Japan	4.1%
Asia	3.6%
USA	3.3%
Specialist - Energy	3.1%
Mining & Resources	2.8%
Emerging Markets	2.5%
UK Index-Linked Gilts	2.4%
Specialist - Alternative Energy	2.4%
Property	1.5%
UK Mega-Caps	1.0%
Other	1.6%
Cash	0.8%

The strong performance of financial markets during May was reflected in the performance of T.B. Wise Investment which rose 1.87% during the month (B Acc shares, 30th April to 30th May, source: Financial Express).

The fund looks to invest wherever we can find the best blend of quality and value. After a bull market in shares which is now more than five years old, it is pleasing that we are still able to find attractive pockets of value.

Value investors need to be patient, as value can remain overlooked for long periods. An example from the fund is the Ecofin Water & Power Opportunities trust, which at the time of writing (June 10th) has risen by 35% since the end of January, after several years of dull performance. Ecofin is an international utilities fund run by a specialist manager. Ecofin has a somewhat complex share structure, invests in a sector which has been unfashionable since the financial crisis, and owns a U.S. oil and gas exploration company called Lonestar, which adds a further element of risk. However, a combination of factors, including strong operational performance and the recent U.S. listing of Lonestar, has renewed investor interest in the fund. There are other holdings in T.B. Wise Investment which are as unloved as Ecofin was at the beginning of this year, which we hope may attract similar attention at some point.

T.B. Wise Investment is a top decile performer in the I.M.A. Flexible sector over one and five years, and second decile over three years. It continues to offer a diversified selection from the universe of investment trusts and unit trusts. The fund was launched in April 2004 at a price of £1.00. The latest fund price (June 9th) is £2.2866.

Tony Yarrow, Investment Manager

## FIVE YEAR PERFORMANCE



Past performance is not a reliable indicator of future performance

## CUMULATIVE PERFORMANCE<sup>+</sup>

	3 mth	6 mth	1 yr	3 yrs	5 yrs	Since launch*
TB Wise Investment B	+3.3%	+3.7%	+10.5%	+28.7%	+96.7%	+127.7%
IMA Flexible Sector	+1.1%	+2.1%	+3.8%	+16.7%	+59.3%	+89.9%

## DISCRETE ANNUAL PERFORMANCE<sup>+</sup>

	YTD	2013	2012	2011	2010	2009
TB Wise Investment B	+3.7%	+23.0%	+17.9%	-5.4%	+14.2%	+29.2%
IMA Flexible Sector	+1.5%	+14.0%	+10.1%	-8.6%	+14.9%	+23.2%

\*Launch - April 2004



Tony, a Cambridge graduate, founded Wise Investment in 1992 to provide investment advice and fund management to private clients. He started managing funds in 1988 and ran the successful Wise Investment Clients' Fund from inception in 1992 until the fund was subsumed by TB Wise Investment at its launch in 2004. Tony currently manages TB Wise Investment and TB Wise Income.

<sup>+</sup>All performance data used on this factsheet is total return, bid-to-bid, net of UK withholding tax, and sourced from Financial Express. The fund's main unit was changed to B shares on 1 December 2012 to comply with RDR regulation.

## B SHARES

SEDOL Codes

**B Acc Shares** 3427253

Minimum Lump Sum

**£1,000**

Initial Charge

**0%**

Investment Management Fee

**0.75% taken from capital**

Ongoing Charges Figure\*

(includes Investment Management Fee)

**1.39% taken from capital**

Regular Savings Option Available?

**Yes - minimum £50 per month**

## A SHARES (LEGACY CLASS)

SEDOL Codes

**A Acc Shares** 3427242

Minimum Lump Sum

**£1,000**

IFA Legacy Trail Commission

**0.65% p.a.**

Investment Management Fee

**0.75% p.a.**

Ongoing Charges Figure\*

(includes IFA commission and investment management fee)

**2.04% p.a. taken from capital**

Regular Savings Option Available?

**Yes - minimum £50 per month**

\*The Ongoing Charges Figure is based on the expenses incurred by the fund for the 12 months ended 28th February 2013. The figure may vary year to year.

## WISE INVESTMENT: FUND ATTRIBUTES

- Aims to provide returns that beat the UK market and a good building society account over the medium and long-term (3-5 years plus)
- Portfolio of c40 funds and investment trusts
- Focus on high-quality funds and investment trusts investing in out-of-favour areas
- Preference for fund managers with a disciplined, easy-to-understand investment process
- Low portfolio turnover
- Minimum of 10% in overseas shares

## HOW TO INVEST

Wise Investment is available as an OEIC and is also suitable to include in stocks and shares ISAs. You can buy shares in the fund by visiting [www.tbaily.co.uk/wise](http://www.tbaily.co.uk/wise); by telephoning the TB Wise Investor Dealing Line on 0115 988 8258 (open business days between 9am and 5pm); or through various third parties including Cofunds, Skandia, Axa Winterthur, Axa Elevate and Standard Life.

## CONTACT US

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Authorised Corporate  
Director & Administrator  
T. Bailey Fund Managers Ltd  
(see [www.tbaily.co.uk/wise](http://www.tbaily.co.uk/wise))

Wise  Funds

## RISK WARNINGS

Full details of the TB Wise Funds, including risk warnings, are published in the TB Wise Funds Prospectus, the TB Wise Supplementary Information Document (SID) and the TB Wise Key Investor Information Documents (KIIDs) which are available on request and at [www.wiseinvestment.co.uk](http://www.wiseinvestment.co.uk). The TB Wise Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested. Capital appreciation in the early years will be adversely affected by the impact of initial charges and you should therefore regard your investment as medium-to-long term. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. Wise Investments Limited is authorised and regulated by the Financial Conduct Authority, No. 230553. T. Bailey Fund Managers Limited is authorised and regulated by the Financial Conduct Authority, No. 190293.

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