

## Seneca Global Income & Growth Trust plc

February 2017



### Research area

Asset allocation  
UK equities  
Specialist assets  
Fixed income  
Global equity & investment themes

### Investment team

Peter Elston - chief investment officer \*  
Mark Wright - fund manager  
Richard Parfect - fund manager  
Alan Borrows - senior fund manager \*  
Tom Delic - assistant fund manager

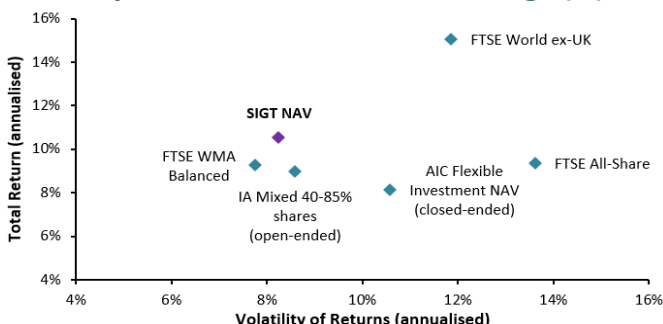
\* Named fund managers

### Investment objective

The company's investment objective is to seek to outperform 3 month LIBOR plus 3.0 per cent over the longer term, with low volatility and the prospect of income and capital growth, through investment in a multi-asset portfolio.

The manager takes active allocation decisions within defined ranges. These tactical moves are made through a combination of direct investment and commitments to third party funds, both open and closed end.

### Volatility vs return since mandate change (%)



Source: Cantor, Morningstar & Financial Express from mandate change 18.01.2012 until 31.01.2017. Performance & Volatility vs. comparative indices (FTSE World, FTSE WMA Balanced, AIC Flexible Investment Sector and FTSE All Share)

### Commentary

- The US dollar declined sharply in January and ended the month around 4% below its late December high
- The fall was attributed largely to US politics which saw newly crowned president Donald Trump follow through on some of his controversial campaign promises in relation to immigration
- Inflation expectations continued to rise, particularly in the UK
- The fund remains overweight equities, though we did shift targets away slightly from Europe ex UK to UK in light of sterling's decline since Brexit as well as concerns about EU politics
- The holding in One Savings Bank was added to on price weakness to build the position to its full target weighting
- BT Group shocked the market by revealing false accounting practises within its Italian business. We felt the sharp share price fall was an overreaction, given that this should be an isolated issue and took the opportunity to add to the holding at a yield close to 5%
- European Assets Trust, Invesco Perpetual European Equity Income Fund and Liontrust European Enhanced Income Fund were reduced, following a decrease in the tactical asset allocation for European equities
- Emerging market debt exposure was increased with a further purchase of the Templeton Emerging Markets Bond Fund
- Ranger Direct Lending Fund was reduced, due to concerns over the operation of one of the lending platforms used by the company

Cumulative performance (%)	3 months	6 months	1 year	3 years	Since 18.01.2012
Trust share price (bid)	2.0	9.3	18.2	36.8	93.0
Trust NAV	1.6	8.1	18.6	28.0	64.2
Benchmark	0.9	1.7	3.5	11.2	19.7

Discrete annual performance (%)	31.01.2017	31.01.2016	31.01.2015	31.01.2014	31.01.2013
Trust share price (bid)	18.2	8.2	7.1	13.9	22.5
Trust NAV	18.6	0.1	7.8	9.1	16.5
Benchmark	3.5	3.6	3.6	3.6	3.8

Sources: Personal Assets Trust Administration Company Limited. Share prices calculated on a total return basis with net dividends reinvested. NAV returns based on NAVs excluding income and with debt valued at par. Returns do not include current year revenue. Benchmark: composite index 8% pa to 18.01.2012 thereafter LIBOR GBP 3 Months +3%. Launch date 19.08.2005  
Past performance should not be seen as an indication of future performance. The information on this factsheet is as at 31.01.2017 unless otherwise stated. The value of investments and any income may fluctuate and investors may not get back the full amount invested. .

Morningstar  
Rating  
3 Year

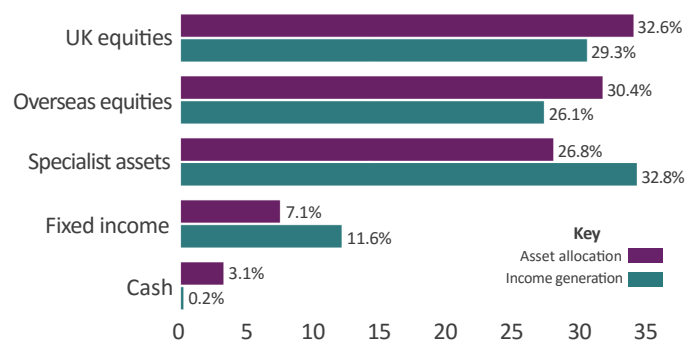


Morningstar  
Rating  
5 Year



# Seneca Global Income & Growth Trust plc

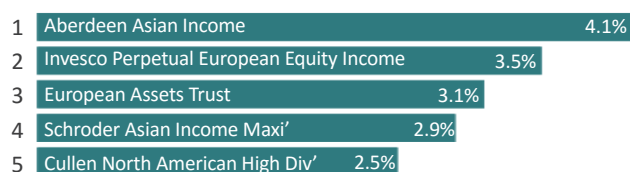
## Asset allocation & income generation (%)



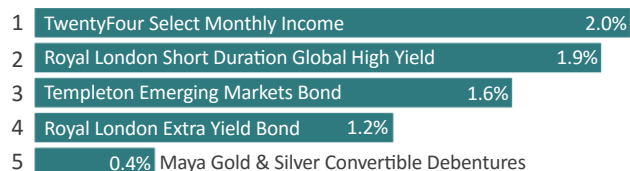
### UK direct equities



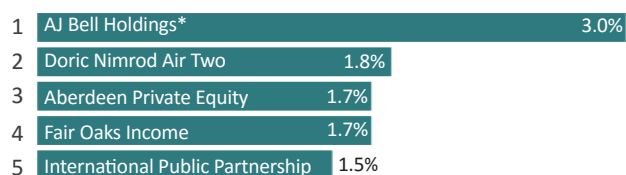
### Overseas equities



### Fixed income



### Specialist assets



\* Unquoted investment

Source: Seneca IM

## Dividend payments

	2014	2015	2016	2017
March	1.34p	1.40p	1.47p	1.52p
June	1.40p	1.47p	1.52p	1.52p*
September	1.40p	1.47p	1.52p	tba
December	1.40p	1.47p	1.52p	tba

\*Dividend note: Minimum, as stated in RNS dated 08.02.2017

Source: Bloomberg / RNS

## Key facts

Current dividend yield*	3.80%
Total gross assets	£70.0m
Debt	£ 7.0m
Total net assets <sup>1</sup>	£63.0m
Gearing <sup>2</sup>	11.1%
NAV with income	160.41p
Share price (mid)	160.62p
Premium (discount)	0.1%
Ongoing charges <sup>3</sup>	1.60%
Results to be announced	Final: June Interim: December
Year end	30 April
Next AGM	July 2017
Bloomberg	SIGT LN
SEDOL	0876999
Financial Times	Investment companies
AIC sector	Flexible Investment
ISA eligible	Yes, the trust is fully ISA eligible

1. Excl. current period revenue and debt 2. Gearing is the proportion of the company's debt to its total net assets 3. Based on expenses as at 30.04.2016. Annual Investment Management Fee. Based on Market Cap (from 01.07.2014): below £50m = 0.90%. above £50m = 0.65%  
Source: PATAC, Seneca IM

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## Important information

Current yield\*: the yield calculation is based on the next four dividends anticipated, compared against the month end share price.

The income generation % is calculated according to a forecast for the next twelve months and is not guaranteed.

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## Multi-Asset Value Investing