

LF Seneca Diversified Growth Fund

Month end April 2018

For retail investors only



Research area

Asset allocation
UK equities
Specialist assets
Fixed Income & Overseas equity

Investment team

Peter Elston - chief investment officer
Mark Wright - fund manager*
Richard Parfect - fund manager
Tom Delic - fund manager *

* Portfolio oversight (process implementation, cash and cashflow management)

Investment aim

To generate long term capital growth 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 and specialist assets held through third party funds.

5 year performance chart (%)



Commentary

- Weaker than expected inflation and growth data in the UK caused sterling and the probability of a May rate hike to fall.
- Bank of England governor Mark Carney also commented that Brexit uncertainty may also delay interest rate hike.
- Gilt yields had risen earlier in the month but fell back following the aforementioned data releases and Carney's comments.
- Equity markets generally rose while the US dollar also continued to recover from February lows.
- Essentra delivered a good Q1 trading update. The Components division was strong across all geographies, whilst both the Filters and Packaging divisions are stabilising.
- Senior reported an in-line trading update. 2017 should prove to be a year in which profit margins troughed. Order books are strong for both the Flexonics and larger Aerospace division.
- Added to the HMG Global Emerging Markets Equity Fund which was below our target weight.
- Due to an attractive relative valuation against other REITs investing on a similar basis we added to the holding of AEW UK REIT which was trading around NAV.
- We participated in the further capital raise of Primary Health Properties which is expanding its portfolio of health centres in Ireland and the UK.
- We received the capital on the planned wind up of Aberdeen Private Equity Fund.

Cumulative performance (%)	3 months	6 months	1 year	3 years	5 years	Since launch
LF Seneca Diversified Growth Fund	-1.4	-0.5	7.0	22.5	44.8	179.3
IA Mixed Investment 40-85% Shares	-1.2	-0.1	4.8	18.9	38.5	139.6

Discrete annual performance (%)	30.04.2018	30.04.2017	30.04.2016	30.04.2015	30.04.2014
LF Seneca Diversified Growth Fund	7.0	19.1	-3.8	10.6	6.9
IA Mixed Investment 40-85% Shares	4.8	16.7	-2.8	10.8	5.1

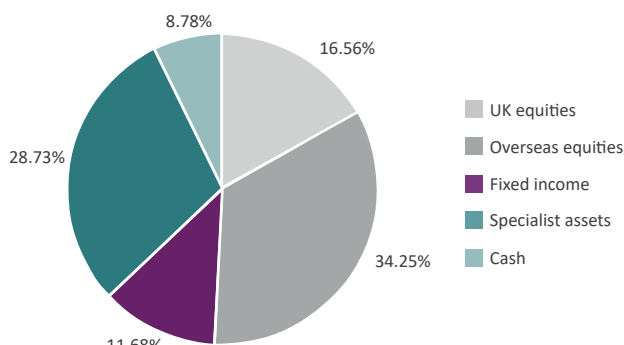
Source for all performance data: FE Analytics. Basis: Bid to bid, net income reinvested and net of fees in UK Sterling terms. The information on this factsheet is as at 30.04.2018 and refers to the 'B' share class with the exception of performance prior to 26.03.2012 which is calculated using the 'A' share class, unadjusted for the lower fees of the 'B' share class.

Past performance is not a guide to future returns. The value of investments and any income may fluctuate and investors may not get back the full amount invested.



LF Seneca Diversified Growth Fund

Asset breakdown



Source: Seneca IM

Top five holdings

UK Direct Equities*	
1. Marston's	1.1%
2. OneSavings Bank	1.1%
3. BT Group	1.0%
4. Kier Group	1.0%
5. Ultra Electronics Holdings	0.9%

Overseas Equities	
1. Invesco Perpetual European Equity Income Fund	5.9%
2. Goodhart Michinori Japan Equity Fund	5.2%
3. HMG Global Emerging Markets Equity Fund	4.3%
4. Samarang Asian Prosperity Fund	3.9%
5. Prusik Asian Equity Income Fund	3.5%

Fixed Income	
1. Royal London Short Duration Global High Yield Bond Fund	4.3%
2. Royal London Sterling Extra Bond Fund	2.9%
3. TwentyFour Select Monthly Income Fund	2.4%
4. Templeton Emerging Markets Bond Fund	2.0%
5. N/A	

Specialist Assets	
1. AJ Bell Holdings Limited ¹	3.9%
2. International Public Partnership	2.6%
3. Doric Nimrod Air Two	2.2%
4. Fair Oaks Income Fund	2.0%
5. Sequoia Economic Infrastructure	1.5%

* Investment may also be made in UK equities via other third party funds.

¹ Unquoted investment Source: Link Fund Solutions

Key facts

Launch date	8 April 2002
Size	£116.65m
A Class month end price	271.13p
B Class month end price	162.94p
N Class month end price	160.38p
Total holdings	59
IA sector	Mixed Investment 40-85% shares
Share type	Accumulation only
Valuation point	12:00 midday

Share class info	A	B	N
OCF*	1.88%	1.23%	1.48%
Min lump sum	£3,000	£100,000	£1,000
Min reg saver	£50	-	£50
ISIN	GB0031467631	GB00B7FPW579	GB00B7FW0099
SEDOL	3146763	B7FPW57	B7FW009

* Based on expenses as at 30.09.2017

Contact us

Steve Hunter - head of business development
D 0151 906 2481 M 07470 478 974 E steve.hunter@senecaim.com

Helen O'Loughlin - business development consultant
D 0151 906 2483 M 07789 745 214 E helen.oloughlin@senecaim.com

Dawn Morris - marketing manager
T 0151 906 2477 E dawn.morris@senecaim.com

David Thomas - chief executive
D 0151 906 2480 M 07469 392 164 E david.thomas@senecaim.com

Seneca dealing line – Link Fund Solutions
T 0345 608 1497

Important information

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 Link Fund Solutions, the Authorised Corporate Director of the Fund (0345 608 1497). 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.

Ratings: Morningstar Rating™ as of 30.04.03.2018 copyright © 2018 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 30.04.2018 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. FP18/139

Seneca Investment Managers Limited

Tenth Floor, Horton House, Exchange Flags, Liverpool, L2 3YL

T 0151 906 2450 E info@senecaim.com W senecaim.com

Multi-Asset Value Investing