

LF Seneca Diversified Growth Fund

For retail investors only

Month end August 2018



Research area

Asset allocation
UK equities
Specialist assets
Fixed Income & Overseas Eq (EM)
Fixed Income & Overseas Eq (Dev)

Investment team

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

- The Bank of England, as expected, raised the Base Rate from 0.5% to 0.75%.
- Despite this, sterling was weak due to Brexit related concerns, though it did strengthen towards the end of the month.
- Emerging country currencies and financial markets continued in general to come under pressure as a result of problems faced by Argentina and Turkey, as well the strong dollar and trade concerns.
- There were no asset allocation target changes in August.
- Polypipe delivered a resilient set of interim results, against a backdrop of mixed market conditions. Second half trading has started well.
- Essentra returned to profit growth for the first time since 2015, as the company's recent transformation starts to bear fruit.
- No activity in Overseas Equities.
- Participated in new issue of equity by the TwentyFour Select Monthly Income Fund. The manager is seeing additional opportunities across the corporate bond market.
- We finalised the exit from Civitias Social Housing.
- Listed infrastructure assets benefited from a recommended cash offer for John Laing Infrastructure which has had a positive read across to International Public Partnerships and John Laing Environmental Assets in terms of potential valuation and attractions from overseas investors.

Cumulative performance (%)	3 months	6 months	1 year	3 years	5 years	Since launch
LF Seneca Diversified Growth Fund	0.5	1.1	2.2	30.7	45.5	182.0
IA Mixed Investment 40-85% Shares	1.6	4.0	4.8	30.5	42.9	148.1

Discrete annual performance (%)	31.08.2018	31.08.2017	31.08.2016	31.08.2015	31.08.2014
LF Seneca Diversified Growth Fund	2.2	17.9	8.4	2.4	8.7
IA Mixed Investment 40-85% Shares	4.8	10.6	12.6	1.5	7.8

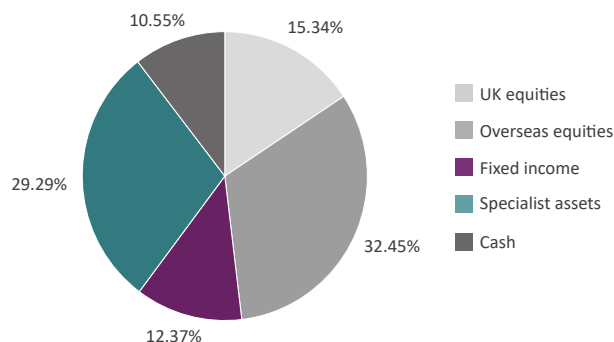
Source for all performance data: FE Analytics. Basis: Bid to bid, net income reinvested and net of fees in UK Sterling terms. The information on this factsheet is as at 31.08.2018 and refers to the 'B' share class with the exception of performance prior to 26.03.2012 which is calculated using the 'A' 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. OneSavings Bank	1.1%
2. Marston's	1.0%
3. BT Group	1.0%
4. Kier Group	0.9%
5. Marks & Spencer	0.9%

Overseas Equities	
1. Invesco Perpetual European Equity Income Fund	5.6%
2. Goodhart Michinori Japan Equity Fund	5.3%
3. HMG Global Emerging Markets Equity Fund	4.3%
4. Samarang Asian Prosperity Fund	3.9%
5. Prusik Asian Equity Income Fund	3.4%

Fixed Income	
1. Royal London Short Duration Global High Yield Bond Fund	5.1%
2. Royal London Sterling Extra Yield Bond Fund	2.9%
3. TwentyFour Select Monthly Income Fund	2.5%
4. Templeton Emerging Markets Bond Fund	1.9%
5. N/A	

Specialist Assets	
1. AJ Bell Holdings Limited ¹	3.8%
2. International Public Partnership	2.7%
3. Doric Nimrod Air Two	2.2%
4. Fair Oaks Income Fund	2.0%
5. UK Mortgages Ltd	1.7%

* 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	£119.57m
A Class month end price	273.15p
B Class month end price	164.51p
N Class month end price	161.79p
Total holdings	55
IA sector	Mixed Investment 40-85% shares
Share type	Accumulation only
Valuation point	12:00 midday

Share class info	A	B	N
OCF*	1.89%	1.24%	1.49%
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 31.03.2018

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Important information

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Multi-Asset Value Investing