

LF Seneca Diversified Growth Fund

For retail investors only

Month end November 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, specialist assets and managed liquidity** held through third party funds.

5 year performance chart (%)



Commentary

- Brexit related news dominated events, with a number of key resignations following the PM's presentation to Parliament of her Withdrawal Agreement that she had agreed with Brussels.
- Equity markets remained soggy, though at the end of the month hopes were raised of positive developments on the trade front at the G20 summit.
- After having fallen in October, developed market safe haven bond yields and the oil price continued to slide.
- Marks & Spencer announced interim results that were ahead of expectations. Cash generation was strong, but the outlook statement was cautious.
- Morgan Advanced Materials released a positive trading update. Revenue growth has been 7% during the first 10 months of the year.
- A small addition was made to European Assets Trust, which trades at one of its steepest discounts to net asset value in recent years.
- We participated in the launch of Merian Chrysalis Investment Company to gain exposure to late-stage pre-initial public offering companies as attractive well performing private companies are deciding to remain private for longer.
- A J Bell Holdings announced the price range of its imminent initial public offering. The planned valuation will result in a material uplift in value for this long term unlisted investment.

Cumulative performance (%)	3 months	6 months	1 year	3 years	5 years	Since launch
LF Seneca Diversified Growth Fund	-2.1	-1.7	-0.7	24.7	35.2	175.9
IA Mixed Investment 40-85% Shares	-4.5	-3.0	-1.0	20.9	31.5	136.8

Discrete annual performance (%)	30.11.2018	30.11.2017	30.11.2016	30.11.2015	30.11.2014
LF Seneca Diversified Growth Fund	-0.7	16.2	8.0	5.5	2.7
IA Mixed Investment 40-85% Shares	-1.0	11.3	9.7	2.6	6.1

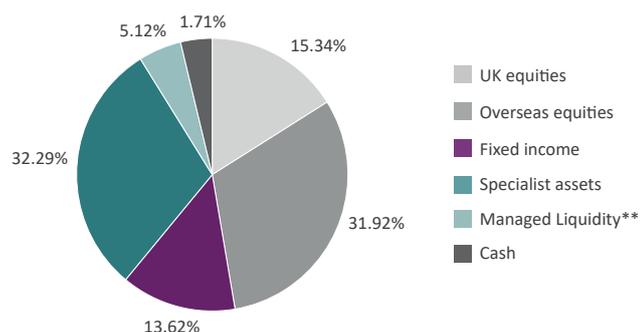
Source for all performance data: FE Analytics. Basis: Bid to bid, net income reinvested and net of fees in UK Sterling terms. The information on this factsheet is as at 30.11.2018 and refers to the 'B' share class with the exception of performance prior to 26.03.2012 which is calculated using the 'A' 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. BT Group	1.0%
3. OneSavings Bank	0.9%
4. Marks & Spencer	0.9%
5. Dairy Crest Group	0.9%

Overseas Equities

1. Invesco Perpetual European Equity Income Fund	4.9%
2. Goodhart Michinori Japan Equity Fund	4.8%
3. HMG Global Emerging Markets Equity Fund	4.7%
4. Samarang Asian Prosperity Fund	3.8%
5. Prusik Asian Equity Income Fund	3.4%

Fixed Income

1. Royal London Short Duration Global High Yield Bond Fund	6.0%
2. Royal London Sterling Extra Yield Bond Fund	2.9%
3. TwentyFour Select Monthly Income Fund	2.5%
4. Templeton Emerging Markets Bond Fund	2.1%
5. N/A	

Specialist Assets

1. AJ Bell Holdings Limited ¹	4.4%
2. International Public Partnership	2.8%
3. Doric Nimrod Air Two	2.5%
4. Sequoia Economic Infrastructure	2.2%
5. Merian Chrysalis Investment Company	2.1%

* Investment may also be made in UK equities via other third party funds.
Source: Seneca IM

Key facts

Launch date	8 April 2002
Size	£116.70m
A Class month end price	266.87p
B Class month end price	160.99p
N Class month end price	158.22p
Total holdings	56
IA sector	Mixed Investment 40-85% shares
Share type	Accumulation only
Valuation point	12:00 midday

Share class info	A	B	N
OCF*	1.87%	1.22%	1.47%
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 30.09.2018

Contact us

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¹ Unquoted Investment. The AJ Bell valuation is shown at pre initial public offering (IPO) carrying valuation, as at end November. The company subsequently underwent an IPO, 07.12.2018

Important information

**Managed Liquidity is a term used to describe assets that can be quickly converted into cash. This category includes investments in open ended funds which invest in short dated corporate bonds and covered bonds (these will have a minimum credit rating of AA-) and money market instruments (these will have a minimum credit rating of A). These funds offer very low risk exposure to interest rate, credit spread and currency risks.

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Multi-Asset Value Investing