

LF Seneca Diversified Growth Fund

For retail investors only

Month end February 2019



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

- Global equity markets in general rose in February, building further on their strong performance the previous month.
- A more dovish stance from the Federal Reserve in relation to interest rate hikes this year as well as the end of balance sheet reduction also buoyed markets.
- Increased likelihood of a Brexit delay saw sterling rally hard.
- The Board of Dairy Crest recommended an all cash offer by Canadian based Saputo which was at a 34% premium to the 90 day volume weighted average price.
- Marks & Spencer announced it was entering into a JV with Ocado that should help accelerate growth. A rights issue will provide the financing. The dividend was also re-based.
- Britvic was reduced, following a strong re-rating in the shares over the last 12 months.
- Reductions were made to European Assets Trust and Invesco Perpetual European Equity Income Fund, in order to bring in line with target weights.
- We participated in the placing of extra shares of Greencoat UK Wind PLC at 127p.
- The news of Airbus planning to cease production of the A380 saw the shares of DNA2 retreat. However we have added to the holding as we feel the operational future of the aircraft is unaffected.

Cumulative performance (%)	3 months	6 months	1 year	3 years	5 years	Since launch
LF Seneca Diversified Growth Fund	7.0	4.7	5.8	39.6	41.5	195.2
IA Mixed Investment 40-85% Shares	0.7	-3.9	-0.1	24.8	30.2	138.4

Discrete annual performance (%)	28.02.2019	28.02.2018	28.02.2017	29.02.2016	28.02.2015
LF Seneca Diversified Growth Fund	5.8	9.9	20.1	-4.5	6.1
IA Mixed Investment 40-85% Shares	-0.1	5.4	18.6	-3.6	8.2

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 28.02.2019 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.



