

**VT SENECA DIVERSIFIED INCOME FUND**  
 MONTH END NOVEMBER 2020  
 FOR RETAIL INVESTORS ONLY

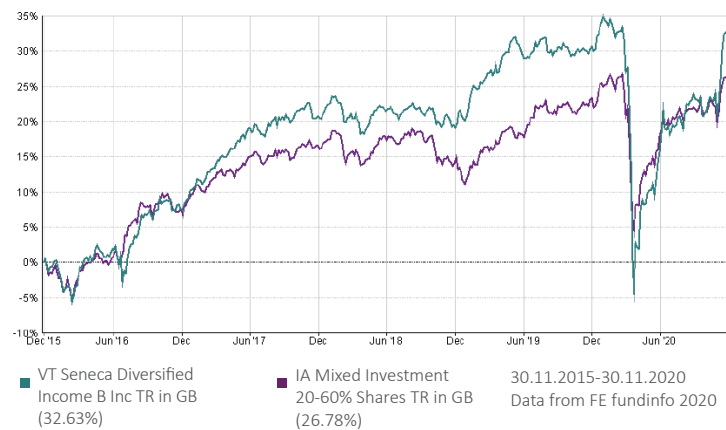
**INVESTMENT AIM**

To generate a high level of income with the prospect of maintaining the real value of capital over the long term, 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.

**INCOME (B INC SHARECLASS ONLY)**

Historic Net Yield	5.3% <sup>1</sup>
Distributions	Monthly

**FIVE YEAR PERFORMANCE CHART (%)**



CUMULATIVE PERFORMANCE (%)	1 month	3 months	6 months	1 year	3 years	5 years	Since Launch
VT Seneca Diversified Income Fund Inc	9.6	7.0	14.6	1.5	9.8	32.6	141.5
VT Seneca Diversified Income Fund Acc**	9.6	7.0	14.6	1.6	n/a	n/a	n/a
IA Mixed Investment 20-60% Shares	5.8	4.1	7.4	2.8	8.9	26.8	122.0

DISCRETE ANNUAL PERFORMANCE (%)	30 Nov 2020	30 Nov 2019	30 Nov 2018	30 Nov 2017	30 Nov 2016
VT Seneca Diversified Income Fund Inc	1.5	9.6	-1.4	12.2	7.6
VT Seneca Diversified Income Fund Acc**	1.6	n/a	n/a	n/a	n/a
IA Mixed Investment 20-60% Shares	2.8	7.7	-1.7	8.3	7.5

\*\*The VT Seneca Diversified Income Fund Accumulation Shareclass was launched in Oct 2019

Cumulative & Discrete figures are sourced from 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 30.11.2020 and refers to the 'B' Inc 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' Inc share class.

RESEARCH AREA	INVESTMENT TEAM
UK Equities	Mark Wright- Fund Manager
Specialist Assets	Richard Parfect- Fund Manager*
Fixed Income & Overseas Eq (EM)	Tom Delic- Fund Manager*
Fixed Income & Overseas Eq (Dev)	Gary Moglione- Fund Manager

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

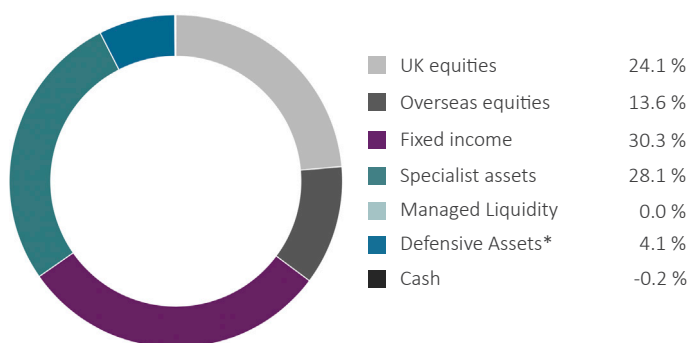
**COMMENTARY**

- The announcement of vaccines that are effective against the virus drove a risk-on sentiment in markets as investors rotated their capital to riskier assets, adding fuel to the post-US election rally.
- The spotlight is now on how quickly these vaccines can be manufactured and distributed on mass scale.
- November saw a reduction in our holding in Halfords. The company had a strong run bringing the shares to trade closer to our intrinsic value than other UK equity holdings in the portfolio.
- We also reduced our holding in Phoenix Group. With strong performance over recent months, the shares traded close to an all time high, consequently the dividend yield was close to an all time low.
- Following our internal asset allocation meeting during the month, we increased our rating of the Japanese equity market, moving it to a recommended overweight position leading us to add to the Morant Wright Fuji Yield Fund. Their portfolio is valued at a price-to-book ratio of 0.7x, delivering a well-covered dividend yield of 4.1%
- During the month we participated in the Initial Public Offering of the Round Hill Music Royalty Fund, an investment we think is complementary to the holding in Hipgnosis.
- Our holding in Assura plc was exited following their strong interim results. With the shares on a 37% premium and a 3.9% prospective dividend yield, we felt that capital should be deployed into alternative opportunities offering more value.
- LondonMetric published a very strong set of results, demonstrating a high level of performance from good quality assets and a willingness to rotate assets that have inferior prospects versus the rest of the portfolio and new opportunities. We opportunistically sold into the high premium but we remain positive on the REIT and its management team.

Your capital is at risk. Past performance should not be seen as an indication of future performance. The value of investments and any income may fluctuate and investors may not get back the full amount invested.



## ASSET BREAKDOWN



Source: Seneca IM

Short-term negative cash positions are not displayed on the pie chart above.

## TOP FIVE HOLDINGS

UK EQUITIES		
1.	Diversified Gas & Oil Plc	1.5 %
2.	Legal & General Group Plc	1.5 %
3.	Marston's Plc	1.4 %
4.	BT Group Plc	1.4 %
5.	OneSavings Bank Plc	1.3 %

OVERSEAS EQUITIES		
1.	CIM Dividend Income Fund	3.5 %
2.	Morant Wright Fuji Yield Fund	2.4 %
3.	HMG Global Emerging Markets Equity Fund	2.2 %
4.	Liontrust European Enhanced Income Fund	1.6 %
5.	Prusik Asian Equity Income Fund	1.5 %

FIXED INCOME		
1.	Royal London Sterling Extra Yield Bond Fund	9.1 %
2.	Royal London Short Duration High Yield Bond Fund	6.2 %
3.	Absalon Emerging Markets Corporate Debt Fund	5.3 %
4.	TwentyFour Select Monthly Income Fund	4.1 %
5.	Muzinich Short Duration High Yield Bond Fund	3.5 %

SPECIALIST ASSETS		
1.	Merian Chrysalis	2.3 %
2.	Fair Oaks Income Ltd	2.3 %
3.	Ediston Property	2.0 %
4.	International Public Partnerships	1.9 %
5.	Sequoia Economic Infrastructure	1.9 %

## IMPORTANT INFORMATION

\*Defensive assets have reduced/negative correlation to equity markets to provide a more defensive element during times of stress. Defensive assets consists of a variety of investments such as gold\*\*, government bonds, short ETFs and managed futures strategies. \*\* Exposure to physical gold is achieved through investments in exchange traded certificates (ETC) which aim to provide the performance of gold, as measured by the LBMA Gold Price (PM), which is a recognised benchmark for gold. A Gold ETC is a certificate which is secured by gold bullion, held within the vaults of a nominated custodian.

1. The Historic Yield reflects distributions declared over the past twelve months as a percentage of the unit price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. A portion of the fund's expenses are charged to Capital. This has the effect of increasing the distribution(s) for the year and constraining the fund's capital performance to an equivalent extent.

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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. All calls are recorded. Your capital is at risk.

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## KEY FACTS

Launch date	8 April 2002
Size	£147.64m
A Class month end price	88.17p
B (INC) Class month end price	107.59p
B (ACC) Class month end price	102.09p
N Class month end price	105.41p
Total holdings	62
IA sector	Mixed Investment 20-60% shares
Share type	Monthly income only
Valuation point	12:00 midday

SHARE CLASS INFO	A	B (INC)	B (ACC)	N
OCF***	1.74%	1.09%	1.09%	1.34%
Min lump sum	£3,000	£100,000	£100,000	£1,000
Min reg saver	£50	-	-	£50
ISIN	GB0031467961	GB00B7JTF560	GB00BKV4HY34	GB00B61Y0911
SEDOL	3146796	B7JTF56	BKV4HY3	B61Y091

\*\*\*Based on expenses and the net asset value as at 31.05.2020

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