

# TB WISE INCOME

## Monthly Factsheet

all data as at 31 December 2014



## Wise Funds

### MANAGER COMMENTARY

December was another volatile month. The FTSE-100 index ended down 1.29%, after being down 7.0% briefly in mid-month. TB Wise Income ended the month 0.6% lower, compared to a loss of 0.4% for the IA Flexible sector average. The fund's underperformance of the sector average is due to our lack of holdings in the US, where yields are low and asset prices look rather high.

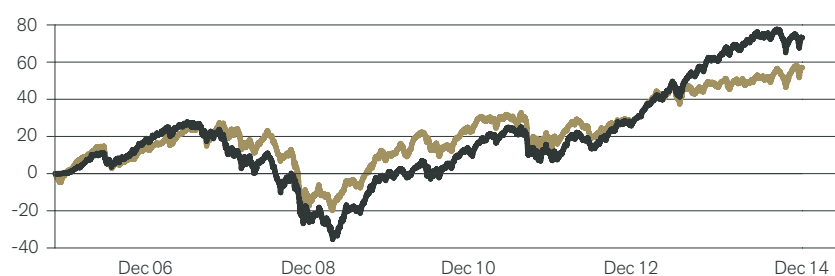
For 2014 overall, the fund made a total return of 4.7%, comprised of the yield and a small capital loss. Wise Income's volatility continues to be much lower than that of the stock market.

Cash in the fund had been raised to 10%, which was helpful during the sell-off. Market weakness allowed us to add to holdings selectively, while retaining a higher than usual level of cash, currently 6.4%, as it is not yet clear that the period of volatility has ended.

Investors remain focussed on macro themes, and see falling oil prices as worryingly indicative of a lack of growth, rather than as a welcome stimulus for consumers. While aware of the macro themes, we continue to look for value across our investable universe. On the whole, we are seeing more value in shares, less in commercial property than there was, and much less in fixed interest. The fund's asset allocation reflects these views.

Wise Income's income yield is 5.1%, as at January 8th. The fund owns some significantly undervalued assets, and we hope to see at least some of that value realised in the year ahead.

### PERFORMANCE SINCE LAUNCH (%)



### CUMULATIVE PERFORMANCE

	3 Months	6 Months	1 Year	3 Years	5 Years	Launch <sup>2</sup>
■ Fund <sup>1</sup>	-0.2	-0.4	5.4	57.5	70.2	72.8
■ Sector	2.6	3.7	4.9	32.3	38.4	56.9
Rank in sector	127/135	129/135	62/130	3/115	4/93	21/58
Quartile	4	4	2	1	1	2

### DISCRETE ANNUAL PERFORMANCE

	31.12.13	31.12.12	31.12.11	31.12.10	31.12.09
	31.12.14	31.12.13	31.12.12	31.12.11	31.12.10
■ Fund <sup>1</sup>	5.4	25.3	19.3	-5.6	14.5
■ Sector	4.9	14.5	10.1	-8.7	14.6

All performance data used on this factsheet is total return, bid-to-bid, net of UK dividend tax credit, and sourced from Financial Express.

The fund's main unit was changed to B shares on 1 December 2012 to comply with RDR regulation.

1. TB Wise Income B Inc

2. From launch date: 3 October 2005

Past performance is not a reliable indicator of future performance.

### FUND ATTRIBUTES

- ✓ One-stop shop<sup>1</sup> for investors looking for an attractive level of income from a wide variety of assets
- ✓ Aims to provide a starting income comparable to a good building society account and income and capital growth over time
- ✓ Quarterly dividend distribution
- ✓ Portfolio of 30-40 funds, investment trusts, shares and fixed income securities
- ✓ Focus on high-quality assets in out-of-favour areas.
- ✓ Low portfolio turnover

### FUND MANAGER



#### Tony Yarrow - Portfolio Manager

Tony, a Cambridge graduate, founded Wise Investment in 1992 to provide investment advice and fund management to private clients. He started managing funds in 1988 and ran the successful Wise Investment

Clients' Fund from inception in 1992 until the fund was subsumed by TB Wise Investment at its launch in 2004. Tony currently manages TB Wise Investment and TB Wise Income.

### KEY DETAILS

IMA sector	Flexible
Launch date	3 October 2005
Fund value	£51.0 million
Holdings	44
Historic yield <sup>3</sup>	5.28%
Div ex dates	1 Mar, Jun, Sep, Dec
Div pay dates	end Apr, Jul, Oct, Jan
Valuation time	12pm

3. The historic yield reflects distributions over the past 12 months as a percentage of the price of the B share class as at the date shown. It does not include any initial charge and investors may be subject to tax on their distributions.

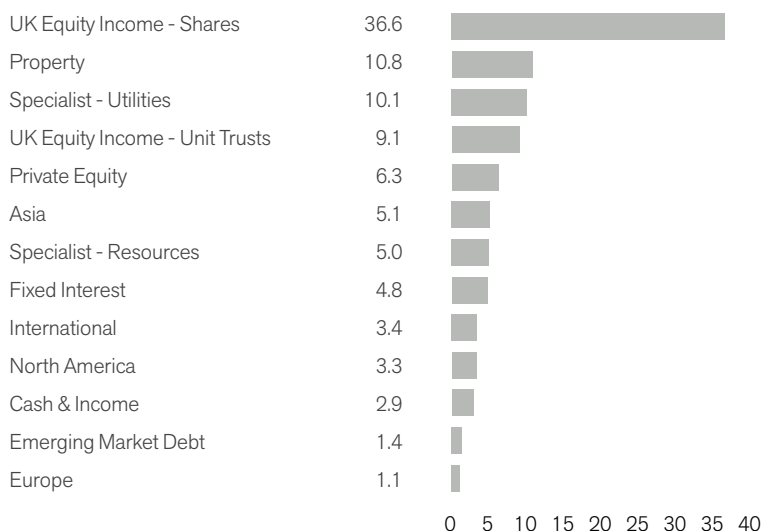
### SHARE PRICES(PENCE)

Share Class	SEDOL	Price
B Inc	B0LJ016	105.73
B Acc	B0LJ1M4	172.81
A Inc	B0LHRT7	99.95
A Acc	B0LHXD3	162.79

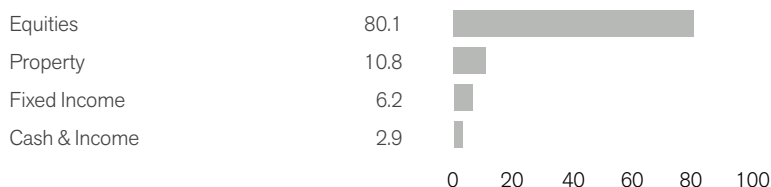
## PORTFOLIO ANALYSIS



### SECTOR ALLOCATION (%)



### ASSET ALLOCATION (%)



### B SHARES (CLEAN CLASS)

SEDOL Codes	Acc: B0LJ1M4	Inc: B0LJ016
Minimum Lump Sum	£1,000	
Initial Charge	0%	
Investment Management Fee	0.75% taken from capital	
Ongoing Charges Figure	1.34% taken from capital	
Regular Savings Option Available?	Yes - minimum £50 per month	

### A SHARES (LEGACY CLASS)

SEDOL Codes	Acc: B0LHXD3	Inc: B0LHRT7
Minimum Lump Sum	£1,000	
Initial Charge	0%	
IFA Legacy Trail Commission	0.65% p.a.	
Investment Management Fee	0.75% taken from capital	
Ongoing Charges Figure	1.98% p.a. taken from capital	
Regular Savings Option Available?	Yes - minimum £50 per month	

### TOP TEN HOLDINGS (%)

Princess Private Equity	4.8
JO Hambro UK Equity Inc	4.6
Bluefield Solar Income	4.6
F&C UK REIT	4.5
GlaxoSmithKline	4.0
Kier Group	3.9
Standard Life Property	3.6
HSBC	3.5
Blackrock World Mining	3.5
RWC Enhanced Income	3.5
<b>Total</b>	<b>40.5</b>

### HOW TO INVEST

Wise Income is available as an OEIC and is also suitable to include in stocks and shares ISAs. You can buy shares in the fund by visiting [www.tbailey.co.uk/wise](http://www.tbailey.co.uk/wise); by telephoning the TB Wise Investor Dealing Line on 0115 988 8258 (open business days between 9am and 5pm); or through various third parties including Cofunds, Skandia, Axa Winterthur, Axa Elevate and Standard Life.

### CONTACT US

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**0845 803 3433**

[www.wiseinvestment.co.uk](http://www.wiseinvestment.co.uk)

Authorised Corporate Director & Administrator:  
T. Bailey Fund Managers Ltd ([www.tbailey.co.uk/wise](http://www.tbailey.co.uk/wise))

1. The Ongoing Charges Figure is based on the expenses incurred by the fund for the 12 months ended 28th February 2013. The figure may vary year to year.
2. Includes Investment Management Fee.
3. Includes IFA legacy trail commission and Investment Management Fee.
4. Please note that estimated and forecast dividend payments are indicative only and are not guaranteed.

### IMPORTANT INFORMATION

Full details of the TB Wise Funds, including risk warnings, are published in the TB Wise Funds Prospectus, the TB Wise Supplementary Information Document (SID) and the TB Wise Key Investor Information Documents (KIID) which are available on request and at [www.wiseinvestment.co.uk](http://www.wiseinvestment.co.uk). The TB Wise Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested. Capital appreciation in the early years will be adversely affected by the impact of initial charges and you should therefore regard your investment as medium-to-long term. Every effort is taken to ensure the accuracy of the data used in this document but no warranties are given. Wise Investments Limited is authorised and regulated by the Financial Conduct Authority, No. 230553. T. Bailey Fund Managers Limited is authorised and regulated by the Financial Conduct Authority, No. 190293.

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