

STONEHAGE FLEMING GLOBAL BALANCED PORTFOLIO FUND



**UNCONSTRAINED
GLOBAL UNIVERSE**



**STRATEGICALLY
MANAGED ASSET
ALLOCATION**



**LONG TERM
HORIZON**



**BLEND OF PASSIVE,
FACTOR AND ACTIVE
EXPOSURE**



**DEEP INVESTMENT
RESOURCE**



**HIGH CONVICTION
INVESTORS**

FUND INFORMATION

Total Net Assets (Millions GBP)	48.3
Benchmark ¹	See footnote below
Fund Type	UCITS OEIC
Fund domicile	UK
Base currency	GBP
Currencies available	GBP
Fund launch	07 July 2011
Number of holdings	21
Income paid	Quarterly
Yield	1.3% ²
Type of payment	Dividend
Payment date	February, May, August, November
Dealing	Daily
Performance fee	None
Custodian	Northern Trust Company
Administrator	Northern Trust Global Services
Manager	Stonehage Fleming Investment Management Limited

INVESTMENT OBJECTIVE

To preserve capital in the medium term and to achieve capital growth in real terms over the longer term, whilst generating moderate levels of income.

INVESTMENT STRATEGY

- We construct globally orientated portfolios of long term investment ideas.
- We blend passive, factor and active market exposure targeting a robust multi-asset solution.
- We are conviction investors with all investments carefully assessed for purpose and clarity.

FUND PERFORMANCE %

	3m	YTD	12m	3yrs p.a.	Since Fund Inception p.a.
Balanced Fund	2.1	0.8	4.6	6.9	4.1
Fund Benchmark	2.6	3.0	6.0	10.9	8.2

DISCRETE ANNUAL FUND PERFORMANCE %

	Sep 17 - Sep 18	Sep 16 - Sep 17	Sep 15 - Sep 16	Sep 14 - Sep 15	Sep 13 - Sep 14
Balanced Fund	4.6	5.2	11.1	-1.4	2.8
Fund Benchmark	6.0	7.9	19.2	3.2	9.2

Source: Stonehage Fleming Investment Management Limited as at 30 September 2018. Total return (with dividends reinvested) is net of fees.

PERFORMANCE DISCLOSURE

Past performance is not a guide to future performance. The value of investments can fall. Investors may not get back the amount invested. Income from investments may vary and is not guaranteed. The return may increase or decrease due to currency fluctuations. Performance figures are net of fees and charges. For a full list of risks applicable to this fund, please refer to the Prospectus.

PORTFOLIO MANAGER



Graham Wainer

Graham is CEO and Head of Stonehage Fleming Investment Management in London. He is also Chairman of the Investment Committee. Prior to joining the Group, Graham was GAM's Group Head of Investments – Multi Asset

Class Solutions and Chairman of GAM's Investment Advisory Board where he had overall responsibility for the firm's discretionary mandates and related co-mingled funds.

DEPUTY PORTFOLIO MANAGER

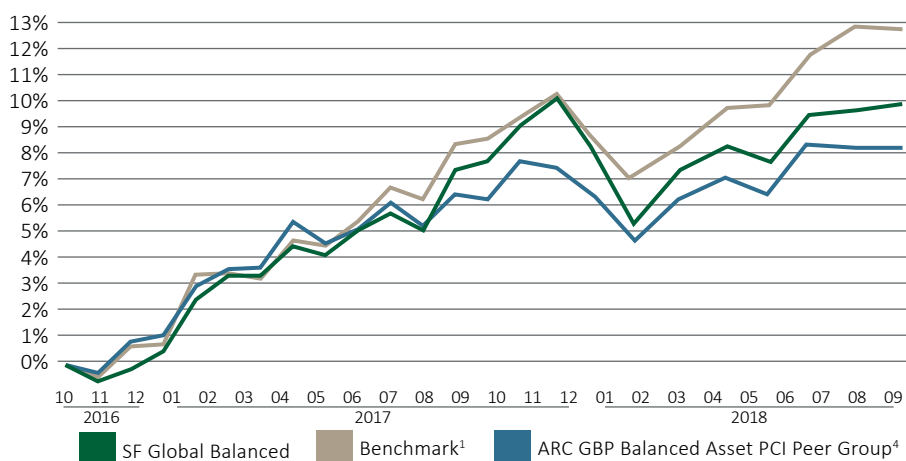


Peter McLean CFA

Peter is a Director of Stonehage Fleming Investment Management and a member of the Investment Committee, responsible for the management of our multi-asset investment offering. His main focus is on global economic and market dynamics, and their implications for the deployment of client capital across portfolios.

MANAGER PERFORMANCE HIGHLIGHTS

The fund was originally launched on 7 July 2011, however November 2016 marked a change in portfolio management, with Graham Wainer, SFIM CEO & Head of Investments, managing the fund.



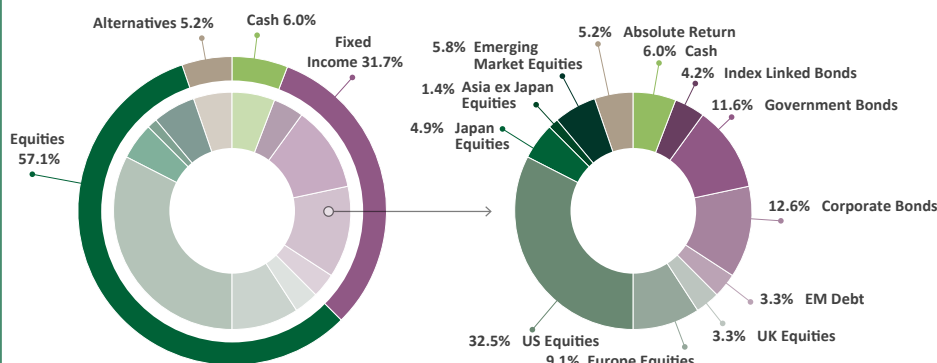
GBP A (inc) share class details

ISIN	GB00B3QRG186
Inception date	7 July 2011
Max initial charge	5.00%
Max exit charge	5.00%
Ongoing charge (OCF) ³	0.99%
Min initial investment (GBP)	50,000
Registered for sale	UK

¹ MSCI. The MSCI index has been customised as requested by Stonehage Fleming Investment Management Limited (SFIM). Such data may not be reproduced or re-disseminated and may not be used to create any financial instruments or products or any indices. Such data is provided without any warranties of any kind. Neither MSCI nor any of its suppliers have any liability in connection with such data. Prior to 3 April 2017, the benchmark was 45% JPM Global Government Bond Index (GBP hedged)/55% MSCI World Index. From the 3 April 2017 the benchmark is 45% Barclays Global Aggregate/55% MSCI AC World (40% GBP Hedged). ² Net figure based on dividends paid in the year to 30 September 2018. ³ The OCF is the management fee plus additional fund expenses as a percentage of the assets of the fund. This gives an indication of annual expenses which may vary over time. This figure excludes portfolio transaction costs. ⁴ ARC Peer Group Index performance figures are net of management fees and withholding taxes. Asset Risk Consultants Limited (ARC) Private Client Indices ("PCI") are based on historical information and past performance is not indicative of future performance. PCI are computed using a complex calculation and the results are provided for information purposes only and are not necessarily an indicator of suitability for your specific investment or other requirements. ARC does not guarantee the performance of any investment or portfolio or the return of an investor's capital or any specific rate of return. ARC accepts no liability for any investment decision made on the basis of the information contained in this report.

STONEHAGE FLEMING GLOBAL BALANCED PORTFOLIO FUND

PORTFOLIO COMPOSITION



TOP 5 ACTIVE STRATEGIES

Strategy	% of Portfolio
PIMCO Income Fund	7.8
SF Global Best Ideas Fund	7.4
Orbis Global Equity Fund	6.2
BlueBay Global Investment Grade Corporate Bond Fund	6.1
Lyrical Fund	4.7

TOP 5 PASSIVE/FACTOR STRATEGIES

Strategy	% of Portfolio
Vanguard S&P 500 UCITS ETF	8.7
iShares Core S&P 500 UCITS ETF	8.6
Vanguard Global Bond Index Fund	7.1
iShares Core Euro Stoxx 50 UCITS ETF	3.8
Vanguard Emerging Markets Stock Index Fund	3.7

Source: Factset, Bloomberg, Northern Trust Global Services Limited. Source of all performance data: Northern Trust Global Services Ltd, Stonehage Fleming Investment Management Ltd calculations.

PORTFOLIO COMMENTARY

The SF Global Balanced Portfolio returned 2.1% over Q3 2018 versus the composite benchmark return of 2.6%.

Global equities advanced 5.5% over the quarter, driven by the US and Japan. The S&P 500 made new highs during the quarter as investors focused on the positive economic backdrop. European equities rose 3.0% whereas emerging market assets continued to suffer negative returns.

As investors in emerging market local currency debt and equity, we have endured some pain in recent months. This is not unusual; emerging market assets are renowned for offering long term potential with high volatility. The same is true for unloved 'value' pockets of the market, where there are also strong fundamentals. We anticipate compelling returns to come from these components of the portfolio, as the market recognises their positive characteristics. The Lyrical US Equity fund is a good example; a portfolio of approximately 30 US companies which is now valued at a c. 70% discount to the overall market.

Two main changes were made to the Fund over the quarter. The first was the introduction of the Lyxor Sandler US Equity Fund which is a long / short strategy covered in more detail in the "Active Manager in Focus" section. The second change was to remove the iShares Edge Value ETF, after a successful holding period, in favour of increased exposure to the S&P 500.

ACTIVE MANAGERS IN FOCUS

The portfolio blends a mix of active, passive and factor strategies. Approximately 50% of the portfolio is invested in active managers where our conviction is the strongest. Below we outline two examples.

Lyxor/Sandler US Equity Fund

Sandler is a broad market US long/short specialist with over 20 years' experience running this strategy. Portfolio construction is more dynamic than peers in terms of both stock selection and the management of net exposure; the latter is calibrated by their views of the top down environment, with special consideration given to the credit cycle. The strategy does have a Growth bias, which we feel the manager has the ability to moderate when the environment becomes less constructive. This should also contribute as a diversifier for the Value leaning characteristics of much of our existing US exposure.

BlueBay Global Investment Grade Corporate Bond Fund

This strategy invests predominately into investment grade fixed income securities with investments sourced and evaluated through bottom-up fundamental research. It aims to outperform the Barclays Global Aggregate Corporate Bond Index by 1.5% per year, gross of fees, within a tracking error range of 0-3%. The strategy seeks to exploit a global investment universe, with typical exposure consisting of 80-250 issuers, and is permitted to take positions off-index. The Fund can also take short positions by buying credit default swap (CDS) protection on specific issuers. We view this fund as a more nimble "stock-picker" and believe that this attribute will benefit the strategy in the current market environment.

IMPORTANT INFORMATION

Derivatives may be used for efficient portfolio management. The fund invests in assets which are dominated in other currencies; hence changes in relevant exchange rate will affect the value of the investment.

The Global Balanced Portfolio Fund ("the Fund") is a UCITS sub-fund of the Stonehage Fleming Global Multi Asset Umbrella Fund, which is a UCITS scheme that is authorised and regulated in the UK by the Financial Conduct Authority (reference number 541432). The Stonehage Fleming Global Multi Asset Umbrella Fund is an open-ended investment company with variable capital, incorporated in England and Wales under registered number IC000898. Registered office: 15 Suffolk Street, London, SW1Y 4HG.

The funds Authorised Corporate Director is Stonehage Fleming Investment Management Limited (SFIM), which is authorised and regulated by the Financial Conduct Authority (reference number 194382). Registered office: 15 Suffolk Street, London, SW1Y 4HG. Registered in England with Company number 4027720.

Before you invest you should read the Key Investor Information Document (KIID) and the Prospectus which contain detailed information. These documents are available in English, free of charge, upon request by writing to Stonehage Fleming Investment Management Limited (SFIM) at 15 Suffolk Street, London, SW1Y 4HG; or by phoning 020 7087 0000 between 9am and 5pm Monday to Friday; or on SFIM's website at www.stonehagefleminginvestments.com

The distribution or possession of this document in jurisdictions outside the United Kingdom may be restricted by law or other regulatory requirements.

Persons in possession of this document should inform themselves about and observe any applicable legal regulatory requirement in relation to the distribution into or possession of this Information Memorandum in that jurisdiction, and any overseas recipient should consult its professional advisers as to whether it requires

any governmental, or other consents, or if it needs to observe any other formalities to enable it to receive or respond to this communication.

This document is issued by SFIM.

© Stonehage Fleming Investment Management Limited 2018.