

# TM STONEHAGE FLEMING GLOBAL EQUITIES FUND II 'GEF II'

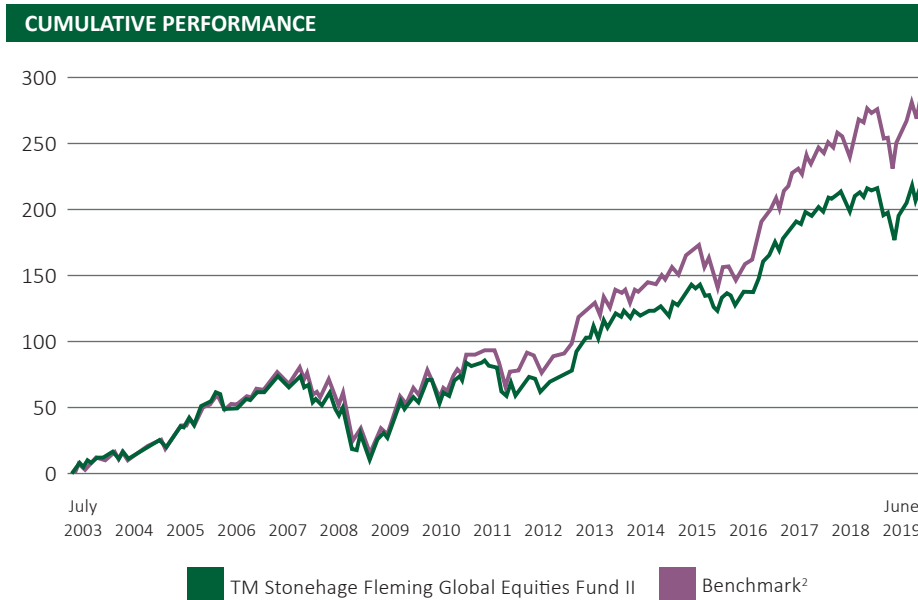
 <b>UNCONSTRAINED GLOBAL UNIVERSE</b>	 <b>EQUITIES</b>	 <b>LONG TERM CAPITAL GROWTH</b>	 <b>BLEND OF PASSIVE, FACTOR AND ACTIVE EXPOSURE</b>	 <b>DEEP INVESTMENT RESOURCE</b>	 <b>HIGH CONVICTION INVESTORS</b>
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FUND INFORMATION	
Total Net Assets (Millions GBP)	264.3
Comparative Index	GEF II Official Prospectus Benchmark <sup>2</sup>
Lipper Sector	Lipper Global Equity Global
Fund Type	Non-UCITS Retail Scheme ("NURS")
Fund domicile	UK
Base Currency	GBP
Fund launch	31 July 2003 <sup>1</sup>
Number of holdings	13
Income paid	Quarterly
Type of payment	Dividend
Ex Dividends	3 Jan, 3 Apr, 3 Jul, 3 Oct
Payment date	28 Feb, 31 May, 31 Aug, 30 Nov
Dealing	Daily
Yield	1.8
Performance fee	None
Custodian	Northern Trust Global Services SE
Administrator	Northern Trust Global Services SE
Authorised Corporate Director	Thesis Unit Trust Management Ltd

**INVESTMENT OBJECTIVE**

To achieve capital growth and an element of income by investing predominantly in the UK and international regulated equity funds. It is likely that a significant proportion of the Fund's property will be invested in sub-funds of another regulated collective investment scheme operated by the manager.

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



**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 comingled funds.

FUND PERFORMANCE %	3m	12m	YTD	3yrs p.a. %	Since Fund Inception p.a. % <sup>1</sup>
TM Stonehage Fleming Global Equities Fund II	4.0	2.9	13.0	9.3	7.5
Fund Benchmark <sup>2</sup>	5.3	6.1	15.0	11.6	8.9

DISCRETE ANNUAL FUND PERFORMANCE %	0-12m	12m-24m	24m-36m	36m-48m	48m-60m
TM Stonehage Fleming Global Equities Fund II	2.9	4.4	21.5	4.1	4.9
Fund Benchmark <sup>2</sup>	6.1	8.7	20.4	8.4	6.0

GBP A (inc) share class details	
ISIN	GB00B3QD9409
Synthetic Risk & Reward Indicator (SRRI) rating	5
Inception date	31 July 2003
Max initial charge	5.25%
Max exit charge	5.25%
Annual mgmt charge	0.71%
Ongoing charge (OCF) <sup>3</sup>	1.46%
Min initial investment (GBP)	50 000
Registered for sale	UK

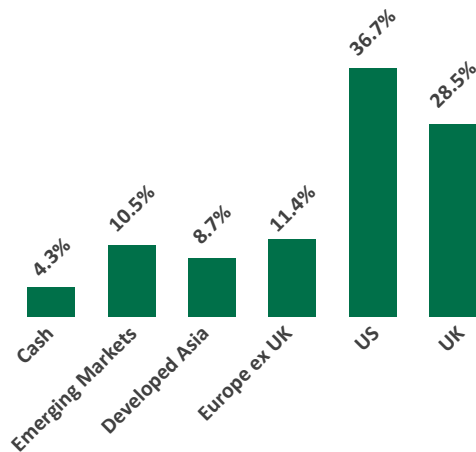
<sup>1</sup> Inception 31 Jul 2003 net of fees

<sup>2</sup> Since 01 July 2007, the GEF II Official Prospectus Benchmark ('Benchmark') has been a composite benchmark made up of MSCI gross dividend indices – UK 45%; US 22%; Europe ex UK 16%; Asia 10% Emerging Markets 7%; rebalanced monthly. Prior to this, the benchmark was a composite benchmark made up of MSCI gross dividend indices - UK 45%; US 25%; Europe ex UK 17.5%; Far East 12.5%; rebalanced monthly. Source MSCI.

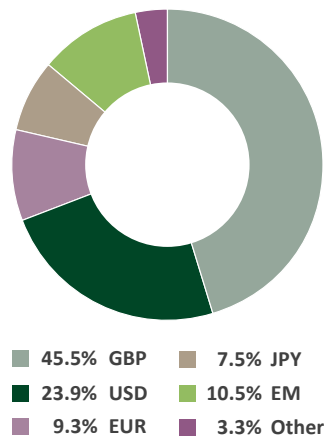
<sup>3</sup> OCF as of 2 April 2019.

# TM STONEHAGE FLEMING GLOBAL EQUITIES FUND II 'GEF II'

## REGIONAL ALLOCATION



## CURRENCY ALLOCATION



## TOP TEN HOLDINGS

## % of the Fund

TM Stonehage Fleming Core UK Equity	12.4
GLG Undervalued Assets	10.5
Findlay Park American	10.5
TM Stonehage Fleming European All Cap	9.6
iShares Core S&P 500 ETF	8.5
Stonehage Fleming Global Best Ideas	8.3
Lyrical Fund	7.8
GLG Japan CoreAlpha	7.5
Fidelity Emerging Markets	6.5
Polar Capital Global Insurance	5.5

Source for all market data: Factset, Bloomberg, Lipper  
Source for all Stonehage Fleming Investment Management Limited performance data: Northern Trust Global Services SE, Stonehage Fleming Investment Management Limited calculations

## FUND COMMENTARY

It was a good second quarter for equity markets with the MSCI All Country Index rising 6.0% in sterling terms. These positive returns masked an outbreak of volatility in May following four consecutive months of almost uninterrupted gains, as a sudden escalation of tensions between the US and China over trade saw both sides introducing additional tariffs. However, equities rallied in June after central banks indicated they were willing to loosen monetary policy to support economic activity.

There was notable dispersion in equity returns between regions, with Continental European and US equity markets some way ahead of UK, Japanese and Emerging Market equities. At a sector level, Financials and Technology

performed particularly well; the former being boosted by good returns from insurance businesses, and the latter from software companies. On the other end of the spectrum, the Energy sector struggled as oil prices fell, and the more defensive sectors, such as Real Estate and Utilities, failed to keep up in a rising market.

Over the quarter the fund rose 4.0% and was slightly behind the benchmark return of 5.3%. The decision to have a relatively higher weighting to the US versus the UK was supportive of performance, as the region continued to perform well. There was also some good performance from the global equity managers, particularly our global insurance manager, Polar, as the sector

remained insulated from trade tariffs and there was robust premium growth across a number of insurance categories.

The underperformance versus its composite benchmark was primarily the performance of the UK managers, who were impacted by weak Brexit sentiment towards UK domestic companies, which the managers are finding more value in. Whilst we don't claim an edge in forecasting how Brexit will play out in the short-term, we do believe that a lot of the bad news is priced into these companies, and buying at an attractive entry point today will reward in the years to come.

There was minimal activity in the fund during the quarter.

## 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 TM Global Equities Fund II ("the Fund") is a non UCITS Retail scheme ("NURS") that is authorised and regulated in the UK by the Financial Conduct Authority (reference number 200211). The Fund is an authorised unit trust scheme. The trustee of the Fund is Northern Trust Global Services SE, with registered number SE000121. Its registered office and its principal place of business is at 50 Bank Street, London E14 5NT, United Kingdom.

The Manager is Thesis Unit Trust Management Limited, which is authorised and regulated by the Financial Conduct Authority (reference number 186882). The registered office and head office of Thesis Unit Trust Management Limited is Exchange

Building, St John's Street, Chichester, West Sussex PO19 1UP. Registered in England with Company number 3508646. The investment manager is Stonehage Fleming Investment Management Limited, which is authorised Financial Conduct Authority (reference number 194382). Registered Office: 15 Suffolk Street, London, SW1Y 4HG.

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 Thesis Unit Trust Management Limited at Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP; or by phoning 01483 783 900 between 9am and 5pm Monday to Friday; or on the website at [www.fundlistings.com](http://www.fundlistings.com).

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This document constitutes a financial promotion for the purposes of Section 21 of the Financial Services and Markets Act 2000 and has been approved and issued by Stonehage Fleming Investment Management Limited. For details of the Funds investment policy, please see the Investment Objective and Policy section of the Fund Prospectus Document.

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