

STONEHAGE FLEMING GLOBAL BALANCED PORTFOLIO FUND (THE 'FUND')

September 2015 Quarterly Factsheet

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.

FUND INFORMATION

Inception date: 7 July 2011
Fund Size: £29.4m
No of Holdings: 25
Structure: UK Authorised UCITS OEIC
Domicile: UK
Share Classes: A & B
Currency: GBP
Dealing: Daily
Yield: 1.46%*
Benchmark: 45% JPM Global Government Bond Index TR / 55% MSCI World TR (£)

Ongoing Charges

Figure: 1.66% (for year ended 02 April 2015)
Performance Fee: None
Custodian: Northern Trust Company
Administrator: Northern Trust Global Services
Manager: Stonehage Fleming Investment Management Limited

*Net figure based on dividends paid in the last 12 months

COMMENTARY

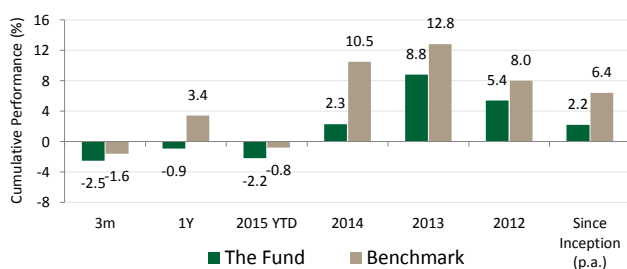
Global equity markets had their worst quarter for 3 years as growth concerns in China and the implications this has for other economies dampened risk appetite. The volatility was triggered by China allowing its currency to depreciate, leading to high levels of volatility. The MSCI All Country Index ended the quarter down 5.9% in sterling terms. Sovereign bonds gained as yields fell with investors favouring safe haven assets. Credit spreads widened during the quarter leading to significant falls in high yield bonds. Sterling weakened against most of the major currencies, down 3.7% against the US dollar.

The main reason for underperformance in Q3 relates to the non-equity component. Our preference to hold less duration risk than the benchmark meant that our fixed income allocation delivered lower returns as yields fell during this difficult period for equities. Our allocation to non-government bonds was also detrimental relative to government bonds, as funds such as Bluebay Global High Yield and Babson Senior Secured funds lost value.

We did not make significant changes in the third quarter. Our exposure to energy through the PIMCO MLP & Energy Infrastructure fund was reduced from 3.7% at the beginning of the quarter to 2.2% by the end, reflecting continued pessimism towards the oil industry. As a result our overall exposure to equities reduced slightly.

Looking forward, we continue to identify a number of headwinds to global growth which have the potential to cause further bouts of volatility in equity markets. In particular, the slowdown in Asia and Emerging Market economies, coupled with uncertainty around the Federal Reserve's monetary policy, is weighing on investor sentiment. With this in mind, we retain an underweight allocation to equities, and prefer an emphasis on quality and liquidity across the portfolio.

PERFORMANCE – Since Inception 7th July 2011



All performance is net of fees.

PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RESULTS

Source for all Stonehage Fleming Investment Management Limited (SFIM) performance data: Northern Trust, SFIM calculations, StatPro
 Source for all market data: Factset, Bloomberg

Top Ten Holdings

- ¹ Stonehage Fleming Global Select Equity Fund
- ² Stonehage Fleming UK Equity Income Fund
- ³ Stonehage Fleming Core UK Equity Fund
- ⁴ Stonehage Fleming European All Cap Equity Fund

ASSET ALLOCATION

	% of Fund
Equity	48.0
Bonds – Government	16.4
Bonds - Non-Government	13.6
Hedge Funds	10.3
Alternative Strategies	8.7
Cash	3.0

TOP TEN HOLDINGS

Fund Name/Manager	Sector/Strategy	% of Fund
UK GILT 2.25% 07/09/23	Bonds – Government	12.3
SF Global Select Equity Fund ¹	Equities	8.7
SF UK Equity Income Fund ²	Equities	8.2
SF Core UK Equity Fund ³	Equities	8.1
PIMCO Capital Securities Fund	Bonds – Non-Government	5.9
GAM Star Cat Bond	Alternative Strategies	5.5
SF European All Cap Equity Fund ⁴	Equities	5.4
Bluebay Global High Yield Bond Fund	Bonds – Non-Government	4.2
UK INX/LKD Gilt 1.875% 22/11/22	Bonds – Government	4.1
Babson Global Senior Secured Bond	Bonds – Non-Government	3.5

RISK DISCLOSURES

The advice we provide will be based on and take into account a majority of product types and not every single equivalent product within a given product category. As such, our advice is restricted (as opposed to independent) as defined by the FCA.

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The value of investments may go down as well as up and, for products designed to return income, the distributions can also go down or up and you may not receive back the full value of your initial investment.

All investments risk the loss of capital. Where there is potential for profit, there is also possibility of loss. No guarantee or representation is made that the funds will achieve their investment objective.

Past performance should not be used as a guide to future performance.

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From time to time, the fund manager may engage in hedging transactions within certain funds. There can be no assurances that such hedging, if undertaken, will insulate the particular funds from risks and hedging techniques, whether via derivatives or other products or instruments, may give rise to certain costs and additional risks, including a risk of total loss of any amounts invested in hedging instruments.

Changes in the rates of exchange between currencies may cause the value of investments to go up or down in the reporting currency. In general, underlying investments denominated in foreign currency are not hedged back into the reporting currency. Among the factors that may influence currency values are trade balances, the levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Values may also be affected by developments relating to controls and restrictions on foreign currency remittance of proceeds of investments in a non-sterling jurisdiction.

Unquoted investments may be difficult to sell at a reasonable price because there will not be an active market in those investments and, in some circumstances, they may be difficult to sell at any price. This may inhibit sales in the event of your wishing to liquidate part or all of your investment.

In addition to the information provided by Stonehage Fleming Investment Management Limited, you may wish to consult an independent professional.

Key Investor Information document (KIID) for the Stonehage Fleming Global Balanced Portfolio Fund, is available in English upon request from Stonehage Fleming Investment Management Limited (SFIM) at 15 Suffolk Street, London, SW1Y 4HG, or on SFIM's website at www.stonehagefleming.com Stonehage Fleming Global Balanced Portfolio Fund is a sub-fund of the Stonehage Fleming Global Multi Asset Umbrella Fund, a prospectus for which is available in the same way.

The Ongoing Charges Figure ("OCF") expresses the costs of running the Fund as a single figure. This is the overall cost shown as a percentage of the value of the assets of the Fund. It comprises the annual management charge and other additional charges including, but not limited to, the charges of the Depositary, Administrator, Registrar and Auditors as well as any specified regulatory or legal fees. It does not include the costs of buying or selling investments or, where relevant, a performance fee. The OCF is also based on the OCFs of funds invested in on a pro-rata basis in proportion to the Fund's value. The pro-rata figures are added to the Fund's own ongoing charges to create one total OCF for the Fund.

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