

TM STONEHAGE FLEMING  
**INTERNATIONAL FUND**

PREVIOUSLY KNOWN AS TM CAVENDISH INTERNATIONAL FUND



ACTIVELY  
MANAGED



STOCK PICKING  
APPROACH



LONG-TERM  
INVESTMENT HORIZONS



STYLE AGNOSTIC APPROACH,  
BLENDING QUALITY AND VALUE



GROWTH  
MINDSET

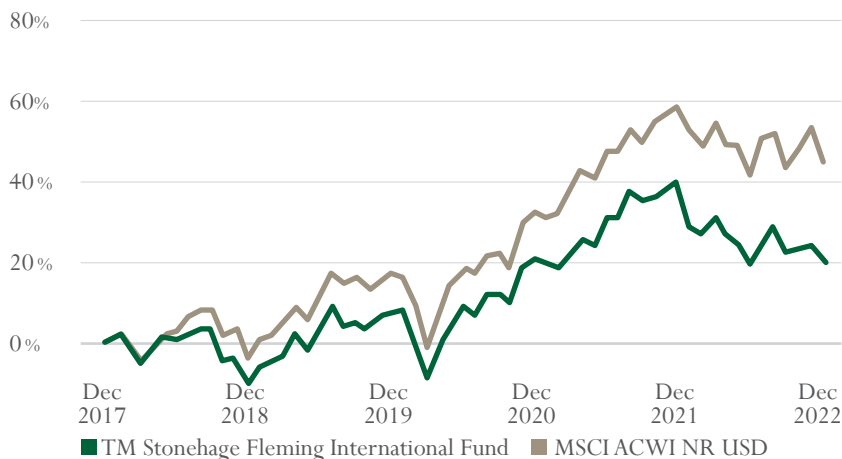
## INVESTMENT OBJECTIVE

The fund aims to achieve long-term capital growth.

## INVESTMENT POLICY

The Fund shall invest mainly in equity securities of companies listed on stock exchanges anywhere in the world. There will be no restrictions on the countries, regions or industrial sectors in which invested. Equally there will be no presumption or expectation that the Fund will maintain asset allocation across all countries, regions or industrial sectors on an ongoing basis. The Fund will be free to invest globally, but there may be a bias towards one or more countries, regions or industrial sectors to the exclusion of other countries, regions or industrial sectors.

## PORTFOLIO PERFORMANCE



## STANDARDISED FUND PERFORMANCE (%)

Performance	3m	6m	YTD	1yr	3yrs	5yrs
TM SF International Fund	-0.55	1.87	-13.09	-13.09	12.71	21.46
MSCI ACWI NR USD	1.86	3.26	-8.08	-8.08	23.89	45.08

## DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 31 December	2022	2021	2020	2019	2018
TM SF International Fund	-13.09	16.05	11.74	21.24	-11.11
MSCI ACWI NR USD	-8.08	19.63	12.67	21.71	-3.78

## CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2021	2020	2019	2018	2017
TM SF International Fund	-13.09	16.05	11.74	21.24	-11.11	14.67
MSCI ACWI NR USD	-8.08	19.63	12.67	21.71	-3.78	13.24

Source: Morningstar Direct, % growth, total return, GBP, single price, UK net income reinvested with no initial charges.

## 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. For a full list of risks applicable to this fund, please refer to the Prospectus. If the information is not displayed in your base currency, then the return may increase or decrease due to currency fluctuations.

Source for all performance is Morningstar Direct as at 31 December 2022. Total return (with dividends) is net of fees.

## KEY FACTS

Launch Date	6 July 1994
IA Sector	Flexible Investment
Fund Size (m)	£385.2
Fund Type	UCITS
Dealing Frequency	Daily
Range of Holdings	50-80
Comparator Index	MSCI ACWI NR USD

## FEES

Initial Charge (%)	Up to 5.00
Ongoing Charges* (%)	0.65
Annual Management Charge** (%)	0.60

\*Ongoing charges (the OCF) is the management fee plus additional fund expenses (excluding transaction costs) as a percentage of the assets of the fund. This gives an indication of annual expenses which may vary over time. \*\*Included in the Ongoing Charges figure.

## MINIMUM INVESTMENT

Lump Sum	£50,000
Additional	£5,000
Regular Savings	N/A

## PORTFOLIO MANAGER



### LIZ EVANS

Liz Evans has 3 decades of industry experience. Joining Cavendish Asset Management after graduation, she spent time working as an analyst before becoming a fund manager. Liz managed the Cavendish Asia Pacific Fund from launch to its merger with the TM Cavendish International Fund. In 2017, she took on a global role as the deputy Fund Manager of TM Cavendish International Fund and in 2019 she assumed the role of Fund Manager. Liz transferred to Stonehage Fleming in July 2020 following the acquisition of the business activities of Cavendish Asset Management by Stonehage Fleming. Liz is an associate member of the CISI.

## DEPUTY PORTFOLIO MANAGER



### NICOLA MUIRHEAD

Nicky is a Director of Equity Management at Stonehage Fleming. She is Deputy Fund Manager on the TM Stonehage Fleming International Fund and a Senior Equity Analyst for the Stonehage Fleming Global Best Ideas Equity Fund. Nicky focusses her in-depth, bottom up research on the quality, growth areas of the market.

Nicky joined the Equity Management Team in 2019 from Bessemer Trust having previously worked as a Senior Analyst and Fund Manager at River & Mercantile Asset Management, Neptune and BlackRock/Merrill Lynch Investment Management. She is a CFA charterholder and graduated from Oxford University with first class honours in Physics.

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**ENQUIRIES**

<b>ENQUIRIES AND DEALING</b>	
0333 300 0375	
(press 1 for Enquiries, press 2 for Dealing)	
<b>DEALING:</b>	
Thesis Unit Trust Management Limited, PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG	
<b>SEDOL CODES:</b>	
Class B Share	B0JX3Z5
<b>ISIN CODES:</b>	
Class B Share	GB0032211095
<b>LIPPER IDS:</b>	
Class B Share	65009655

**SECTOR ALLOCATION (%)\***

Information Technology	18.9
Financials	14.5
Industrials	13.4
Consumer Discretionary	11.3
Health Care	11.1
Consumer Staples	7.9
Communication Services	5.7
Energy	4.6
Materials	3.1
Real Estate	1.2
Cash and ETFs	8.1

\*As of COB 31 December 2022 rather than the Valuation Point of 12pm  
Source: Stonehage Fleming Investment Management Limited

**TOP TEN HOLDINGS (%)\***

JP Morgan Chase	2.9
Microsoft Corp	2.7
LVMH Moët Hennessy	2.7
United Health Group Inc	2.5
Visa Inc A	2.4
Thermo Fisher Scientific Inc	2.4
Devon Energy Corporation	2.4
AXA SA	2.4
Deere & Co	2.4
L3Harris Technologies Inc	2.3

**PORTFOLIO COMMENTARY**

In December, the TM Stonehage Fleming International Fund performance was as follows:

- B share class units fell in value by 2.47%
- This performance was against a fall of 4.89% in the MSCI ACWI NR USD
- Fund and Index performance data sourced from Morningstar

The traditional year-end Santa rally failed to materialise, with the MSCI ACWI down 5% in December, albeit 10% above the October lows. China's sudden relaxation of Covid restrictions positively impacted global markets until a resultant surge in infections reversed the earlier gains. The closely watched US CPI number dropped further from its peak in December to 7.1%, with the energy and food components falling significantly. This gives hope that the Federal Reserve tightening cycle has been successful and may start to ease a little in 2023. The jobs market for now appears healthy with nonfarm payrolls surprising to the upside in December. Whilst positive, this news served to weaken sentiment, given the potential for this to exacerbate wage pressures and reignite inflation.

The Fund's exposure to China aided performance over the month, with Anta Sports and AIA particularly strong on news of the reopening. US listed companies with a significant contribution to earnings from China, including Estee Lauder

and Otis Worldwide, also responded positively to the news. Nike was similarly buoyed by this news but more materially by the release of their second quarter results, which showed stronger than expected demand and an improvement in their inventory position. On the negative side, technology continued to be under pressure as the US 10 year treasury yield rose back towards 4% placing pressure on growth stocks. Costco also disappointed with its November sales growth dropping to 6.6% from the 13.7% rate recorded in the previous quarter.

The fund made very few changes over the month, topping up Nike, following the strong results and trimming Recruit, which despite the long term structural growth opportunity it is capitalising on, will undoubtedly face short term pressures should the jobs market weaken.

The outlook for 2023 will be determined by several significant variables including the Russia/Ukraine war (and knock on effect to energy and grain markets); China's reopening progress and US/Europe recession outlooks. The key question facing markets is how successfully the Federal Reserve can steer the US economy to a lower inflation environment without causing too much damage to employment and consumer confidence. The fund maintains a defensive investment stance given these unknowns. The fund holds 6.8% cash as at the year end, which has helped navigate the volatility in 2022 and will seek to add to conviction ideas when the opportunity arises.

**IMPORTANT INFORMATION**

This is a marketing communication issued by Stonehage Fleming Investment Management Limited (SFIM). SFIM is the investment manager of the Fund.

All investments risk the loss of capital. No guarantee or representation is made that the funds will achieve their investment objective.

The value of investments may go down as well as up. 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.

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

Past performance is not a guide to future returns. If the information is not displayed in your base currency, then the return may increase or decrease due to currency fluctuations.

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

For details of the Funds investment policy, please see the Investment Objective and Policy section of the Fund Prospectus Document.

Whilst every effort is made to ensure that the information provided to clients is accurate and up to date, some of the information may be rendered inaccurate by changes in applicable laws and regulations may be subject to change in the future.

The information in this document does not constitute legal, tax, or a personal recommendation.

The Fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority.

The Authorised Fund Manager is Thesis Unit Trust Management Limited, Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP. Authorised and regulated by the Financial Conduct Authority.

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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