

# 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

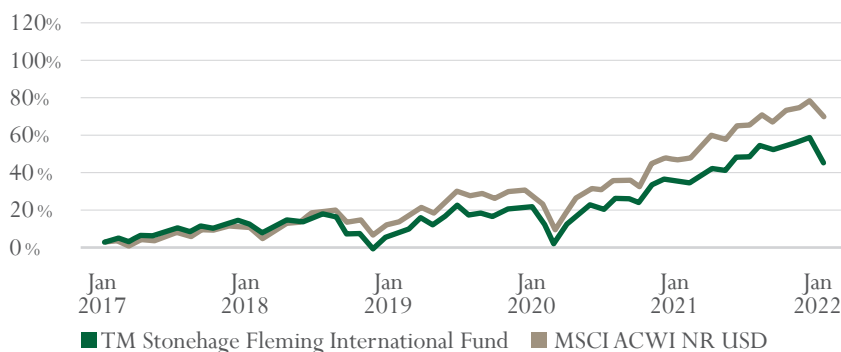
## INVESTMENT OBJECTIVE

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	-4.72	-1.53	-7.65	7.90	37.85	45.25
MSCI ACWI NR USD	-1.40	3.30	-4.00	15.89	50.75	70.04
Peer Group Percentile	84	72	93	53	22	26

## DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 31 January	2022	2021	2020	2019	2018
TM SF International Fund	7.90	10.45	15.69	-7.59	14.03
MSCI ACWI NR USD	15.89	12.33	15.79	0.02	12.78
Peer Group Percentile	53	31	13	93	26

## CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2021	2020	2019	2018	2017
TM SF International Fund	-7.65	16.05	11.74	21.24	-11.11	14.67
MSCI ACWI NR USD	-4.00	19.63	12.67	21.71	-3.78	13.24

Source: Morningstar Direct/Northern Trust, % growth, total return, GBP, single price, UK net income reinvested with no initial charges. Peer Group is the Flexible Investment Sector and number of peers are 151.

## 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 Stonehage Fleming Investment Management Limited as at 31 January 2022. Total return (with dividends) is net of fees.

## KEY FACTS

Launch Date	6 July 1994
IA Sector	Flexible Investment
Fund Size (m)	£448.1
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.

# TM STONEHAGE FLEMING INTERNATIONAL FUND

PREVIOUSLY KNOWN AS TM CAVENDISH INTERNATIONAL FUND

## 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	21.7
Financials	15.2
Consumer Discretionary	13.7
Health Care	11.9
Communication Services	10.1
Consumer Staples	9.6
Industrials	7.7
Materials	4.8
Real Estate	1.8
Cash and ETFs	3.4

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

## TOP TEN HOLDINGS (%)\*

Microsoft Corp	2.6
Alphabet Inc C	2.4
JP Morgan	2.3
Louis Vuitton Moet Hennessy	2.3
Estee Lauder	2.2
Adobe	2.2
Zoetis Inc	2.2
Edwards Lifesciences Corp	2.1
Thermo Fisher Scientific Inc	2.1
Amazon	2.1

## PORTFOLIO COMMENTARY

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

- B share class units fell in value by 7.65%
- This performance was against a fall of 4.00% in the MSCI ACWI NR USD
- Fund and Index performance data sourced from Morningstar/Northern Trust

Global equity and bond markets fell heavily in January after the release of the December FOMC meeting minutes showed a more hawkish stance towards the path of rate rises. In a short period, markets had to re-adjust to a higher interest rate environment going forward.

Central banks in many countries have become alarmed at the escalating inflation outlook and now need to tighten monetary policy fast. The Bank of England has now raised rates twice and the US is widely expected to raise rates in March. Investors had thought that 2 to 3 rises would be implemented this year but this has now increased to 5 to 6 increases or even one at every FOMC meeting this year. The jury is still out as to whether the rise in March will be 25 basis points or 50 basis points. This altered outlook has caused US 10 year bond yields to rise rapidly towards 2%.

Rising bond yields have adversely affected long duration equities and there has been a severe de-rating in a number of quality growth companies. Value

outperformed growth in January with both Energy and Financials being the best performers. The Fund does not have exposure to the former but did benefit from a solid weighting in the latter. Asian equity markets have rebounded year to date whilst China has started to relax monetary policy by implementing the first rate cut for over two years. This led to positive performance by the Fund's holdings in the China property and insurance sectors.

Currently, we are in the midst of the Q421 reporting season. So far, more companies have surprised positively than missed expectations. Companies such as Apple, Alphabet, Microsoft, LVMH, ASML and Amazon all reported well whereas Netflix, Paypal and Meta (not held) all disappointed. In the current environment, a small miss leads to a sharply negative share price reaction.

Geopolitical risks are on the rise and this has resulted in a strong upward move in the oil price. This situation needs to be watched carefully as oil has a large impact on inflation rates in most countries. It is hoped that inflation peaks in the first half of this year and then starts to subside as supply chains normalise.

Overall, the global economic recovery continues as countries move closer to lifting remaining covid restrictions and the re-opening can continue. The volatility in markets is expected to continue for a while longer but there are some very attractive buying opportunities beginning to surface for the long term investor.

## 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).

© Stonehage Fleming Investment Management Limited 2022