

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**

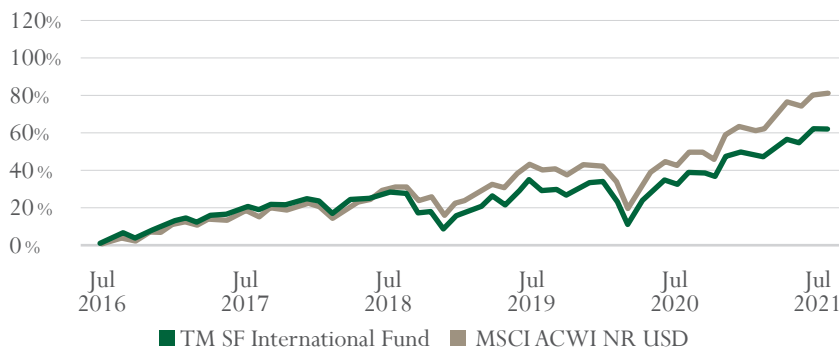
**INVESTMENT OBJECTIVE**

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	4.33	9.58	8.85	22.44	28.11	62.96
MSCI ACWI NR USD	3.17	12.19	11.17	25.72	38.67	82.31
Peer Group Percentile	7	24	33	38	26	18

**DISCRETE 12 MONTH PERFORMANCE (%)**

12 months to 31 July	2021	2020	2019	2018	2017
TM SF International Fund	22.44	-1.70	6.45	6.13	19.86
MSCI ACWI NR USD	25.72	0.01	10.29	11.52	17.89
Peer Group Percentile	38	40	26	51	14

**CALENDAR YEAR PERFORMANCE (%)**

Performance	YTD	2020	2019	2018	2017	2016
TM SF International Fund	8.85	11.74	21.24	-11.11	14.67	19.83
MSCI ACWI NR USD	11.17	12.67	21.71	-3.78	13.24	28.66

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 Stonehage Fleming Investment Management Limited as at 31 July 2021. Total return (with dividends) is net of fees.

**KEY FACTS**

Launch Date	6 July 1994
IA Sector	Flexible Investment
Fund Size	£476.1m
Dealing Frequency	Daily

**FEES**

Initial Charge	Up to 5.00%
Ongoing Charges	0.66%
Annual Management Charge*	0.60%

\*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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**RISK ANALYSIS**

Alpha	-2.74	Ex-Post Risk calculations are based on 3 years' worth of monthly data points. Source: Morningstar, relative statistics calculated over 3 years using the MSCI ACWI NR USD Index, total return as at 31/07/2021.
Beta	1.02	
R-Squared	94.30	
Standard Deviation	14.99	
Sharpe Ratio	0.59	

**ENQUIRIES AND DEALING**

0333 300 0375

(press 1 for Enquiries, press 2 for Dealing)

**DEALING:**

Thesis Unit Trust Management Limited, PO Box 3733,

Royal Wootton Bassett, Swindon, SN4 4BG

**SEDOL CODES:**

Class B Share B0JX3Z5

**ISIN CODES:**

Class B Share GB0032211095

**LIPPER IDS:**

Class B Share 65009655

**SECTOR ALLOCATION (%)\***

Information Technology	21.8
Financials	12.8
Communication Services	12.3
Health Care	12.3
Consumer Discretionary	11.6
Consumer Staples	9.1
Industrials	7.4
Materials	4.7
Real Estate	2.1

\*As of COB 30th July 2021 rather than the Valuation Point of 12pm  
Source: Stonehage Fleming Investment Management Limited

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

Visa Inc A	2.4
Edwards Lifesciences Corp	2.3
Otis Worldwide	2.3
ASML Holding	2.1
Microsoft Corp	2.1
The Walt Disney Co	2.1
Adobe Systems Inc	2.1
L3Harris Technologies	2.1
Estee Lauder	2.1
Alphabet Inc C	2.0

**PORTFOLIO COMMENTARY**

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

- B share class units rose in value by 0.35%
- This performance was against a rise of 0.04% in the MSCI ACWI NR USD
- Fund and Index performance data sourced from Morningstar

Global equity markets continued to push higher in July with the main indexes in the US and Europe gaining ground. The S&P500 Index posted its sixth positive monthly return in a row which has not been seen since 2018. The Asian region underperformed as rising numbers of covid cases and generally low vaccination rates threatened the re-opening of various economies.

In the US, the second quarter earnings results season has been in full swing. These have, for the most part, been very good with over 80% of the S&P500 names meeting or exceeding the consensus growth estimates for revenues and profits. A number of companies have raised their outlook for the remainder of the year such as Otis Worldwide, Servicenow, Edwards Lifesciences. However, a few megacap stocks sounded a word of caution for Q321 such as Apple, Facebook and Amazon. The med-tech names announced particularly strong results as procedures restarted following the pandemic cancellations. Generally, results from other geographies have also met or beaten forecasts especially within Europe where results from LVMH, AXA and ASML all beat expectations.

China's escalating regulatory clampdown led to a heavy sell-off in both China and HK equity markets – down 6% and 8% in two days respectively. The China education sector bore the brunt of the policy impact as the after school tuition companies were told to become not for profit companies. This calls into question the viability of the sector. The Fund has never held

**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.

Stonehage Fleming Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority (reference number 194382), is the appointed investment manager of the TM Stonehage Fleming Investments Funds. This fund is a UCITS sub-fund of the TM Stonehage Fleming Investments Funds. The TM Stonehage Fleming Investments Funds is an Open Ended Investment Company (OEIC) incorporated under the OEIC Regulations. The company is incorporated in England & Wales with registered number IC000195. It is a UCITS scheme as defined in COLL and is an umbrella company, for the purposes of the OEIC Regulations. It is authorised and regulated in the UK by the Financial Conduct Authority (reference number 407782).

The Authorised Corporate Director ("ACD") is Thesis Unit Trust Management Limited, a limited liability partnership incorporated in England with registered number OC369415. The ACD is authorised and regulated by the Financial Conduct Authority (reference number 612721). Head Office and Registered Office of the ACD is the Exchange Building, St John's

these US listed names. The slew of regulations announced over one weekend stoked fears Beijing will next set its sights on online entertainment after reining in the e-commerce, ride-hailing, food delivery and online education industries. The Fund had already reduced the position size of Tencent earlier in the year, but a further reduction has been made this month as the volatility is likely to continue. The Fund has minimal China internet exposure – only Tencent. On the positive side, there has been a reallocation away from China internet stocks to other parts of the market which are considered to have less policy risk such as autos, sportswear and smartphones. The Fund's holdings in Anta Sports, Geely Auto and Sunny Optical have all benefited from this switch. So too has Techtronic Industries, the power tools company, which is a new holding purchased in early July at an attractive entry level.

Talk about peak earnings growth in the US, a lower than expected Q2 GDP number and a decline in the 10 year Treasury yield have raised concerns that the economic growth in the US is faltering. This is causing a high level of volatility in daily market movements. The Fund top sliced a number of holdings at the end of the month in stocks where the position size was above target. Following strong share price performance we were able to rebalance across names such as Visa, Microsoft, Alphabet, Apple, Adobe in the US. ASML and Sika in Europe and Naver Corp and Asahi Group in Asia. This provides some fire power to pick up stocks should a correction occur.

In the short term, equity markets are trading at or near peak levels and there is some increasing caution around the spread of the Delta virus variant which is leading to choppy market action. The longer term outlook for equities still remains constructive as the monetary and fiscal backdrop remain accommodative. The Federal Reserve has stated that it is still a way off from tapering and the US infrastructure plan has now been approved, albeit for \$550 billion rather than the original \$2.6 trillion.

Street, Chichester, West Sussex PO19 1UP. Please note that on 15th November 2020, Thesis Unit Trust Management Limited replaced TUTMAN LLP as the ACD of the Company. 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.

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.stonehagefleming.com/investments/funds](http://www.stonehagefleming.com/investments/funds).

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