

# 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

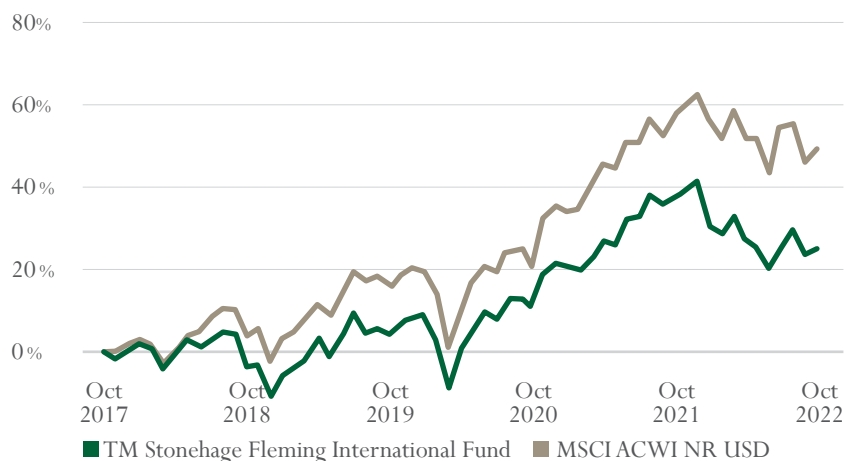
## INVESTMENT OBJECTIVE

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	-0.77	-2.33	-11.80	-8.99	19.33	24.60
MSCI ACWI NR USD	-2.39	-1.23	-7.23	-4.70	29.53	48.89

## DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 31 October	2022	2021	2020	2019	2018
TM SF International Fund	-8.99	22.99	6.61	8.12	-3.42
MSCI ACWI NR USD	-4.70	29.49	4.97	11.18	3.39

## CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2021	2020	2019	2018	2017
TM SF International Fund	-11.80	16.05	11.74	21.24	-11.11	14.67
MSCI ACWI NR USD	-7.23	19.55	12.95	21.66	-3.89	13.16

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 October 2022.  
Total return (with dividends) is net of fees.

## KEY FACTS

Launch Date	6 July 1994
IA Sector	Flexible Investment
Fund Size (m)	£404.0
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	19.1
Financials	14.3
Industrials	13.5
Health Care	10.9
Consumer Discretionary	10.2
Consumer Staples	7.9
Energy	5.5
Communication Services	5.3
Materials	4.1
Real Estate	0.7
Cash and ETFs	8.6

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

## TOP TEN HOLDINGS (%)\*

Devon Energy Corporation	3.0
L3Harris Technologies Inc	2.8
JP Morgan Chase	2.7
United Health Group	2.7
Microsoft Corp	2.6
Pioneer Natural Resources Company	2.5
Visa Inc A	2.4
Costco	2.4
LVMH	2.4
Grupo Financiero Banorte	2.3

## PORTFOLIO COMMENTARY

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

- B share class units rose in value by 0.93%
- This performance was against a rise of 2.81% in the MSCI ACWI NR USD
- Fund and Index performance data sourced from Morningstar

Markets were extremely volatile during October but finished the month in positive territory. The closely watched US CPI print came in above expectations at 8.2%, keeping pressure on the Federal Reserve to continue its tightening cycle. The 20th National Congress of the Chinese Communist Party was held in the middle of the month and Xi Jinping was re-elected as President for an historic 3rd term. He subsequently placed close allies in strategically important positions in the Politburo and Standing Committee; moves which will allow him to pursue his reformist agenda unchallenged. This action and a doubling down on the Zero Covid policy, which many had hoped would be eased, sent HK/China sharply lower. The Russia / Ukraine situation continued to escalate with strategic missile attacks on both sides and veiled threats about nuclear action from Russia. The Ukraine grain export agreement collapsed and was then reinstated, with large ensuing spikes and falls of the wheat price, reemphasising the vulnerability of global food supplies to this issue. Back at home, the UK saw its shortest ever Prime Minister as Liz Truss departed after less than 2 months, having ruined the country's standing in global debt markets. Rishi Sunak became the uncontested Prime Minister on the 25th October, which the markets took comfort in.

## 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.

Against this turbulent macroeconomic backdrop, there were still some signs of resilience amongst portfolio holdings, particularly those companies serving the luxury consumer. LVMH reported 19% sales growth and EssilorLuxottica saw 17%, for example. The Fund's energy holdings, Devon Energy and Pioneer Natural Resources, as well as the banks, JPMorgan Chase, Banorte and Fifth Third, all contributed very positively to performance, buoyed by continued oil price strength and interest rate rises. The current earnings season delivered some significant disappointments as signs of tighter corporate and consumer spending are starting to appear. Notable poor results were reported by Microsoft, Amazon, Alphabet (held) Meta and Tesla (not held); all of which dropped significantly following the releases. The Fund's Chinese holdings all suffered from the fallout post the party conference.

The fund continued to rotate into more 'recession resilient' names such as McDonald's, Costco, Deere and ADP as well as the energy names. Purchases were funded by trims in the technology sector; Apple, Alphabet, TSMC and ASML.

Whilst the macroeconomic outlook remains volatile, it would seem that the Federal Reserve is now starting to moderate their language about future rate rises, but it may still be some time before interest rates and inflation peak. The Fund remains cautiously positioned, with cash at hand ready to deploy should visibility become clearer.

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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