

TM STONEHAGE FLEMING  
**OPPORTUNITIES FUND**

PREVIOUSLY KNOWN AS TM CAVENDISH OPPORTUNITIES FUND



**ACTIVELY  
MANAGED**



**STOCK PICKING  
APPROACH**



**LONG-TERM  
INVESTMENT HORIZONS**



**NAVIGATING TO INVESTMENTS  
WITH CLEAR STRATEGIES**



**GROWTH  
MINDSET**

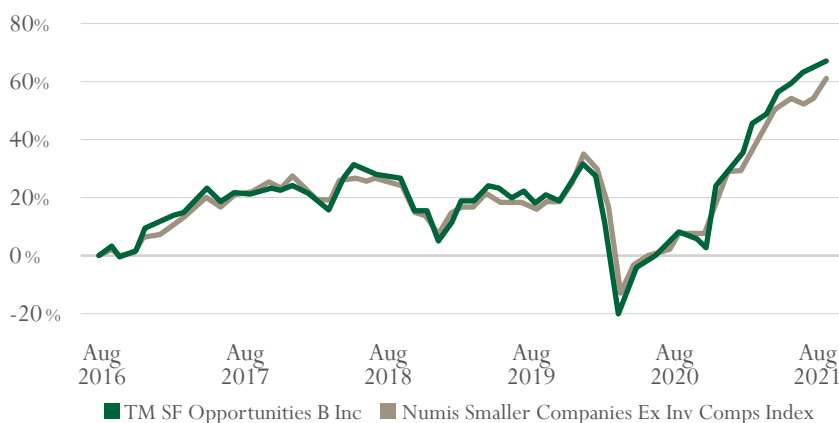
## INVESTMENT OBJECTIVE

The fund aims to achieve long-term capital growth.

## INVESTMENT POLICY

The Fund aims to invest in equities falling mainly under the following categories: smaller companies which offer long-term growth; companies which offer recovery prospects; and companies in sectors which are perceived to be unduly depressed. There is no geographical restriction but in practice the fund will be mainly invested in the UK.

## PORTFOLIO PERFORMANCE



## STANDARDISED FUND PERFORMANCE (%)

Performance	3m	6m	YTD	1yr	3yrs	5yrs
TM SF Opportunities B Inc	5.3	14.4	27.5	53.1	31.4	66.7
Numis Smaller Companies Ex Inv Comps Index	4.6	17.9	24.9	49.3	28.6	61.8
Peer Group Percentile	33	44	4	5	14	17

## DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 31 August	2021	2020	2019	2018	2017
TM SF Opportunities B Inc	53.1	-8.4	-6.3	4.6	21.3
Numis Smaller Companies Ex Inv Comps Index	49.3	-7.2	-7.2	3.5	21.6
Peer Group Percentile	5	42	75	76	10

## CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2020	2019	2018	2017	2016
TM SF Opportunities B Inc	27.5	-0.7	24.7	-15.6	13.9	13.6
Numis Smaller Companies Ex Inv Comps Index	24.9	-4.3	25.2	-15.4	19.5	11.1

Source: Morningstar, % 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 August 2021. Total return (with dividends reinvested) is net of fees.

*The fund can invest in a broad range of shares including AIM shares and smaller companies. Some of these investments carry a higher risk of failure and may be less liquid than shares listed on other exchanges. These shares may also be harder to sell quickly because of this lower liquidity. AIM shares and smaller company shares may also experience greater price volatility which could affect also the value of the fund.*

## KEY FACTS

Launch Date	15 February 1988
IA Sector	UK All Companies
Fund Size	£126.9m
Dealing Frequency	Daily

## FEES

Initial Charge	Up to 5.00%
Ongoing Charges <sup>2</sup>	0.67%
Annual Management Charge	0.60%

<sup>2</sup> Includes the Annual Management Charge.

## MINIMUM INVESTMENT

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

## FUND MANAGER



### PAUL MUMFORD

Paul Mumford has extensive investment experience. Having worked initially as an Analyst for Norris Oakley Brothers and later as a smaller companies expert at R Nivison, he moved to fund management in 1988 when he joined Glenfriars. He then joined Cavendish Asset Management at the group's formation in 1994. The acquisition of Cavendish Asset Management was made by Stonehage Fleming in July 2020. Paul is the co-manager of the TM Stonehage Fleming Aim Fund and the TM Stonehage Fleming Opportunities Fund.



### NICK BURCHETT

Nick Burchett began his career in 1983 at Strauss Turnbull and subsequently joined W.I. Carr in 1990 which later became Investec Wealth & Investment after a number of mergers and acquisitions. During this period Nick dealt extensively with Paul Mumford on the analysis of UK equities, markets and execution factors. This partnership made a compelling proposition and after 27 years at Investec he joined Cavendish Asset Management in November 2017 to jointly manage the funds. The acquisition of Cavendish Asset Management was made by Stonehage Fleming in July 2020. Nick is the co-manager of the TM Stonehage Fleming Aim Fund and the TM Stonehage Fleming Opportunities Fund.

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**RISK ANALYSIS**

Alpha	0.54	Ex-Post Risk calculations are based on 3 years' worth of monthly data points. Source: Morningstar, relative statistics calculated over 3 years using the Numis Smaller Companies Ex Inv Comps Index, total return as at 31/08/2021.
Beta	1.11	
R-Squared	0.87	
Standard Deviation	26.91	
Sharpe Ratio	0.46	

**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 3221110

**ISIN CODES:**

Class B Share GB0032211103

**LIPPER IDS:**

Class B Share 60009019

**SECTOR ALLOCATION (%)**

Energy	18.7
Industrials	17.6
Information Technology	14.9
Health Care	11.4
Communication Services	7.1
Consumer Discretionary	6.6
Financials	6.3
Real Estate	5.4
Consumer Staples	5.2
Materials	4.3
Cash	2.6

**TOP TEN HOLDINGS (%)**

Serica Energy Plc	3.6
Senior	3.6
Eagle Eye Solutions Group Plc	3.3
Lok'nStore Group Plc	3.3
Bango Plc	3.3
Enquest Plc	3.1
Xpediator Plc	2.9
STV Group	2.7
TT Electronics	2.7
M&C Saatchi Plc	2.4

Source: Thesis Unit Trust Management Limited and Stonehage Fleming Investment Management Limited as at 31 August 2021. Third parties whose data may be included in this document do not accept any liability for errors or omissions.

**PORTFOLIO COMMENTARY**

There was a good performance from the Numis Smaller Companies Index (ex. investment companies) which increased by 5.4% in the month. The general market was little changed and the fund performance lagged due to the greater proportion of large and mid-cap company shares in the portfolio. Contributing factors were the poor performance of McColls Plc following a share placing at a large discount and a decline in the Venture Life Plc share price on the back of a mixed trading statement. As a result, the TM Stonehage Fleming Opportunities Fund underperformed with the value increasing by 1.1%.

During the month we sold the balance of our holding in Clipper Logistics after the strong share price performance and also disposed of the small interest in Centralnic, the domain name company. Another disposal was our interest in William Morrison with the shares near the high point following the takeover battle. The most significant purchase was a holding in Standard Chartered Bank where its fortunes look to have turned the corner. In the smaller company area we subscribed for shares in the McColls placing, raising funds to increase the store refurbishment program to accelerate growth. Elsewhere, we added to Avon Protection at the bottom of its trading range and Beximco Pharmaceutical where the shares look undervalued.

It has been a fairly quiet month for company news but most companies seem to be at least trading in line with expectations. Many have now returned to or exceeded pre-Covid 2019 results. The signs remain positive, and unless there is a further lockdown, the recovery will continue. Inflation might be a concern due to raw material and energy rises, and perhaps some wage rises. We have found that the majority of companies which we meet have been successful in passing on cost increases to customers. The most spectacular rise has been in the spot gas prices and more importantly the forward price curve where producers will now be hedging. We hold several companies that will now be benefitting from this increase in price. The oil and gas sector has been out of favour due to ongoing ESG concerns. However, most, if not all, companies are aware of problems created through climate change and many of our holdings have low relative emissions or are making positive changes to address these issues. The UK will increasingly rely on imported gas and there are many exciting companies in this area of the stock market.

Moving forward, many companies will soon be reporting results and at the smaller market capitalisation end of the stock market there will be opportunities where profit expectations are likely to be exceeded. As the UK emerges from the pandemic many companies will be leaner than before and enter a phase of growth. At the same time, takeover activity could continue to rise and we remain confident about the long term prospects for the fund.

**IMPORTANT INFORMATION**

Derivatives have not been used but are allowed if appropriate for efficient asset management. The Fund only invests in UK assets but is allowed to hold shares on overseas exchanges. This would occur in the event of a company delisting from the London stock market and would not be expected to be material. Hence, there would be limited foreign exchange risk.

The fund can invest in a broad range of shares including AIM shares and smaller companies. Some of these investments carry a higher risk of failure and may be less liquid than shares listed on other exchanges. These shares may also be harder to sell quickly because of this lower liquidity. AIM shares and smaller company shares may also experience greater price volatility which could affect also the value of the fund.

Stonehage Fleming Investment Management Limited, which is authorised 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, which is authorised and regulated by the Financial Conduct Authority (reference number 186882). The Registered Office and Head Office of Thesis Unit Trust Management Limited is the Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP. Registered in England with Company number 3508646. 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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