

TM STONEHAGE FLEMING
UK BALANCED INCOME FUND

PREVIOUSLY KNOWN AS TM CAVENDISH UK BALANCED INCOME FUND



**ACTIVELY
MANAGED**



**SUSTAINABLE
INCOME FOCUS**



**MULTI-
ASSET**



**LONG-TERM
OPPORTUNITIES**



**POUND STERLING
PORTFOLIO**

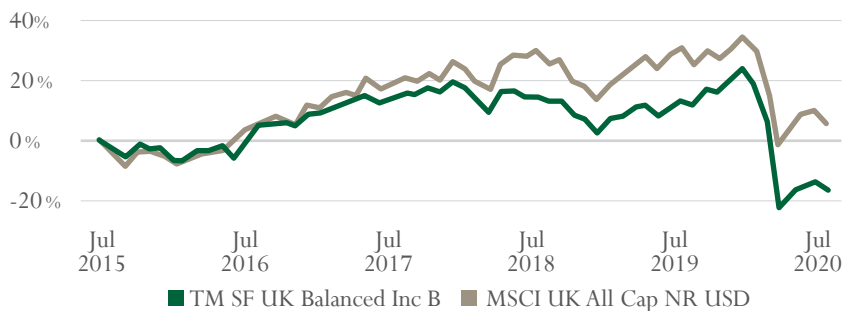
INVESTMENT OBJECTIVE

The objective of the UK Balanced Income Fund is to provide income and growth.

INVESTMENT POLICY

The Fund will be a diversified portfolio invested predominantly in UK equities typically from the FTSE 350 and in a range of fixed interest stocks such as government and public securities, debentures and corporate bonds. The Fund will not be restricted in the choice of fixed interest stocks in terms of duration or rating. If considered appropriate the Fund may also invest in other markets as specified in the Prospectus and in other assets including other transferable securities, cash and near cash, deposits and money market instruments. Derivative instruments may be used to manage exposure to risk, reduce cost, or for the generation of income.

PORTFOLIO PERFORMANCE



STANDARDISED FUND PERFORMANCE (%)

Performance	3m	6m	YTD	1yr	3yrs	5yrs
TM SF UK Bal Inc B	1.4	-29.2	-32.1	-25.9	-26.5	-15.8
MSCI UK All Cap NR USD	0.5	-18.9	-21.5	-19.4	-11.3	5.8
Peer Group Percentile	17	100	100	100	100	100

DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 31 July	2020	2019	2018	2017	2016
TM SF UK Bal Inc B	-25.9	-1.1	0.3	14.3	0.2
MSCI UK All Cap NR USD	-19.4	0.8	9.2	14.9	3.8
Peer Group Percentile	100	100	100	1	100

CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2019	2018	2017	2016	2015
TM SF UK Bal Inc B	-32.1	20.3	-13.9	10.4	11.5	5.1
MSCI UK All Cap NR USD	-21.5	18.3	-9.8	13.1	17.3	0.1

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 July 2020. Total return (with dividends) is net of fees.

KEY FACTS

Launch Date	17 May 2010
IA Sector	UK Equity & Bond Income
Fund Size	£18.3m
Dealing Frequency	Daily

FEES

Initial Charge	Up to 5.00%
Ongoing Charges	0.61%
Annual Management Charge	0.50%

MINIMUM INVESTMENT

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

PORTFOLIO MANAGER

PETER MCLEAN



Peter is a Director for Stonehage Fleming Investment Management with responsibility for the day-to-day management of the UK Balanced Income, Global Balanced and Global Growth Portfolio funds.

Peter joined the Group in 2010 and became a member of the Investment Committee in 2016, focusing on multi-asset portfolio management. He is a CFA Charterholder.

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RISK ANALYSIS

Alpha	-5.39	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 UK All Cap NR USD Index, total return as at 31/07/2020.
Beta	1.23	
R-Squared	0.85	
Standard Deviation	19.38	
Sharpe Ratio	-0.45	

ENQUIRIES AND DEALING

0333 300 0355

(press 1 for Enquiries, press 2 for Dealing)

DEALING:

Tutman LLP, PO Box 3733,

Royal Wootton Bassett, Swindon, SN4 4BG

SEDOL CODES:

Class B Share B52JT57

ISIN CODES:

Class B Share GB00B52JT570

LIPPER IDS:

Class B Share 68067399

SECTOR ALLOCATION (%)

Financials	33.5
Consumer Staples	10.4
Industrials	9.9
Materials	9.8
Consumer Discretionary	9.1
Energy	7.5
Communications Services	6.0
Health Care	6.0
Utilities	5.8

TOP TEN HOLDINGS (%)

Electricite de France sa	3.5
Astrazeneca Plc	3.3
Direct Line Insurance Group PL	3.3
Lloyds Banking Group Plc	3.1
BAE Systems Plc	2.9
Premier Foods Finance	2.9
Hastings Group Holdings PLC	2.9
LV Friendly Society	2.7
GlaxoSmithKline PLC	2.7
J Sainsbury plc	2.7

Source: Tutman LLP and Stonehage Fleming Investment Management Limited as at 31 July 2020. Third parties whose data may be included in this document do not accept any liability for errors or omissions.

PORTFOLIO COMMENTARY

In July the TM Stonehage Fleming UK Balanced Income Fund performance was as follows:

- 'B' share class returned -2.2%.
- 'L' share class returned -2.2%.

This performance was against the MSCI UK All Cap NR USD Index returning -4.0%.

July saw risk assets buoyed by positive risk sentiment, but momentum was slightly hampered by rising coronavirus cases increasing concerns over lockdowns

potentially being reimposed. Sterling strength during the month hindered returns for UK assets. The portfolio held up well versus its benchmark despite income uncertainty continuing to create difficulties in the UK income sector. More growth-orientated stocks continued to lead, but the Materials sector performed well during the month, helped by commodities recovering, and the positions in Glencore, Rio Tinto and Polymetal performed particularly well. The exposures to Communications and Consumer Staples weighed on returns as ITV, BT Group and British American Tobacco declined.

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.

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 TUTMAN LLP, 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 Street, Chichester, West Sussex PO19 1UP. 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.

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