

STONEHAGE FLEMING GLOBAL BALANCED PORTFOLIO FUND (THE 'FUND')

March 2017 Quarterly Factsheet

OBJECTIVE

To preserve capital in the medium term and to achieve capital growth in real terms over the longer term, whilst generating moderate levels of income.

FUND INFORMATION

Inception date:	7 July 2011
Fund Size:	£31.6m
No of Holdings:	22
Structure:	UK Authorised UCITS OEIC
Domicile:	UK
Share Classes:	A & B
Currency:	GBP
Dealing:	Daily
Yield:	1.33%*
Benchmark:	45% JPM Global Government Bond Index TR / 55% MSCI World TR (£)

Ongoing Charges

Figure:	1.50% (for year ended 02 April 2016)
Performance Fee:	None
Custodian:	Northern Trust Company
Administrator:	Northern Trust Global Services
Manager:	Stonehage Fleming Investment Management Limited

*Net figure based on dividends paid in the year to 31 March 2017

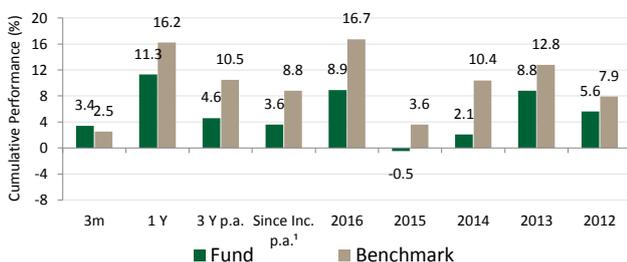
COMMENTARY

For the period, the SF Global Balanced fund returned 3.4%, outperforming the fund benchmark which returned 2.5%. Equities drove portfolio returns with this component of the portfolio contributing 2.7%, led by Emerging Market and Asian equity positions. Bonds and Alternative Assets were also additive to the portfolio's returns, with high yield and corporate bond positions performing well. A new holding in Emerging Market local currency fixed income also contributed to the portfolio during the first quarter.

We made a number of changes in the first quarter as part of a restructure of the overall portfolio. This involved allocating more capital to passive instruments, mainly in the equity component, with the objective of lowering the total cost of the portfolio and emphasising key areas of focus. For example, US Equities are accessed through a core position in the iShares Core S&P 500 ETF, with a fee of 0.07% per annum. This is complemented by positions in the iShares EDGE MSCI Value Factor ETF, a 'smart beta' passive fund which offers exposure to attractively valued companies in the US, the PIMCO MLP & Energy Infrastructure fund, a thematic strategy investing in the US Energy Infrastructure sector, and Findlay Park American fund, a high conviction active strategy. We combine a mixture of low cost passive funds and active managers with a demonstrable track record of outperformance across global equity markets, with the diversifying balance of the portfolio held in a small number of fixed income and alternative assets. Whilst we have marginally increased equity exposure this quarter to reflect our outlook, the asset allocation of the fund remains broadly unchanged.

After a prolonged period of disappointment, the global economy is in a growth phase which is supporting risky assets. The first quarter of 2017 has seen a marked improvement in economic data, especially in the US and Europe, which has overshadowed lingering political uncertainties. While the UK has now given notice to withdraw from the EU, we believe the most severe outcome will be avoided. In any case, the status quo remains in place for the time being and economic conditions here are also firm. We expect this trend to continue throughout 2017, although inflationary risks are building and may dampen activity further down the line. For now, we are optimistic on the near term outlook and have made changes this quarter to reflect this. We continue to assess developing opportunities to ensure the portfolio is well placed to capitalise on the current market environment.

PERFORMANCE – Since Inception 7th July 2011



All performance is net of fees

PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RESULTS

Source for all Stonehage Fleming Investment Management Limited (SFIM)

performance data: Northern Trust, SFIM calculations

Source for all market data: Factset, Bloomberg

Top Ten Holdings

¹ Stonehage Fleming Global Best Ideas Fund

ASSET ALLOCATION

	% of Fund
Equity	58.0
Bonds – Government	25.0
Bonds - Non-Government	8.0
Alternative Strategies	8.0
Cash	1.0

TOP TEN HOLDINGS

Fund Name/Manager	Sector/Strategy	% of Fund
iShares Core S&P 500 ETF	Equities	13.0
UK IL Gilt 1.25% 22/11/2027	Bonds – Government	10.2
iShares EDGE MSCI USA Value Factor ETF	Equities	7.9
Vanguard Global Bond Index Fund	Bonds – Government	6.6
iShares Core MSCI Emerging Markets IMI ETF	Equities	6.1
Invesco Perpetual Global Targeted Return Fund	Alternative Strategies	6.0
SF Global Best Ideas Fund ¹	Equities	5.1
UK Gilt 1.5% 22/07/2026	Bonds – Government	5.1
PIMCO Global Investment Grade Credit Fund	Bonds – Non-Government	4.9
Findlay Park American Fund	Equities	4.6

RISK DISCLOSURES

The advice we provide will be based on and take into account a majority of product types and not every single equivalent product within a given product category. As such, our advice is restricted (as opposed to independent) as defined by the FCA.

This communication has been prepared for information only and is not intended for onward distribution. It is neither an offer to sell, nor a solicitation to buy, any investments or services. This communication does not constitute a personal recommendation and does not take into account the individual financial circumstances, needs or objectives of the recipients.

The value of investments may go down as well as up and, 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.

All investments risk the loss of capital. Where there is potential for profit, there is also possibility of loss. No guarantee or representation is made that the funds will achieve their investment objective.

Past performance should not be used as a guide to future performance.

Whilst every effort is made to ensure that the information provided in this document is accurate and up to date, some of the information may be rendered inaccurate by changes in applicable laws and regulations. Any reference to taxation relies upon information currently in force. You should note that the bases and rates of taxation may change at any time.

From time to time, the fund manager may engage in hedging transactions within certain funds. There can be no assurances that such hedging, if undertaken, will insulate the particular funds from risks and hedging techniques, whether via derivatives or other products or instruments, may give rise to certain costs and additional risks, including a risk of total loss of any amounts invested in hedging instruments.

Unquoted investments may be difficult to sell at a reasonable price because there will not be an active market in those investments and, in some circumstances, they may be difficult to sell at any price. This may inhibit sales in the event of your wishing to liquidate part or all of your investment.

Changes in the rates of exchange between currencies may cause the value of investments to go up or down.

In addition to the information provided by Stonehage Fleming Investment Management Limited, you may wish to consult an independent professional.

Key Investor Information document (KIID) for the Stonehage Fleming Global Balanced Portfolio Fund, is available in English upon request from Stonehage Fleming Investment Management Limited (SFIM) at 15 Suffolk Street, London, SW1Y 4HG, or on SFIM's website at www.stonehagefleming.com Stonehage Fleming Global Balanced Portfolio Fund is a sub-fund of the Stonehage Fleming Global Multi Asset Umbrella Fund, a prospectus for which is available in the same way.

The Ongoing Charges Figure ("OCF") expresses the costs of running the Fund as a single figure. This is the overall cost shown as a percentage of the value of the assets of the Fund. It comprises the annual management charge and other additional charges including, but not limited to, the charges of the Depositary, Administrator, Registrar and Auditors as well as any specified regulatory or legal fees. It does not include the costs of buying or selling investments or, where relevant, a performance fee.

The fund is a UCITS scheme and is authorized and regulated in the UK by the Financial Conduct Authority.

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