

STONEHAGE FLEMING GLOBAL BALANCED PORTFOLIO FUND



**UNCONSTRAINED
GLOBAL UNIVERSE**



**STRATEGICALLY
MANAGED ASSET
ALLOCATION**



**LONG TERM
HORIZON**



**BLEND OF PASSIVE,
FACTOR AND ACTIVE
EXPOSURE**



**DEEP INVESTMENT
RESOURCE**



**HIGH CONVICTION
INVESTORS**

FUND INFORMATION

Total Net Assets (Millions GBP)	33.7
Benchmark ¹	See footnote below
Fund Type	UCITS OEIC
Fund domicile	UK
Base currency	GBP
Currencies available	GBP
Fund launch	07 July 2011
Number of holdings	19
Income paid	Quarterly
Yield	1.1% ²
Type of payment	Dividend
Payment date	February, May, August, November
Dealing	Daily
Performance fee	None
Custodian	Northern Trust Company
Administrator	Northern Trust Global Services
Manager	Stonehage Fleming Investment Management Limited

INVESTMENT 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.

INVESTMENT STRATEGY

- We construct globally orientated portfolios of long term investment ideas.
- We blend passive, factor and active market exposure targeting a robust multi-asset solution.
- We are conviction investors with all investments carefully assessed for purpose and clarity.

FUND PERFORMANCE %

	3m	YTD	12m	3yrs p.a.	Since Fund Inception p.a.
Balanced Fund	2.4	0.9	9.5	5.4	4.5
Fund Benchmark	1.8	0.7	9.3	8.9	8.7

DISCRETE ANNUAL FUND PERFORMANCE %

	Jan 17 - Jan 18	Jan 16 - Jan 17	Jan 15 - Jan 16	Jan 14 - Jan 15	Jan 13 - Jan 14
Balanced Fund	9.5	11.1	-3.6	4.6	3.8
Fund Benchmark	9.3	17.1	1.0	13.8	7.6

Source: Stonehage Fleming Investment Management Limited as at 31 January 2018. Total return (with dividends reinvested) is net of fees.

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. The return may increase or decrease due to currency fluctuations. Performance figures are net of fees and charges. For a full list of risks applicable to this fund, please refer to the Prospectus.

PORTFOLIO MANAGER



Graham Wainer

Graham is CEO and Head of Stonehage Fleming Investment Management in London. He is also Chairman of the Investment Committee. Prior to joining the Group, Graham was GAM's Group Head of Investments – Multi Asset

Class Solutions and Chairman of GAM's Investment Advisory Board where he had overall responsibility for the firm's discretionary mandates and related co-mingled funds.

DEPUTY PORTFOLIO MANAGER

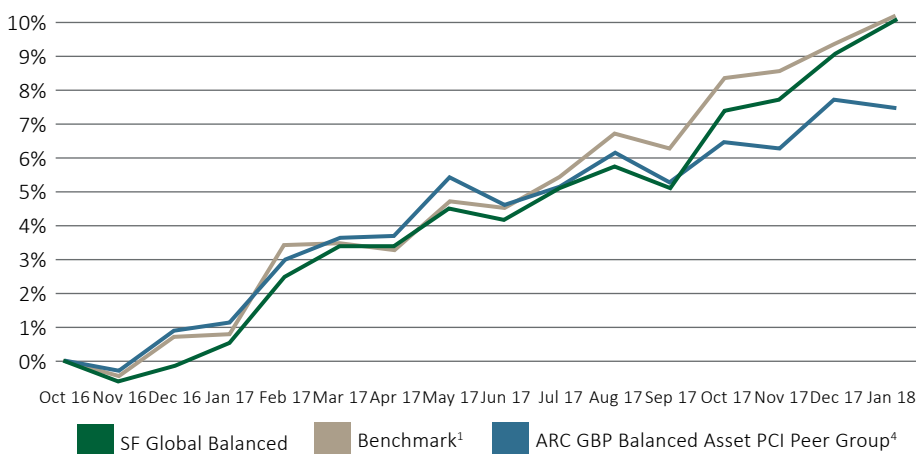


Peter McLean CFA

Peter is a Director of Stonehage Fleming Investment Management and a member of the Investment Committee, responsible for the management of our multi-asset investment offering. His main focus is on global economic and market dynamics, and their implications for the deployment of client capital across portfolios.

MANAGER PERFORMANCE HIGHLIGHTS

The fund was originally launched on 7 July 2011, however November 2016 marked a change in portfolio management, with Graham Wainer, SFIM CEO & Head of Investments, managing the fund.



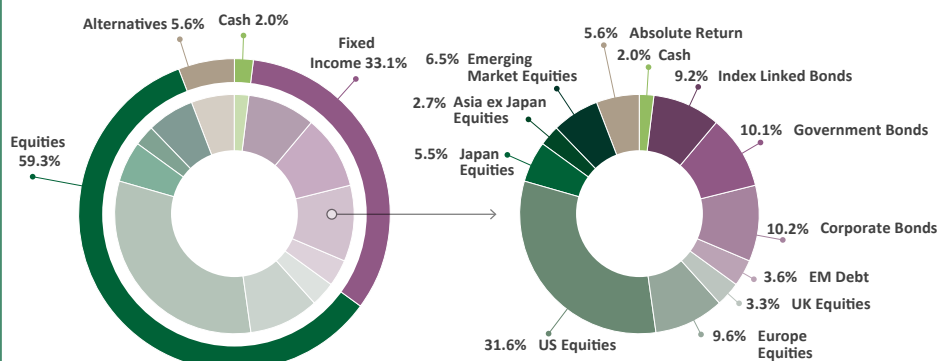
GBP A (inc) share class details

ISIN	GB00B3QRG186
Inception date	7 July 2011
Max initial charge	5.00%
Max exit charge	5.00%
Ongoing charge (OCF) ³	1.00%
Min initial investment (GBP)	50,000
Registered for sale	UK

¹ MSCI. The MSCI index has been customised as requested by Stonehage Fleming Investment Management Limited (SFIM). Such data may not be reproduced or re-disseminated and may not be used to create any financial instruments or products or any indices. Such data is provided without any warranties of any kind. Neither MSCI nor any of its suppliers have any liability in connection with such data. Prior to 3 April 2017, the benchmark was 45% JPM Global Government Bond Index (GBP hedged)/55% MSCI World Index. From the 3 April 2017 the benchmark is 45% Barclays Global Aggregate/55% MSCI AC World (40% GBP Hedged). ² Net figure based on dividends paid in the year to 31 January 2018. ³ Effective from 3 April 2017. The OCF is the management fee plus additional fund expenses as a percentage of the assets of the fund. This gives an indication of annual expenses. This figure may vary over time. It excludes portfolio transaction cost. ⁴ ARC Peer Group Index performance figures are net of management fees and withholding taxes. Asset Risk Consultants Limited (ARC) Private Client Indices ("PCI") are based on historical information and past performance is not indicative of future performance. PCI are computed using a complex calculation and the results are provided for information purposes only and are not necessarily an indicator of suitability for your specific investment or other requirements. ARC does not guarantee the performance of any investment or portfolio or the return of an investor's capital or any specific rate of return. ARC accepts no liability for any investment decision made on the basis of the information contained in this report.

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PORTFOLIO COMPOSITION



TOP 5 ACTIVE STRATEGIES

Strategy	% of Portfolio
PIMCO Global Investment Grade Credit	7.6
Invesco Perpetual Global Targeted Returns	5.6
Orbis Global Equity Fund	5.4
Lyrical Fund	5.3
Stonehage Fleming Global Best Ideas	4.9

TOP 5 PASSIVE/FACTOR STRATEGIES

Strategy	% of Portfolio
iShares EDGE MSCI USA Value UCITS ETF	9.6
Vanguard Global Bond Index Fund	7.7
iShares Core S&P 500 UCITS ETF	7.2
Vanguard Emerging Markets Stock Index Fund	5.1
iShares Core Euro Stoxx 50 UCITS ETF	4.5

Source: Factset, Bloomberg, Northern Trust Global Services Limited. Source of all performance data: Northern Trust Global Services Ltd, Stonehage Fleming Investment Management Ltd calculations.

PORTFOLIO COMMENTARY

The SF Global Balanced Portfolio Fund returned 0.9% in January, compared to the benchmark return of 0.7%.

Global equity markets had a strong start to the year, rising 5.6% in US dollar terms. The Pound Sterling appreciated sharply however, dampening returns for UK investors investing overseas. At one point returns looked to have been notably higher than this, but concerns over the impact of rising US yields resulted in equity markets falling into the end of the month. In a continuation of sector and regional movements in 2017, technology was the best performing sector, and emerging markets continued to outperform developed regions. Fixed income markets saw significant movement in yields during the month with the UK 10-year gilt yield rising from 1.19% to 1.51%. This led to negative returns for bond holders.

We introduced a new active manager to the portfolio this month; the Orbis Global Equity fund. This is a global equity strategy led by a team of portfolio managers at Orbis, who have a strong long term record of outperforming the global equity market. Their focus is on fundamental company research, and follow a contrarian and value-focused discipline. This addition was made at the expense of Vulcan Value, a US focused fund, reflecting a concentration of our US managers into the highest conviction strategies.

The portfolio performed well for the month, despite the value bias within the equity portfolio leading to weaker returns from this component relative to the market. We benefited from better relative returns in fixed income and alternatives. In particular, the Invesco Perpetual Global Targeted Return fund returned 1.0% in a month when fixed income markets fell -0.8%. Our decision to allocate to this fund as opposed to a greater weighting to fixed income therefore proved positive. We also recorded positive contribution from the currency allocation of portfolio, benefiting from the weakening in the US Dollar relative to the Pound Sterling.

ACTIVE MANAGERS IN FOCUS

The portfolio blends a mix of active, passive and factor strategies. Approximately 40% of the portfolio is invested in those active managers where our conviction is the strongest. Below outlines three examples of this approach across asset classes.

PIMCO Global Investment Grade Bond

This fixed income strategy offers investors broad exposure to investment grade credit, managed by PIMCO, the largest global bond manager. It offers the diversification benefit, yield premium, and greater total return potential of credit securities relative to conventional government securities. We have a high opinion of the management team and allocate to the fund as a core position in our fixed income component.

Lyrical Fund

This equity fund is managed by Andrew Wellington, and offers investors a valuation-oriented approach to US stock investing. The manager aims to identify US companies trading at deep discounts to their intrinsic value, and to construct a portfolio of approximately 30 equally weighted stocks which have compelling capital growth potential. It differs from other 'deep value' strategies by incorporating a strict quality criteria based on company fundamentals, resulting in the manager avoiding areas with excess leverage. Top holdings currently include Broadcom, Anthem and Ameriprise Financial Inc.

Invesco Perpetual Global Targeted Return

This alternative fund is managed by Invesco's multi-asset team led by David Millar, and aims to deliver 5% per annum in excess of cash in all market environments, with a relatively low level of volatility. Typically 20-30 ideas are allocated to offer a broad source of return and risk drivers. The team have a strong track record of delivering to this objective. The strategy offers important diversification to the overall portfolio.

IMPORTANT INFORMATION

Derivatives may be used for efficient portfolio management. The fund invests in assets which are denominated in other currencies; hence changes in relevant exchange rate will affect the value of the investment.

The Global Balanced Portfolio Fund ("the Fund") is a UCITS sub-fund of the Stonehage Fleming Global Multi Asset Umbrella Fund, which is a UCITS scheme that is authorised and regulated in the UK by the Financial Conduct Authority (reference number 541432). The Stonehage Fleming Global Multi Asset Umbrella Fund is an open-ended investment company with variable capital, incorporated in England and Wales under registered number IC000898. Registered office: 15 Suffolk Street, London, SW1Y 4HG.

The funds Authorised Corporate Director is Stonehage Fleming Investment Management Limited (SFIM), which

is authorised and regulated by the Financial Conduct Authority (reference number 194382). Registered office: 15 Suffolk Street, London, SW1Y 4HG. Registered in England with Company number 4027720.

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 Stonehage Fleming Investment Management Limited (SFIM) at 15 Suffolk Street, London, SW1Y 4HG; or by phoning 020 7087 0000 between 9am and 5pm Monday to Friday; or on SFIM's website at www.stonehagefleminginvestments.com

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