

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
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FUND INFORMATION	
Total Net Assets (Millions GBP)	32.7
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	20
Income paid	Quarterly
Yield	1.3% 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	2.1	-1.3	3.4	5.0	3.9
Fund Benchmark	2.6	0.4	5.1	9.3	8.1

DISCRETE ANNUAL FUND PERFORMANCE %

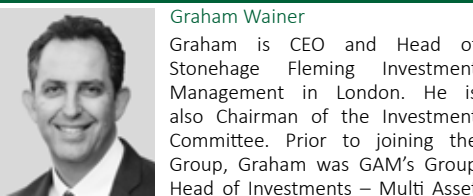
	Jun 17 - Jun 18	Jun 16 - Jun 17	Jun 15 - Jun 16	Jun 14 - Jun 15	Jun 13 - Jun 14
Balanced Fund	3.4	9.9	1.8	1.9	4.6
Fund Benchmark	5.1	10.2	12.7	7.6	7.9

Source: Stonehage Fleming Investment Management Limited as at 30 June 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

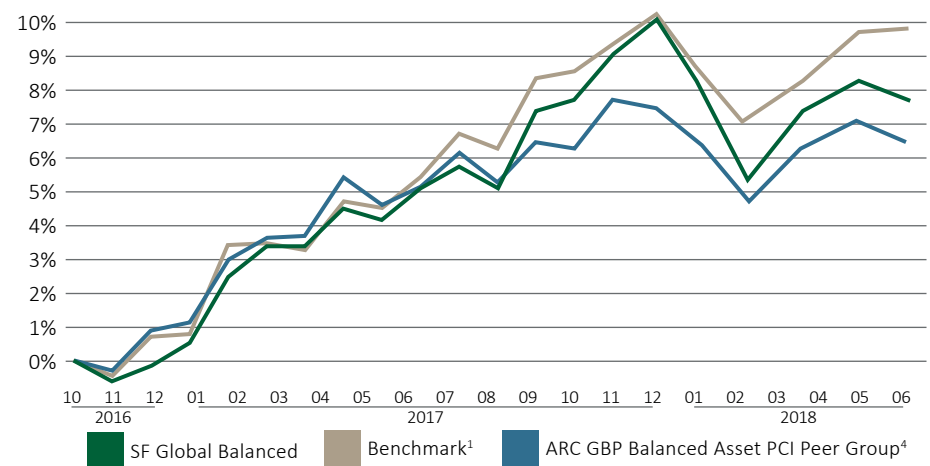


Peter McLean CFA
Peter is a Director of Stonehage Fleming Investment Management and a member of the Investment Committee, responsible for the management of our multi-asset investment offering. His main focus is on global economic and market

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.



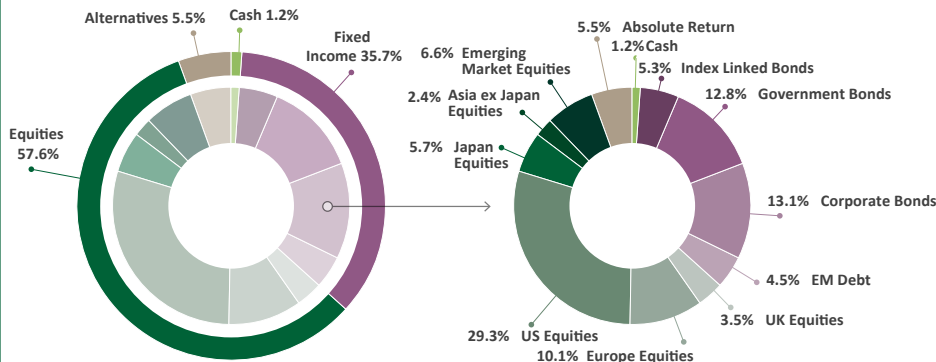
GBP A (inc) share class details

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 30 June 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 costs. 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
BlueBay Global Investment Grade Corporate Bond Fund	6.8
PIMCO Income Fund	6.8
Orbis Global Equity Fund	5.7
Invesco Perpetual Global Targeted Returns	5.5
SF Global Best Ideas Fund	5.4

TOP 5 PASSIVE/FACTOR STRATEGIES

Strategy	% of Portfolio
Vanguard Global Bond Index Fund	7.9
iShares EDGE MSCI USA Value UCITS ETF	6.9
iShares Core S&P 500 UCITS ETF	6.6
iShares Core Euro Stoxx 50 UCITS ETF	4.8
Vanguard Emerging Markets Stock Index Fund	4.7

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 2.1% over the second quarter of 2018, versus the composite benchmark return of 2.6%.

Despite heightened volatility, global equities rose 6.9% in the second quarter of 2018. US equities outperformed, returning 9.7%, following strong economic growth in the US and upward revisions to GDP and company earnings. After a period of underperformance, UK equities performed strongly in Q2 returning 9.2%. Losses were made in the Emerging Markets in response to a strengthening US Dollar and concerns regarding trade protectionism.

The best performing position in the portfolio was within the US equity space. The iShares S&P 500 ETF tracked the index higher and benefited from the depreciation of Sterling resulting in a return of 11.3%. The SF Core UK Fund managed by Majedie also performed strongly returning 10.9%, benefiting from a position in Sainsbury's which rallied 38%. A key detractor from performance was our exposure to local emerging market debt via the Blackrock EM Local Currency Bond Fund. The Fund has fallen 8.0% so far this year due to deteriorating sentiment towards the asset class.

We restructured our Fixed Income positioning in May in response to developing market conditions. We reduced the Fund's government bond exposure and also fully redeemed our position in the Pimco Investment Grade Credit Fund. The proceeds of these trades were invested into the BlueBay Global Investment Grade Corporate Bond Fund and the Pimco Income Fund, exposing the portfolio to a broader range of fixed income assets. Both Funds are covered in our active manager focus this quarter.

ACTIVE MANAGERS IN FOCUS

The portfolio blends a mix of active, passive and factor strategies. Approximately 50% of the portfolio is invested in active managers where our conviction is the strongest. Below we outline two examples.

BlueBay Global Investment Grade Corporate Bond Fund

This strategy invests predominately into investment grade fixed income securities with investments sourced and evaluated through bottom-up fundamental research. It aims to outperform the Barclays Global Aggregate Corporate Bond Index by 1.5% per year, gross of fees, within a tracking error range of 0-3%. The strategy seeks to exploit a global investment universe, with typical exposure consisting of 80-250 issuers, and is permitted to take positions off-index. The Fund can also take short positions by buying credit default swaps (CDS) protection on specific issuers. Due to its size, we view this fund as a more nimble "stock-picker" and believe that this attribute will benefit the strategy in the current market environment.

PIMCO Income Fund

This fund offers diversified exposure to fixed income markets, managed by PIMCO, the largest global bond manager. The portfolio is divided into two general sections. Firstly, higher yielding assets, which include corporate credit, mortgage backed securities and Emerging Market debt. These assets are expected to perform well during periods of robust economic growth. Secondly, higher quality assets, which currently consists mainly of government bonds in the US and Australia. These positions provide a balance to the portfolio, benefiting from periods of weaker economic growth or market turbulence. We have a high opinion of the management team and consider the strategy to have strong potential for long term outperformance over fixed income markets.

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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