



**STIRLING HOUSE
FINANCIAL SERVICES**

Quarterly Update

DMS Stirling House Balanced Fund

30th September 2020

Investment Objective

To provide a balance of income and capital growth over the medium to long term.

Investment Policy

The Fund will seek to achieve its investment objective by gaining exposure generally to money market instruments, fixed interest securities, cash and near cash, with some exposure to global equities.

The Fund may also invest directly or indirectly in other transferable securities and collective investment schemes which may have exposure to alternatives such as commodities, loans, hedge funds, private equity and property.

The Fund may make use of derivatives for efficient portfolio management.

Fund Performance can also be viewed online at
www.TrustNet.com
Search:
DMS Stirling House Balanced

This factsheet has been issued by Stirling House Financial Services Ltd who are authorised and regulated by the Financial Conduct Authority under the firm reference 413234.

Notes

For further details before making an investment please ask your Financial Adviser for the full Prospectus or KIID, or contact DMS Investment Management Services (UK) Limited directly, or visit www.dmsgovernance.com website.

* Under normal circumstances this charge will be waived, contact Stirling House Financial Services Ltd for further clarification.

**This figure was calculated as of 30/06/2020 for the A ACC share class and includes the annual management fees and the fund administration charges.

Performance Commentary

In Q3, markets continued to rise, even amidst increasing COVID cases. US consumer spending was surprisingly strong and fiscal support strengthened growth in the euro area and the UK. Equity markets continued to rebound through July and August, with the S&P 500 reaching fresh highs in early September, before retracing. For fixed income, gilt yields increased, especially at longer durations, while corporate spreads continued to tighten on continued monetary support.

During the quarter, online retail platform Alibaba was a standout performer. Along with many of its peers, revenues were higher than expected. Taiwan Semiconductor was another top performer. After Intel announced the delay of the next generation computer chip, TSMC who already hold the

required technology to produce these chips saw stock price surge.

Contrastingly, Japanese pharmaceutical Shionogi detracted following poor results. Social distancing has reduced the necessity for its primary flu drug Xofluza. Materials technology company Umicore also disappointed, after Tesla's announcement that they are looking to internalise EV battery operations. While only a small proportion of their business is with Tesla, this changes the long-run total addressable market for Umicore.

Weyerhaeuser was sold following a period of strong share price performance driven by a rise in the price of timber wood. Financial services company Jack Henry was purchased and pioneering gene-sequencing company Illumina was also introduced.

Source: Sarasin & Partners LLP, 30 September 2020

Fund Facts

Fund Structure	NURS (Non-UCITS Retail Fund)
Fund Launch Date	18 February 2013
Fund Currency	GBP
Registered for Sale	Authorised in the UK by the FCA
Initial Charges*	5%
Ongoing Charge**	1.36%
Fund Dealing	Daily
Cut-Off Point	12 noon on a Dealing Day
Pricing Frequency	Daily
Target Return Benchmark	RPI + 3%
IMA Sector	Unclassified Sector

Launch Price	£1.00	Inc Class	£1.00
Minimum Investment	£5,000		£5,000
Annual Management Fee	0.70%		0.70%

Codes	Acc Class	Inc Class
SEDOL	B99R167	B99R178
ISIN	GB00B99R1674	GB00B99R1781

Investment Manager

Sarasin & Partners LLP is a London-based asset management group that manages investments on behalf of charities, institutions, intermediaries, pension funds and private clients, from the UK and around the world. The group employs 223 people and manages approximately £15.2 billion*.

Sarasin & Partners is known both as a market leader in thematic investment and for long-term income and dividend management across multi-asset and equity mandates. Consistent with a longer-term approach is a commitment to “stewardship” principles, embedding environmental, social and governance considerations into the investment process.

Sarasin & Partners is 55% owned by Bank J. Safra Sarasin Ltd and 45% owned by its London-based partners.

J. Safra Sarasin Group is one of the largest private banking groups in Switzerland. As at the end of December 2018 it managed total client assets of approximately £132 billion and employed around 2,151 staff.

*Source: Sarasin & Partners LLP, 30 September 2020

Stirling House

Stirling House Financial Services Limited was established in 2003 as an independently owned firm specialising in the provision of face-to-face financial advice.

We have a proven track record in providing investment advice and with our close partnership with Sarasin have the ability to offer bespoke fund management solutions.

Our funds have been specifically designed to be managed within predefined risk constraints whilst giving investors exposure to a range of investments managed globally. This provides you with all the economies of scale and gives you access to professional fund management and expertise, allowing us to offer our Clients the opportunity of aiming to obtain consistent, superior investment performance over the long term.

The Stirling House Funds are collective investment schemes authorised and regulated in the UK by the Financial Conduct Authority. This provides the reassurance that these Funds are being managed to the highest standards as one would expect as a Client of Stirling House.

Fund Outlook *from Sarasin & Partners*

Whilst social distancing strategies are relaxing and a return to full lockdown seems unlikely, economic and market conditions will not return to how they were: international trade flows and supply chains have been permanently disrupted in places; balance sheets have been damaged; many dividends will not return to previous levels and share buybacks have been reduced. Long term, technology disruption will accelerate; consumer attitudes will be very cautious; collectively, governments will be less able to stimulate recovery than before; weaker economic growth will leave some companies struggling; investors will further recognise the importance of ESG; affected shares will trade on lower valuation multiples. For all these reasons, it is a time to remain vigilant. Our focus will be on investments that can generate secure and growing cashflows over the long term.

In the immediate term, economic momentum and supportive fiscal spending will provide an impulse to corporate earnings. Monetary spending and near zero interest rates will allow refinancing opportunities for companies. Furthermore, there are numerous opportunities driven by the shift to a more digital world, in new automation, climate change mitigation and adaptation, demographic trends and by shifts in consumption patterns in both the emerging and the developed markets. These themes can surpass the broad measures of GDP growth and the challenges triggered by coronavirus. We are re-examining every sub-theme and there may be some changes of emphasis, but the high-level themes will continue to provide a strong underlying investment framework, providing us with the reassurance that the majority of companies in the portfolio have good prospects beyond the current crisis.



Henning Meyer
Fund Manager



**SARASIN
& PARTNERS**

Top 10 Key Holdings

UK TSY GILT 4.25% 07/03/36 GBP
 UK TSY GILT 2.75% 07/09/24 GBP
 UK TSY GILT 4.75% 07/12/30 GBP
 UK TSY GILT 3.25% 22/01/44 GBP

UK TSY GILT 3.50% 22/07/68 GBP
 UK TSY GILT 4.00% 07/03/22 GBP
 UK TSY GILT 3.75% 22/07/52 GBP
 UK TSY GILT 4.25% 07/06/32 GBP

INVESCO PHYSICAL GOLD ETC
 SARASIN RESPONSIBLE CORPORATE
 BOND-I INC

Source: Sarasin & Partners LLP, 30 September 2020

Geographic Equity Allocation

The following chart shows how the investments in the fund are proportioned over various geographic regions:



United Kingdom 3.85%
 Europe Ex-UK 21.40%
 Japan 3.38%
 Pacific Basin Ex-Japan 4.36%
 North America 54.97%
 Emerging Markets 8.39%
 Multi-Regional 3.65%

Asset Allocation

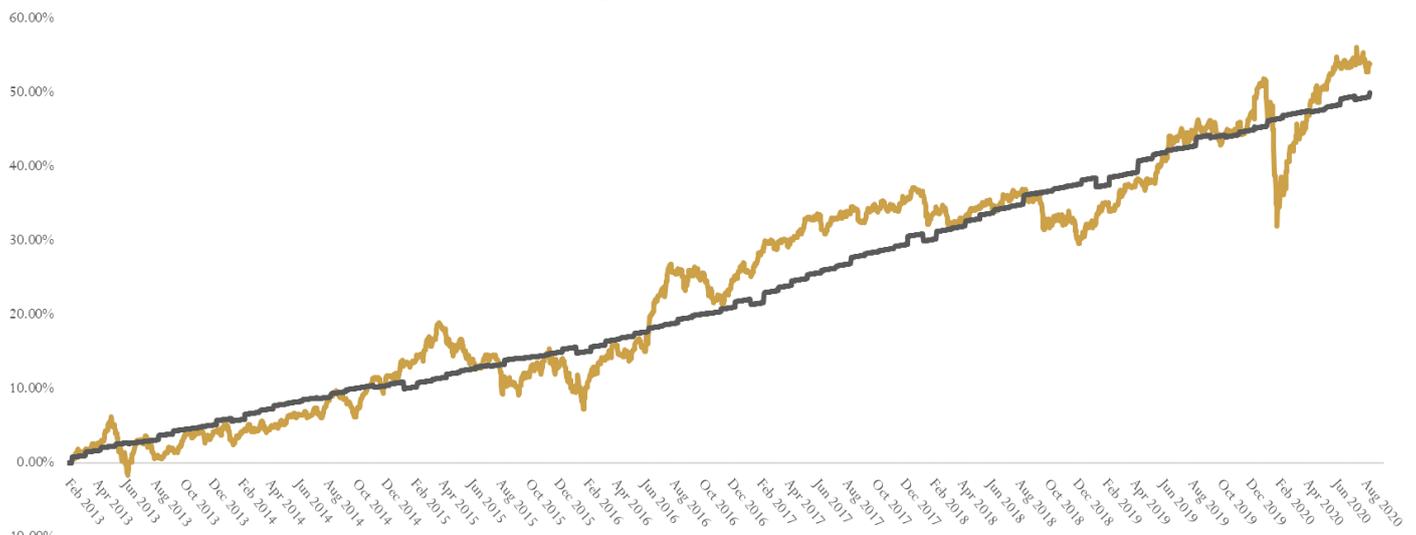
The following chart shows how the investments in the fund are proportioned over various asset classes:



Government 31.64%
 Total Equity 39.85%
 Total Alternative 4.97%
 Corporation 16.23%
 Property 0.00%
 Cash 7.31%

Source: Sarasin & Partners LLP, 30 September 2020

DMS Stirling House Balanced Fund



– DMS Stirling House Balanced – UK RPI +3%

Data from 18 Feb 2013 to 30 September 2020

Performance	01/10/2015 to 30/09/2016	01/10/2016 to 30/09/2017	01/10/2017 to 30/09/2018	01/10/2018 to 30/09/2019	01/10/2019 to 30/09/2020	19/02/2013 to 30/09/2020
DMS Stirling House Balanced	14.50%	5.94%	2.58%	7.09%	5.47%	53.89%
UK RPI +3.0%	5.11%	6.96%	6.37%	5.50%	4.17%	49.96%

Please remember that past performance is not a guide to future performance

Source: Morningstar, 30 September 2020

Fund Distributor / Sponsor

Stirling House Financial Services Limited
Administration Centre
PO Box 268
Malvern
WR14 9DD

Authorised Corporate Director

DMS Investment Management Services (UK) Limited
2nd Floor, 20-22 Bedford Row
Holborn
London
WC1R 4EB

Investment Manager

Sarasin & Partners LLP
Juxon House, 100 St Paul's Churchyard
London
EC4M 8BU

Auditor

Grant Thornton UK LLP
30 Finsbury Square
London
EC2A 1AG

Administrator

CACEIS Bank, UK Branch
Broadwalk House, 5 Appold Street
London
EC2A 2DA

Trustee Depositary

CACEIS Bank, UK Branch
Broadwalk House, 5 Appold Street
London
EC2A 2DA

Stirling House Contact Details

Phone	Post	Email	Web
Tel: 0845 68 68 268	Administration Centre	Enquiries@Stirling-House.com	www.Stirling-House.com
Fax: 0845 68 68 269	PO Box 268 Malvern WR14 9DD		

Important Information

Past performance should not be seen as a guide to future performance. The value of the investments of the Fund and the income from them can fall as well as rise, it may be affected by exchange rate variations and you may not get back the amount originally invested. All details in this factsheet are provided for information purposes only and should not be misinterpreted as investment advice. This document is not an offer or recommendation to buy or sell shares in the fund. You should not act or rely on this document but should seek independent advice and verification in relation to its contents. Stirling House Financial Services Limited accepts no liability or responsibility whatsoever for any consequential loss of any kind arising out of the use of this document or any part of its contents.

The outlook expressed in this fact sheet represents the views of the Fund Manager at the time of preparation and are subject to change. They are not necessarily the views of Stirling House Financial Services Limited or of DMS Investment Management Services (UK) Limited (FCA N° 429093). The asset allocations detailed within the factsheet are correct as at 30 September 2020 and are subject to change, whilst operating within the objectives of the Fund. The Fund Manager has the power to use derivatives but it is intended that these will only be used for the purpose of efficient portfolio management and not for investment purposes. Quoted yields are indicative, they do not take into account any fees or taxation and cannot be guaranteed.

This document does not explain all the risks involved in investing in the fund and therefore you should ensure that you read the Prospectus and the Key Investor Information Document (KIID) which contains further information including the applicable risk warnings.

Stirling House Financial Services Limited is authorised and regulated by the Financial Conduct Authority N°: 413234
Registered Office: Malvern View, Willow End Park, Blackmore Park Road, Welland, WR13 6NN. Registered in England and Wales N°: 05112844
Stirling House Financial Services Limited is a wholly owned subsidiary company of Mainstone Asset Management Limited
Registered in England and Wales N°: 07994049