



**STIRLING HOUSE  
FINANCIAL SERVICES**

# Quarterly Update

DMS Stirling House Monthly Income Fund

30th September 2020

## Investment Objective

To preserve capital and achieve an income return, over the medium term, that is in excess of short term money market interest rates.

## Investment Policy

The Fund will seek to achieve its investment objective by gaining exposure predominantly to money market instruments, fixed interest securities, cash and near cash with some 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](http://www.TrustNet.com)

Search:  
DMS Stirling House Monthly Income

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 the full Prospectus or KIID, or contact DMS Investment Management Services (UK) Limited directly, or visit [www.dmsgovernance.com](http://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, UPS was a standout performer. It has benefitted greatly from lockdown trends with business to customer volumes surging and is hoped to improve further as the economy reopens. 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, Compass, the largest foodservice company in the world has been a major casualty of the Covid-19 pandemic and detracted from fund performance.

During the quarter, Weyerhaeuser was sold following a period of strong share price performance driven by a rise in the price of timber wood. Cisco Systems was purchased, the IT and networking hardware specialist and within the alternative space, a position was initiated in BBGI, an infrastructure investment company providing exposure to a diversified portfolio of global infrastructure assets.

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\*\*

1.35%

### Fund Dealing

Daily

### Cut-Off Point

12 noon on a Dealing Day

### Pricing Frequency

Daily

### Interim Income Allocation Date

Monthly (last calendar day of each month)

### Income Distribution Date

Last business day of each month (in arrears)

### Target Return Benchmark

UK Cash 3m Libor

### 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

B99R123

B99R134

### ISIN

GB00B99R1237

GB00B99R1344

## 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



**Mark Van Moorsel**  
Fund Manager

## Top 10 Key Holdings

SEQUOIA ECONOMIC INFRASTRUCT  
SARASIN GLOBAL HIGHER DIVIDEND  
(STERLING HEDGED)-I INC  
UK TSY GILT 3.75% 22/07/52 GBP

UK TSY GILT 4.75% 07/12/30 GBP  
UK TSY GILT 3.50% 22/07/68 GBP  
UK TSY GILT 5.00% 07/03/25 GBP  
NATL GRID ELECT 4.00% 08/06/27 GBP

UK TSY GILT 4.50% 07/12/42 GBP  
UK TSY GILT 4.25% 07/03/36 GBP  
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:



■ North America 41.46%    ■ Europe Ex-UK 20.19%  
■ United Kingdom 27.85%    ■ Japan 2.89%  
■ Emerging Markets 6.62%    ■ Pacific Basin Ex-Japan 0.99%  
■ Multi Regional 0.00%

## Asset Allocation

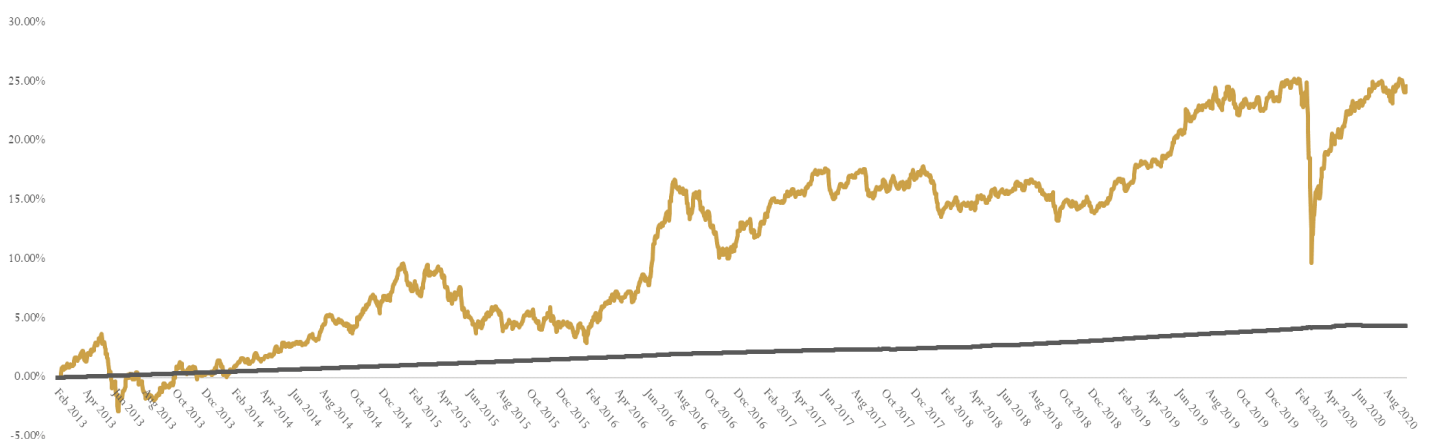
The following chart shows how the investments in the fund are proportioned over various asset classes:



■ Government 33.79%    ■ Corporation 35.51%  
■ Total Equity 20.72%    ■ Total Alternative 2.30%  
■ Cash 7.68%

Source: Sarasin & Partners LLP, 30 September 2020

## DMS Stirling House Monthly Income Fund



— DMS Stirling Monthly Income    — UK Cash LIBOR 3 Month\*    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 Monthly Inc.	10.72%	-0.04%	0.05%	7.89%	0.07%	24.63%
UK Cash LIBOR 3 Month*	0.56%	0.34%	0.64%	0.84%	0.49%	4.39%

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

Source: Morningstar, 30 September 2020

\* The price for the LIBOR 3 month is sourced from ICE

### 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

**P**ast 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.