



**STIRLING HOUSE
FINANCIAL SERVICES**

Quarterly Update

DMS Stirling House Balanced Fund

31st December 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

Despite infection rates rising, Q4 produced the biggest rotation into cyclical stocks the market has seen for decades. The catalyst was a trilogy of positive vaccine announcements, supported by a market friendly outcome in the US election. Christmas Eve also saw a “skinny” Brexit deal announced that provides firm foundations and strengthened the pound. Despite daunting infection data, these political conclusions, together with generous monetary and fiscal policies, saw global equity markets reach new highs and finish the year c. 16% ahead in local currency terms.

Orsted was a strong performer over the quarter, the greatest capital expenditure boom in economic history needed to meet Paris Accord climate goals and the offshore Wind provider will be a key beneficiary. Another standout performer was ASML,

the world leader in lithography machines needed to manufacture semiconductors.

By contrast, Alibaba detracted from performance. Alibaba was rocked by Chinese regulators postponing the IPO of its payment platform subsidiary as well as reports of new Chinese anti-trust laws. If enacted, the changes could threaten Alibaba’s future dominance in the Chinese e-commerce market.

Medtronic was also increased over the quarter; the company stands to benefit from the resurgence in elective surgeries as economies open up. The position in global materials company Umicore was sold on the view that its addressable market is challenged as Tesla announced that aspects of their production were being brought in-house.

Source: Sarasin & Partners LLP, 31 December 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 226 people and manages approximately £17 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, 31 December 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*

With vaccines being rolled out, hopes of returning to normal look realistic. However, the time required to deploy the vaccine and for economies and societies to reopen fully cannot be underestimated. For many countries, still grappling with rising cases and returning to lockdowns, it will remain challenging.

To revive economies, policy makers continue to draw on their toolbox from the Financial Crisis but with greater urgency and scale. Central banks have shifted towards more dovish monetary policy, with lower rates for longer and a willingness to sustain higher inflation. Trillions in fiscal stimulus has also been pledged, targeting inequality with ‘levelling up’ and ‘building back better’ policies vaunted globally. Crucially, governments mentality towards debt has shifted, meaning we’re unlikely to see a return to the austerity that followed the 2008 crisis.

Over the long term, we think 2020 provides a window into the future. Trends that the pandemic accelerated, such as e-commerce and working from home, will continue. Further opportunities will be driven by the shift to a more digital world, new automation, climate change mitigation and adaptation, demographic trends and by shifts in consumption patterns in both the emerging and the developed markets.

Beyond the pandemic, there are other risks we are monitoring closely. Rising inequality is our greatest worry and the consequences of the virus disproportionately affecting lower skilled, lower income populations. We remain positive on the prospects for a cyclical economic recovery in 2021 supported by international vaccination efforts. Ultimately, this combined with continued support from central banks provides an attractive backdrop for risk assets.



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

ASML HOLDING NV
 SARASIN RESPONSIBLE CORPORATE
 BOND-Z INC

Source: Sarasin & Partners LLP, 31 December 2020

Geographic Equity Allocation

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



United Kingdom 4.44%
 Europe Ex-UK 20.08%
 Japan 3.09%
 Pacific Basin Ex-Japan 4.17%
 North America 56.86%
 Emerging Markets 8.02%
 Multi-Regional 3.34%

Asset Allocation

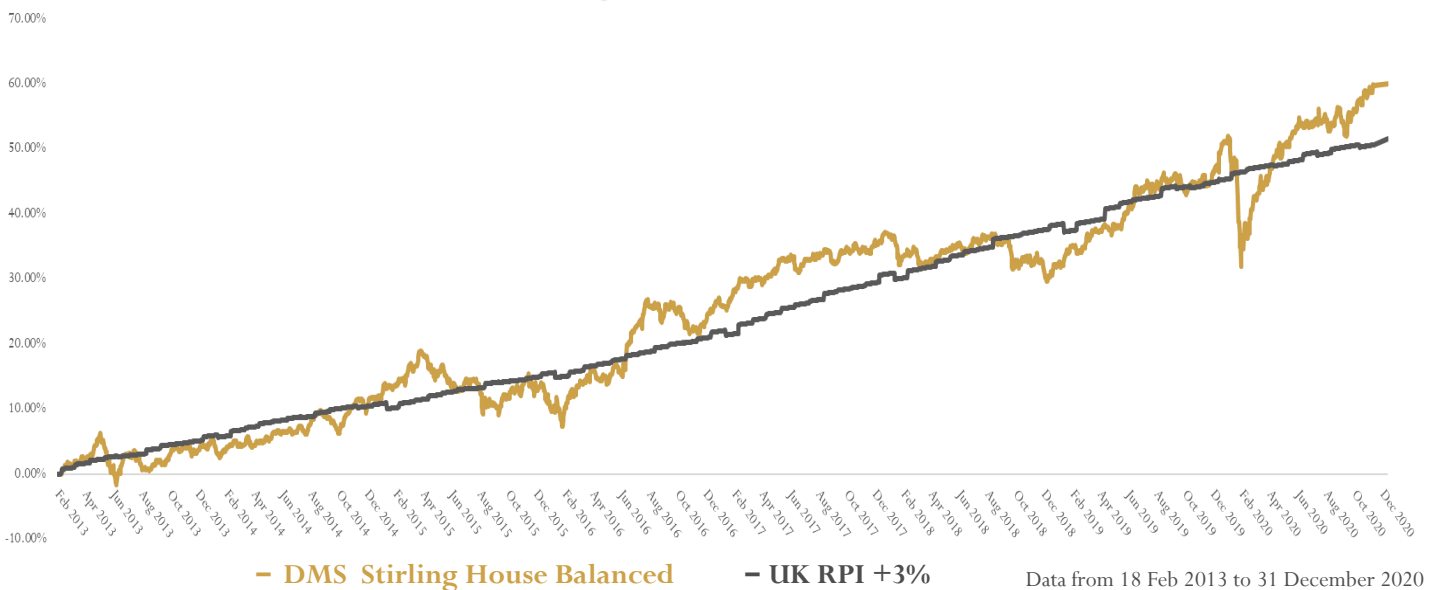
The following chart shows how the investments in the fund are proportioned over various asset classes:



Government 29.88%
 Equity 43.82%
 Alternative 5.01%
 Corporation 16.30%
 Property 0.00%
 Cash 4.98%

Source: Sarasin & Partners LLP, 31 December 2020

DMS Stirling House Balanced Fund



Performance	01/01/2016 to 31/12/2016	01/01/2017 to 31/12/2017	01/01/2018 to 31/12/2018	01/01/2019 to 31/12/2019	01/01/2020 to 31/12/2020	19/02/2013 to 31/12/2020
DMS Stirling House Balanced	10.15%	8.38%	-4.02%	12.33%	9.22%	60.01%
UK RPI +3.0%	5.56%	7.24%	5.78%	5.27%	4.23%	51.65%

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

Source: Morningstar, 31 December 2020

Fund Distributor / Sponsor

Stirling House Financial Services Limited
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Investment Manager

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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 31 December 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° 07294049.