



**STIRLING HOUSE
FINANCIAL SERVICES**

Quarterly Update

DMS Stirling House Monthly Income Fund

31st December 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

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 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, alongside generous monetary and fiscal policies, saw global equity markets reach new highs and finish the year 16% ahead.

During the quarter, Compass, the world’s largest foodservice company, was a standout performer. It has benefitted greatly from the aforementioned rotation in equity markets, having been a casualty of the pandemic for most of the year. Legal and General was another top contributor to fund performance. The UK based financials

group provides a wide range of savings, investment and insurance products, and is a major player in the pensions risk transfer market.

By contrast, data centre provider Equinix detracted from performance. The group have had a strong year, boosted by the shift to working from home and need for cloud computing and storage investment. However, the positive vaccine news and transition into cyclical value stocks made for a weak quarter.

During the quarter, Fresenius Medical care was sold. It continues to operate in the critical kidney dialysis services market but the company has suffered from operational and communication missteps which have undermined our confidence in management. Siemens was purchased, the German conglomerate company is transitioning into a leaner enterprise under new management.

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**

1.35%

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 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



Mark Van Moorsel
Fund Manager

Top 10 Key Holdings

SEQUOIA ECONOMIC INFRASTRUCT	UK TSY GILT 4.75% 07/12/30 GBP	UK TSY GILT 4.50% 07/12/42 GBP
SARASIN GLOBAL HIGHER DIVIDEND CLASS I (GBP HEDGED) INC	UK TSY GILT 3.50% 22/07/68 GBP	UK TSY GILT 4.25% 07/03/36 GBP
UK TSY GILT 3.75% 22/07/52 GBP	UK TSY GILT 5.00% 07/03/25 GBP	SARASIN RESPONSIBLE CORPORATE BOND-Z INC
	NATL GRID ELECT 4.00% 08/06/27 GBP	

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:



North America 39.18%	Europe Ex-UK 19.17%
United Kingdom 29.28%	Japan 3.18%
Emerging Markets 8.24%	Pacific Basin Ex-Japan 0.95%
Multi Regional 0.00%	

Asset Allocation

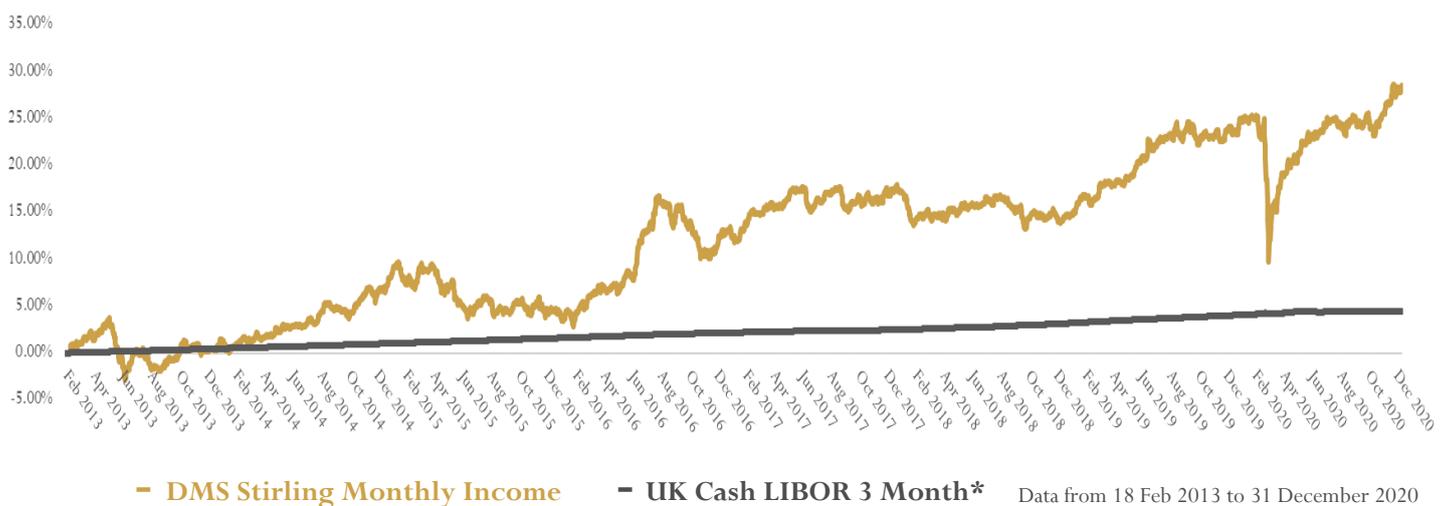
The following chart shows how the investments in the fund are proportioned over various asset classes:



Government 33.49%	Corporation 35.89%
Equity 22.74%	Alternative 3.43%
Cash 4.45%	

Source: Sarasin & Partners LLP, 31 December 2020

DMS Stirling House Monthly Income 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 Monthly Inc.	8.15%	3.79%	-2.79%	8.13%	4.14%	28.48%
UK Cash LIBOR 3 Month*	0.51%	0.36%	0.74%	0.83%	0.30%	4.40%

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

Source: Morningstar, 31 December 2020

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

Fund Distributor / Sponsor

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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.