

MI Charles Stanley Multi Asset Cautious Fund

Investment objective and policy

The Fund aims to deliver gross investment returns in excess of inflation (as measured by the UK Consumer Prices Index) plus 1% per annum, over a 5-year period.

The Fund will primarily invest in collective funds, transferable securities, other collective investment schemes, money market instruments, cash and deposits, and is also able to use derivatives for efficient portfolio management and investment purposes. Asset allocation exposure of the Fund will be actively managed and typical allocation will be as follows: 30-60% higher risk assets (including equities, commodities and property securities) and 40-70% lower risk assets (debt instruments e.g. bonds and cash).

Investors with a long-term time horizon who can accept stock market volatility may wish to consider this fund.

Latest commentary

The fund reported a total return of -0.95% in August (Source: Financial Express Analytics as at 30th August 2019, total return, sterling, bid-to-bid, net income reinvested, net of ongoing charges and fees).

August was a negative month for equities, as investors grew concerned about an acceleration in Donald Trump's trade war and its impact on global growth. In Sterling price terms, the FTSE 100 fell 5% while the S&P500, MSCI Europe and MSCI Emerging Markets indices fell 1.3%, 1.8% and 4.6% respectively. Nonetheless, all these indices returned very positive year to date total return. Concerns over the escalation and growth slowdown hit the bond market, leading to an "inversion" of the yield curve in US Treasuries – a move that some believe is an indicator of an upcoming recession. Beijing said it would implement 'countermeasures' against any raised tariffs, although Chinese companies continue to source agricultural products such as soya beans from elsewhere.

Central banks globally are now in an easing cycle. The US Federal Reserve cut interest rates at the end of July and the European Central Bank stated that the region's growth and inflation outlooks had deteriorated further which paved the way for policy-easing measures expected at its September meeting. Whilst the Bank of England and Bank of Japan have not formally guided the markets to expect easier policy, they have not stepped in the way of markets anticipating such a move.

The future shape of the UK's relationship with the European Union still remains unclear which has led to a weakening of the pound and gave some support to the FTSE 100. Prime Minister Johnson plans to prorogue parliament ahead of a new Queen's speech, which may be a tactic to try and convince Brussels to reopen the Withdrawal Agreement. Meanwhile Europe's economy is looking particularly weak. The Bundesbank has admitted the German economy may fall into a technical recession.

Although economic growth is expected to slow in most regions, corporate earnings are still forecast to rise by a modest amount this year. Any resolution of the trade dispute and action by central banks would provide support for equity markets but volatility is likely to continue.

During the period, we reduced our position in the FTSE 100. With the macro outlook deteriorating, reducing exposure to cyclical industry such as Oil & Gas, Banks and Mining is warranted. We reinvested the proceeds into the US Treasury 2027 as we expected the Federal Reserve to cut interest rates and to converge towards the other global central banks' dovish stance.

The biggest contributors to the fund during the month were Government bonds, Inflation Linked bonds, Infrastructure which posted 1.0%, 1.5% and 2.5% total returns respectively. The detractors from the fund came in North American equities, UK equities and Emerging Markets equities with total returns of -3%, -3.6% and -5.6% respectively.

Performance

Share Class	1 month	3months	6months	Aug 18 - Aug 19	Aug 17 - Aug 18	Since Inception
MI Charles Stanley Multi Asset Cautious	-1.0	2.4	3.5	0.3	3.1	4.9
UK Consumer Price + 1%	0.1	0.5	2.0	3.0	3.6	7.7

Source: Financial Express Analytics at 30/08/19 Total Return, Sterling, bid-to-bid, net of ongoing charges and fees, net income reinvested. Returns are based on the A share class. Past performance is not a reliable indicator of future results.

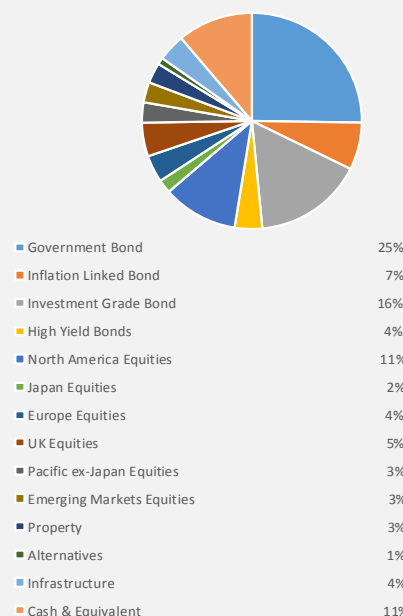
All data as at 30th August 2019

Portfolio facts

Launch Date	Fund Type	Denomination
03-Apr-17	UCITS OEIC	Sterling
Fund size	Domicile	ISA/SIPP Eligible
£ 3.2 M	UK	Yes



Asset allocation – GICS Sectors



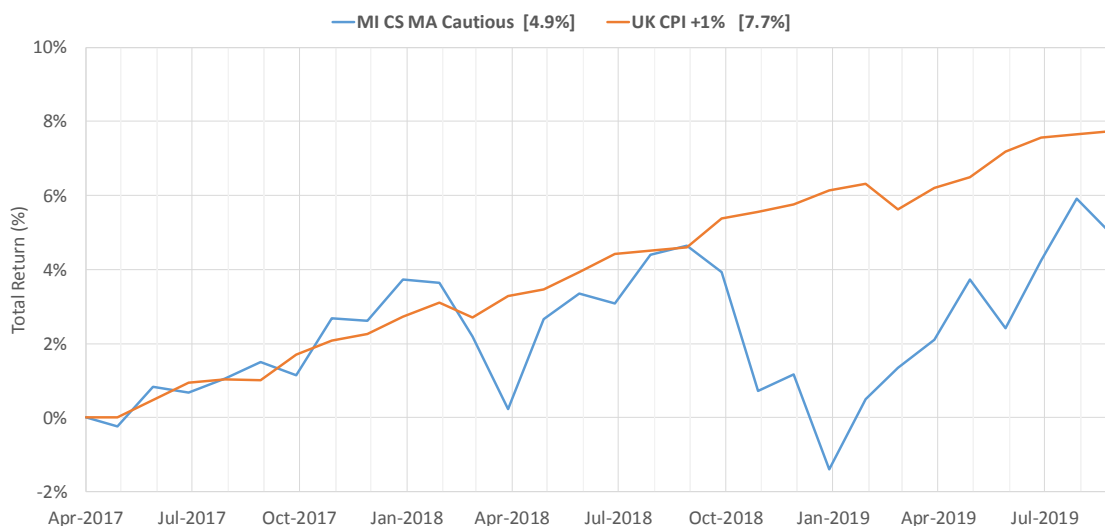
Top ten holdings

Top ten holdings	%
iShares £ Corporate Bond 0-5yr	8.8
Cash	7.4
Axa £ Credit Short Duration	7.0
iShares Core S&P 500 Hedged	5.3
iShares GBP Ultrashort Bond	4.8
US Treasury 2.75% 30/11/2020	4.8
US Treasury 2% 15/02/2023	4.3
Ashmore EM Total Return	3.8
iShares FTSE 100	3.6
US Treasury 0.125% Index Linked 2026	3.6

Figures subject to rounding.

Source: Charles Stanley & Co. Limited

Performance Since Inception - 03/04/2017



Source: Financial Express Analytics at 30/08/19. Past performance is not a reliable indicator of future results.

Share class details

Share Class	Initial Charges %	Ongoing Charges %	Share Price (p)	Yield %	ISIN	Sedol
A Acc	0.00	1.13	104.9	1.1	GB00BD89MF85	BD89MF8
A Inc	0.00	1.13	102.3	1.1	GB00BD89MD61	BD89MD6

The yield reflects distributions made over the past twelve months as at the date shown on this factsheet. Yields are not guaranteed and may vary in the future.

FIND OUT MORE

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- > Charles Stanley Direct
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- > Aegon
- > AJ Bell
- > Ascentric
- > Aviva
- > Novia
- > Transact
- > James Hay

For full details about how to invest, the administration of your investment and further information about the risks, please read the Prospectus, Key Investor Information Document (KIID) and Supplementary Information Document (SID), which can be obtained from Maitland's website at www.maitlandgroup.com

Important Information

The value of investments, and any income derived from them, can fall as well as rise and may be affected by exchange rate variations. Investors may get back less than invested.

The fund may invest more than 35% in securities issued by any one or more of the governments listed in the fund prospectus. Such exposure may be combined with the use of derivatives in pursuit of the fund objective. It is not currently envisaged that the fund's exposure to such securities may exceed 35%. The information contained in this Financial Promotion does not constitute advice or a personal recommendation, nor does it constitute an invitation to purchase shares. Investments should be made on the basis of the Prospectus, Key Investor Information Document (KIID), and Supplementary Information Document (SID) available from Maitland Institutional Services Limited on request. We recommend that you seek advice concerning suitability from a regulated financial adviser. Maitland Institutional Services Limited is the Authorised Corporate Director of the Charles Stanley Investment Funds and is authorised and regulated by the Financial Conduct Authority, Registered in England No. 6252939. Registered Office: Hamilton Centre, Rodney Way, Chelmsford, Essex, CM1 3BY, United Kingdom.

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