

MI Charles Stanley Monthly High Income Fund

Investment objective and policy

The objective of the MI Charles Stanley Monthly High Income Fund is to generate a high income with the potential for capital growth from a portfolio consisting of UK bonds, government securities, high yielding equities and preference shares. There may be occasions when we chose to hold collective investment schemes and a high level of cash and money market instruments.

Investors with a long-term time horizon who can accept that their investment will be subject to modest fluctuations in share price may wish to consider this fund.

Portfolio facts

Launch Date	Fund Type	Denomination
13 March 2006	UCITS OEIC	Sterling
Fund size	Domicile	ISA/SIPP Eligible
£68.9m	UK	Yes
Investment Manager		
Charles Stanley & Co. Limited		
Authorised Corporate Director		
Maitland Institutional Services Limited		

Latest commentary

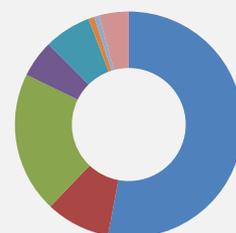
The fund reported a total return of -1.2% in December compared to an average of -1.1% by our peers in the IA Mixed Investment 0-35% Shares sector. (Source: Financial Express Analytics as at 31st December 2018, pounds sterling, bid-to-bid, net of ongoing charges and fees, net income re-invested).

Global markets failed to shake off the concerns that have been causing the recent correction during December with all major equity indices posting losses. The FTSE All Share posted a -3.7% total return which was actually one of the more modest falls when compared to the US and European indices. Volumes were seasonably low which can have the effect of amplifying market moves and likely drove some of the larger price swings we saw over the Christmas period.

Sovereign bonds rallied as people sought the safe haven of these assets, with UK government yields testing the lows once again as the clock runs down on the Brexit negotiation deadline. In the corporate bond sector we have seen credit spreads continue to widen though not as aggressively as during November. We are beginning to see value in a number of recently issued bonds which have traded down well below par but are being very selective in where we will add credit exposure in this market environment.

We did not make any changes to the fund during December. We instead let the level of cash within the portfolio continue to accumulate above our usual target level. Liquidity is an important consideration when trading corporate bonds so in falling markets with thin volumes we decided to hold back some cash for deployment in the New Year. We have a number of names on the watch list that we are hoping to pick up at our target levels should they be reached. We are looking to deploy capital into investments that we believe to be relatively insulated from the geopolitical uncertainty but have been pulled down with the market.

Asset allocation



	%
Corporate Bonds	54.1
UK Government Bonds	9.7
Equities	17.3
Preference Shares	5.0
Investment Trusts	6.2
Convertible Bonds	0.9
Structured Products	0.7
Cash & Accrued	6.1

Top ten holdings

	%
Cash & Accrued Interest	6.1
UK Treasury 4.75% 2020	2.3
UK Treasury 8% 2021	2.1
UK Treasury 4.5% 2019	1.5
UK Treasury 4.25% 2027	1.4
UK Treasury 5% 2025	1.4
Scottish Widows 5.5% 2023	1.2
Foresight Solar Fund	1.2
UK Treasury 4% 2022	1.1
BlackRock North American Income	1.2

Figures subject to rounding

Performance

Share Class	Dec 17 – Dec 18	Dec 16 – Dec 17	Dec 15 – Dec 16	Dec 14 – Dec 15	Dec 13 – Dec 14	3 Years	5 Years	10 Years	Since Inception
MI Charles Stanley Monthly High Income	-4.0	5.6	4.5	2.3	4.7	6.0	13.5	65.7	60.8
IA Mixed Investment 0-35% Shares	-3.4	4.8	8.5	0.4	4.8	9.9	15.7	56.2	44.7
Quartile	3	1	4	1	3	4	3	2	1

Source: Financial Express Analytics at 31/12/18 Total Return, Sterling, bid-to-bid, net income reinvested, net of ongoing charges and fees. Returns are based on the C share class and have been extended, at FE's discretion, to give a sense of a longer track record of the fund as a whole. C shares launched 10th December 2012. A Shares launched 13th March 2006. Past performance is not a reliable indicator of future results.

All data as at 31st December 2018

Source: Charles Stanley & Co. Limited

Performance Since Inception - 13/03/2006



Source: Financial Express Analytics at 31/12/18. Past performance is not a reliable indicator of future results.

Fund Rating



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Fund Managers

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Share class details

Share Class	Initial Charges %	Ongoing Charges %	Share Price p	Yield %	ISIN	Sedol
C Inc	0.00	0.83	94.40	4.8	GB00B92V3267	B92V326
C Acc	0.00	0.83	118.64	4.6	GB00B92V3044	B92V304
A Inc	0.00	1.08	91.75	4.7	GB00B09CC118	B09CC11
A Acc	0.00	1.08	160.62	4.5	GB00B09CC332	B09CC33

The A share classes are closed to new investments. The Gross Yield reflects distributions made over the past twelve months as at the date shown on this factsheet. The fund's ongoing charge is charged to capital to maximise the distributions and investors may be subject to tax on these distributions. Yields are not guaranteed and may vary in the future.

FIND OUT MORE

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PLATFORMS

- Cofunds
- Ascentric
- Elevate
- Novia
- Aviva
- Nucleus
- Transact
- AJ Bell
- CSD
- Aegon

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 the income derived from them, can go down as well as up and may be affected by exchange rate variations. You may not get back what you originally invested. Past performance is not a reliable indicator of future returns.

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: 2nd Floor, Springfield Lodge, Colchester Road, Springfield, Chelmsford, Essex CM2 5PW.

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