



*We're sharing the commentary below from our subadvisors at Rathbone Unit Trust Management in the UK, who manage three of our mutual funds on behalf of our clients. We appreciate their perspective and we are aligned with their thinking.*

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**From Julian Chillingworth, Rathbones' Chief Investment Officer – March 23, 2020**

### **Hold fast**

We are in uncharted territory here for the modern economy. But not for society – our forebears have dealt with this before. Not only that, but this time round we have so many more tools for getting work done remotely, enjoy better healthcare technology and have a greater understanding of how viruses spread.

Last week we shut our London office in line with the Government's advice. Despite this unprecedented move, we are still open for business. Connected with video conferencing, remote access to computer systems and digital information streams, we are able to keep working. Of course, it's not ideal and we're a little less productive than normal so please bear with us as our timeframes for processing work are slipping a bit, as you would expect.

But we aren't extraordinary. Many other businesses are in the same boat as us, able to keep ticking over despite locked down offices. Not all, of course, and large swathes of the economy – bars, restaurants, retailers – are unable to work from home so seamlessly. Yet, the internet has allowed bars to instantly tell their customers that they are setting up as off licences, restaurants advertise themselves as takeaways and retailers offer deliveries directly from the warehouses through e-commerce. We are more flexible and adaptable these days.

In economics, usually it's not the actual thing that's the problem. It's the reaction to the thing. **If everyone does the right thing, if most people don't panic-buy (or panic-sell), if everyone looks out for each other, we can get through this.** Yes, this crisis is going to get a bit worse before it gets better, yet if we can engender a bit of community spirit – rather than turn inward and create an everyone-for-themselves jungle – we should be able to stop the world going apart at the seams. We may even have an opportunity to make the future a little brighter.

The globalised economy is a fantastic machine for making society more efficient. But it can make the world more impersonal even as you know more of it. It makes people in your own town more distant, even though you can trade with people in towns thousands of miles away. Its specialisation allows us to

make the most amazing networks and machines, yet it means many of us can't fix our own problems or bake our own bread.

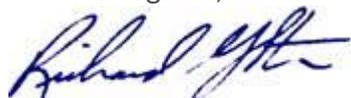
The globalised economy makes our society more fragile as it makes it more efficient. But this terrible shared experience may help us all. If the young and fit run errands for elderly neighbours they've never spoken to before, if banks really do support their customers through their cash flow troubles, if the wealthy buy supplies for the hard-up, we can regain a little more community. And perhaps, stuck around the house all day, many of us may use the best network the global economy has given us to learn new skills, new languages, and even meet some new people (digitally, of course). Some of us may even pick up some tools and surprise ourselves with our DIY ability.

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We thank Julian for his thoughtful commentary, and we will continue to provide our insights as this incredibly fluid situation unfolds.

At present we are happy to report that the entire Stone team is well, and we remain available for your questions and feedback. We welcome discussions and sharing of information as we navigate this challenging environment together.

Kindest Regards,



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Chief Investment Officer

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