



Investec Sterling Bond Fund

As at end December 2009

Summary of investment objective

The Fund aims to provide an income primarily through investment in high quality bonds. The portfolio will be managed to minimise any currency risk in Sterling, and derivatives may be used for investment purposes.

Fund overview

The Fund aims to provide a conservative investment with a focus on high-quality bonds. Whilst the Fund will mainly be invested in investment-grade corporate bonds, it can invest in gilts, high-yield corporate bonds or emerging market debt. It also uses derivatives to capitalise on the broad set of well-differentiated opportunities that exist within fixed-income markets. These instruments let the Fund take investment decisions regardless of the economic environment, potentially allowing it to benefit from falling or rising bond prices. The Fund is also able to invest in a range of currencies using derivatives, while maintaining a net neutral position in sterling.

We believe this design should provide ample opportunities to increase the Fund's overall investment performance and, because correlations between currencies, interest rate investment and corporate bonds have historically been low, we should be able to blend them in an attempt to diversify risk. The Fund aims to produce a reasonable yield at low risk, though there is an opportunity for limited capital appreciation longer term.

Monthly and annual average returns (%)

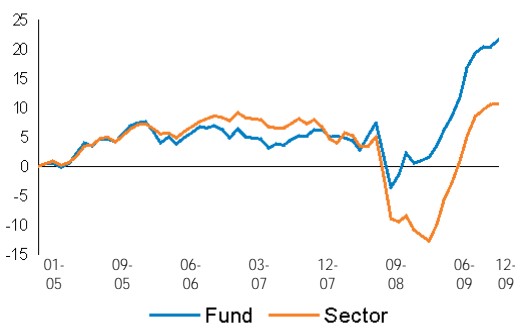
	1 month	1 year	3 years annualised	5 years annualised
Sterling Bond Fund Share Class A Series	0.9	18.7	4.6	4.0
IMA E Strategic Bond	0.1	20.9	0.8	2.1
Fund / sector rank	17/65	36/60	8/48	6/38

Calendar year performance (%)

Dates to 31.12.09

	YTD	2008	2007	2006	2005	2004
Sterling Bond Fund Share Class A Series	18.7	-3.6	0.1	-0.7	6.9	5.0
IMA E Strategic Bond	20.9	-15.2	-0.2	1.7	6.4	7.3
Fund / sector rank	36/60	10/54	22/48	33/44	17/38	33/37

Comparative performance (%)



Fund statistics - vs benchmark

	1 year	2 years	3 years
Annualised volatility	5.6	8.4	7.1

Ratings

OBSR	A
Morningstar	★★★★

Key facts

Fund manager: John Stopford
Fund size: £202.1m
Fund launch date: 7.10.91
'A' Share class launch date: 7.10.91
Domicile: United Kingdom
IMA sector: E Strategic Bond
'A' Share class dealing currency: GBP
ISA status: Yes
Distribution yield: 5.50%

'A' Share class charges

Maximum initial charge:	3.50%
Annual management fee:	0.75%
Est. total expense ratio:	0.86%

Other information

Pricing: 12 noon (forward pricing)

Minimum investment:

£1,000 lump sum
 £100 per month

Type of shares:

Inc - Net
 Acc - Net

Dividend payment dates:

28 Feb, 31 May, 31 Aug, 30 Nov

'A' Share class codes: GBP (Inc, Net)

Sedol: 3107867
ISIN: GB0031078677
Valoren: 1352799
WKN: AOH0XE
Bloomberg: GUICOB1
MEX ID: YFPFI

For an explanation of statistical terms, please see: www.investecassetmanagement.com/glossary.

Fund ratings may be provided by independent rating agencies based on a range of investment criteria. For a full description of the ratings please see www.investecassetmanagement.com/ratings.

Past performance should not be taken as a guide to the future and there is no guarantee that this investment will make profits. Returns will vary with market action, fee levels and taxes and in certain market conditions losses may be exaggerated.

Please see over for performance data and other sources.

Out of the Ordinary™

 **Investec**
Asset Management



Investec Sterling Bond Fund

Top 10 holdings (%)

Investec Emerging Mkts Debt Fund S	2.3
Bacardi Limited 7.75 Apr 09 14	2.1
Investec Emerging Mkts Debt Fund I	2.0
Goldman Sachs Grp 6.15 Apr 01 18	1.9
UBS 5.75 Apr 25 18	1.9
Morgan Stanley 7.3 May 13 19	1.9
Lloyds Bank 5.375 Sep 03 19	1.8
Verizon Wireless Cap 8.5 Nov 15 18	1.8
Bank of America 7.625 Jun 01 19	1.5
Anheuser-Busch Inb. 9.75 Jul 30 24	1.5
Total	18.8

Geographic allocation (%)

United Kingdom	36.6
United States of America	13.6
Italy	8.1
South Africa	5.9
France	3.9
Luxembourg	3.9
Netherlands	3.5
Switzerland	3.0
Russian Federation	2.5
Ireland	2.5
European Union	2.1
Germany	1.7
Others	8.2
Cash and near cash	4.5
Total	100.0

Credit breakdown (%)*

AA	8.0
A	25.2
BBB	43.3
BB	9.1
B	8.0
Not rated	1.9
Cash and near cash	4.5
Total	100.0

*Bond ratings are Investec approximations.

Top currency positions (%)

	Duration contrib.	%NAV
Pound Sterling	5.4	99.9
EURO	1.2	-1.2
Malaysian Ringgit	0.0	1.2
New Taiwan Dollar	0.0	-1.1
Mexican Nuevo Peso	0.0	0.9
US Dollar	1.5	-0.9
Philippine Peso	0.0	0.7
Japanese Yen	0.0	-0.6
South African Rand	0.0	-0.5
Other	0.0	1.6
Total	8.1	100.0

Maturity profile (%)

0 - 1 year	14.0
1 - 3 years	5.9
3 - 5 years	24.9
5 - 10 years	44.0
10 - 20 years	11.0
20 years +	0.2
Total	100.0

Sector analysis (%)

	Duration contrib.	%NAV
Investment Grade Corporate	4.1	71.9
High Yield Corporate	0.6	17.1
Fixed Income Fund	0.2	4.8
Emerging Market Major	0.1	1.7
Currency Debt		
FX	0.0	0.4
Developed Market IRS	3.1	0.1
Emerging Market IRS	0.0	0.0
Cash	0.0	4.0
Total	8.1	100.0

Important information

Risk factors you should consider before making an investment:

The value of this investment, and any income generated from it, will be affected by market and currency movements and by other political, social and economic developments, as well as by specific matters relating to the assets in which it invests. Investors are not certain to make profits; losses may be made. All the information contained in this document is believed to be reliable but may be inaccurate or incomplete. A full explanation of the characteristics of the investment is given in the prospectus. Any opinions stated are honestly held but are not guaranteed and should not be relied upon.

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Performance data source: Lipper, dates to 31.12.09, NAV based, total return, net of UK basic rate tax, no initial charges, in sterling. All other information is from Investec Fund Managers at 31.12.09 with variable estimated gross yield data as at 31.12.09.

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