

Global Growth & Income Fund for Charities

Fourth quarter 2009



Fund information

Aim

The objective of the fund is to maximise total returns for charities in terms of capital growth and income from a portfolio of global equities and fixed interest securities. The minimum target yield (income) is 3% per annum.

Fund facts

Fund structure	Common Investment Fund
Base currency	GBP
Benchmark	*20% FTSE Government All Stocks Index; 50% FTSE All Share; 25% FTSE World (ex UK) and 5% 7-day cash (from 1 January 2009; it was previously the WM Total Charities (ex property) Universe)
Fund launch date	November 2001
Fund domicile	UK
Pay dates	February, May, August and November
ISIN	GB0031050544
SEDOL	3105054

Fund data

Fund size (millions)	GBP 240
Dividend yield	4.6%
Fees and charges	
Annual management charge	0.6%
Total expense ratio	0.74%
Initial charge	1.0%

All figures correct as at 31 December 2009

Risk and performance statistics sourced from Newton using 36 months of data (where applicable) to 31 December 2009

Focus on the latest quarter

Performance over three months

Global Growth & Income	4.5%				
Benchmark	3.1%				
FTSE All Share	5.5%	FTSE W World (ex UK)	3.2%	FTA Govt All Stocks	-2.0%

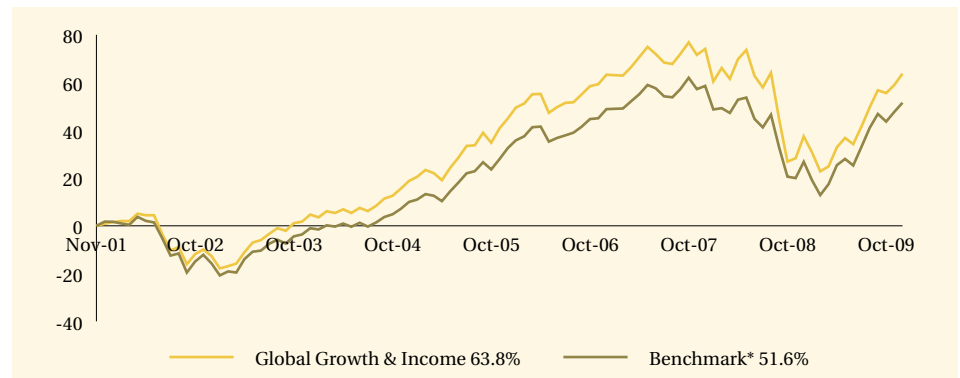
Significant transactions

Acquisitions	Disposals
Treasury 2.5% Index-Linked 16/4/2020	Treasury 2.5% Index-Linked 16/08/2013
Britvic PLC	France Telecom
Telefonica S.A.	USA Treasury Notes 4.5% 15/5/2038
GE Capital UK Funding 5.875% Bds 4/11/2020	Treasury 4.25% Stk 7/03/2036
AMP Ltd	Mosaic Co.

Note: Portfolio holdings are subject to change at any time without notice and should not be construed as investment recommendations.

Long-term performance

Performance since launch



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Global Growth & Income	-	-	-14.1	20.0	13.4	22.1	12.6	6.6	-21.0	19.1
Benchmark*	-	-	-17.2	17.6	11.1	20.5	12.3	6.5	-20.0	19.5

Discrete past performance - percentage change

From	31/12/04	31/12/05	31/12/06	31/12/07	31/12/08
To	31/12/05	31/12/06	31/12/07	31/12/08	31/12/09
Global Growth & Income	22.1%	12.6%	6.6%	-21.0%	19.1%

All performance sourced from: Newton, Datastream & WM, as at 31 December 2009. Calculation basis: Sterling, total return, offer to offer, without initial charges, gross income reinvested, net of management fees.

Risk factors

This is a financial promotion and is not intended as investment advice. Past performance is not a guide to future returns. The value of investments and the income from them can fall as well as rise and investors may not get back the original amount invested. The value of overseas securities will be influenced by fluctuations in exchange rates. If the portfolio invests in sub-investment grade bonds that typically have a low credit rating these carry a high degree of default risk, which can affect the capital value of your investment. If the portfolio has exposure to hedge funds, gold, private equity and property via publicly quoted transferable securities, there are additional risks associated with these sectors.

Newton's themes

Newton is a global thematic stock picking company. Our style is team oriented and relies on effective communication between all of our investment personnel. Two of our themes are listed below, along with examples of individual holdings.

All Change

Factors

The previously benign period of stable growth, low inflation, and easy credit, which allowed private sector debt and financial leverage to grow to unsustainable levels (as described in a previous theme, "Becalmed") has come to an end. When assessing investments we assume that access to credit will remain difficult, which favours companies with limited financing requirements and argues against exposure to highly-indebted customers.

Investments

Newcrest Mining, Centrica, Unilever, BHP Billiton, Nestle, Novartis

Developing Economies

Factors

The influence of the developing world on the global economy continues to grow, and developing economies ultimately are on a convergence course, in terms of demographics and consumption trends, with the industrialised world. This long-term secular trend will depend on the development of Western-style health and social security systems and will involve significant cyclical influences as well as frictions regarding trade policies.

Investments

PZ Cussons, Noble Group, Unilever, Vale, Fresenius Medical Care, Millicom

Newton

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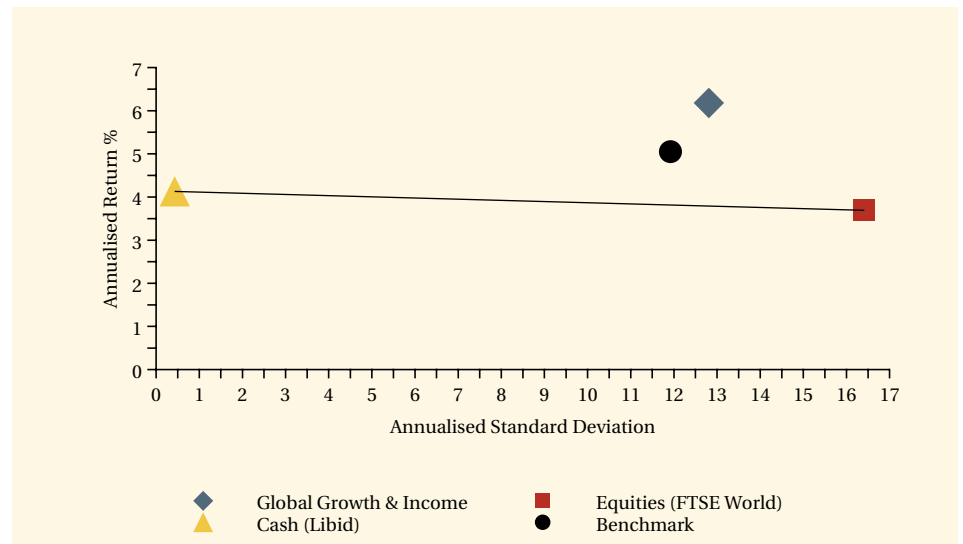
2 Festival Square, Edinburgh EH3 9SU

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Long-term performance - risk and reward

Fund return and volatility since launch

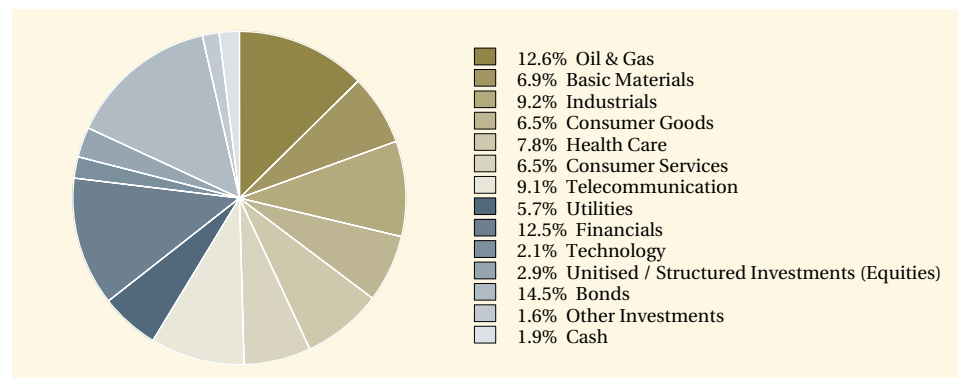


This chart shows both return and volatility. The Global Growth & Income Fund for Charities has given a higher return than world equities and the benchmark with greater volatility than that of the benchmark. The launch date of the fund was 12 November 2001.

Performance sourced from: Newton, Datastream & WM, as at 31 December 2009. Calculation basis: Sterling, total return, offer to offer, without initial charges, gross income reinvested, net of management fees.

Fund analysis

Breakdown as % of total market value



Source: Newton as at 31 December 2009.