

IFDS Brown Shipley Sterling Bond Fund

BROWN SHIPLEY FUNDS

Factsheet to 28 February 2010

COMMENTARY

For corporate bonds, after the “lung-busting” start to the New Year, February saw credit markets slow down in pace in order to catch some breath. After such a strong start, it was perhaps inevitable that spreads could widen slightly.

During the month, we sought to add future value to the portfolio. New additions were made in the form of Birmingham Airports and First Hydro bonds as part of an increased allocation to infrastructure. With Goodman Group replacing Westfield within the Super 7 and Glencore re-entering the portfolio after a material widening in spreads, we continue to see the portfolio well positioned.

Source: Brown Shipley

KEVIN DORAN, FUND MANAGER



FUND AIMS & DETAILS



HIGH, STABLE INCOME WITH PROSPECTS FOR CAPITAL GROWTH THROUGH A PORTFOLIO OF FIXED INTEREST SECURITIES PRIMARILY ISSUED BY UK COMPANIES

Date launched	July 1995	XD date	1 Apr, 1 Jul, 1 Oct, 1 Jan	Initial charge	3.5%
Fund size	£106.6m	Payment date	30 Jun, 30 Sep, 31 Dec, 31 Mar	Annual management charge	1.0%
Number of holdings	59	Minimum initial investment	£3,000	Distribution Yield*	6.3%
Price	103.19p	Minimum monthly DD	£250	Underlying Yield	5.3%
Benchmark	IMA £ Corporate Bond Sector			SEDOL	693035

The Annual Management Charge is levied against the capital property of the Fund which may constrain capital growth.

* The Distribution Yield reflects the amounts that may be expected to be distributed over the next 12 months. The Underlying Yield reflects the annualised income net of expenses of the Fund (calculated in accordance with relevant accounting standards). Both yields are as at the date shown, and are reflected as a percentage of the mid-market share price of the Fund. Both yields are based on a snapshot of the portfolio on that day and do not include a preliminary charge. Investors may be subject to tax on distributions. The Distribution Yield is higher than the Underlying Yield because the Fund distributes coupon income and 100% of the ACD and Depository expenses are charged to capital. This has the effect of increasing the distributions for the year and constraining the Fund's capital performance to an equivalent extent.

TOP 10 SECTORS

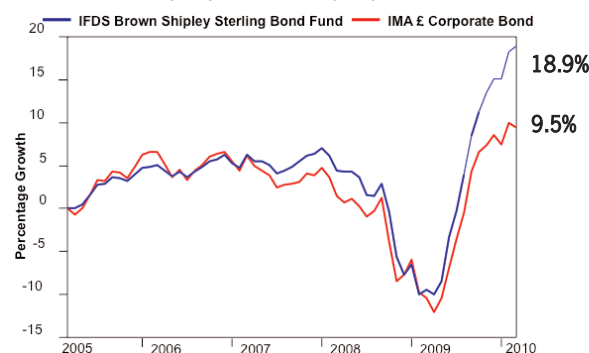
Banks	13.80%
Real Estate	10.99%
General Financial	9.46%
Nonlife Insurance	8.28%
Travel & Leisure	6.29%
Fixed Line Telecommunications	5.81%
Industrial Engineering	5.54%
Media	5.52%
Mining	4.19%
Industrial Transportation	3.71%

TOP 10 ISSUERS

Amlin	5.12%
BNP Paribas	5.01%
Provident Financial	4.80%
General Electric	3.12%
Goodman Australia	3.09%
Standard Chartered	3.04%
Enterprise Inns	3.00%
BAA	2.07%
Stockland	2.03%
BT	2.00%

PERFORMANCE

5 Years from 28/02/2005 to 26/02/2010



Source: Lipper. Percentage growth total return, mid to mid in UK Sterling with net income reinvested.

CREDIT QUALITY

AAA	0.00%
AA	3.12%
A	13.39%
BBB	41.11%
<BBB	6.95%
Not rated	29.62%
Cash	5.65%
Futures	
Margin	0.18%

Bonds not rated are considered of investment grade, but rating not sought by issuer.
Source: Bloomberg

ROLLING 12 MONTH PERFORMANCE RECORD

	From	To	27/02/2009	29/02/2008	28/02/2007	28/02/2006	28/02/2005
Sterling Bond Fund	27/02/2009	26/02/2010	30.85%	-12.84%	-1.78%	1.29%	5.01%
IMA £ Corporate Bond Sector	27/02/2009	26/02/2010	22.28%	-11.80%	-4.34%	-0.44%	6.58%

Source: Lipper. Percentage growth total return, mid to mid in UK Sterling with net income reinvested.

Past performance is no guarantee of future performance.

Call: 0870 043 4830

Visit: www.brownshipleyfunds.com

Email: fund.enquiries@brownshipley.co.uk

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