

## Newton Global Dynamic Bond

As at 31 May 2009

Prepared for professional investors

### Investment objective

The objective of the Sub-Fund is to maximise the total return from income and capital growth from a globally diversified portfolio of predominantly higher yielding corporate and government fixed interest securities. The Sub-Fund may also invest in deposits, derivative instruments, forward transactions, money market instruments and collective investment schemes.

### General information

Total net assets (million)	£ 211.76
Historic yield (%)	5.4
IMA sector	Global Bond
Lipper sector	LGC - Global Bond
Index	ML GBI/ML GHYI/JP Morgan EMBI/JP Morgan Global GBI (25:25:25:25)
Fund domicile	UK
Fund type	ICVC
Fund manager	Paul Brain
Alternate	Howard Cunningham / Parmeshwar Chadha
Base currency	GBP
Currencies available	GBP
Historic yields are not indicative of future yields.	

### Key dates

Fund launch	28 Apr 2006
Close of financial year	30 Jun
Distributions	28 Feb, 31 May, 31 Aug, 30 Nov

### Dealing

09:00 to 17:00 each business day  
Valuation point: 12:00 London time

### Sterling income shares

<b>General</b>	
Share class launch date	28 Apr 2006
Maximum initial charge	4.00%
Annual management charge	1.25%
Minimum investment	£ 1,000
<b>Codes</b>	
ISIN	GB00B1294F44
Sedol	B1294F4
Registered for sale in: UK, DE, AT	

### Historical fund statistics - 3 years

Jensen alpha	-0.23
Beta	0.77
Correlation to benchmark	0.80
Annualised information ratio	-0.32
Annualised Sharpe ratio	-0.49
Annualised tracking error	5.07
R <sup>2</sup>	0.94

### Important information

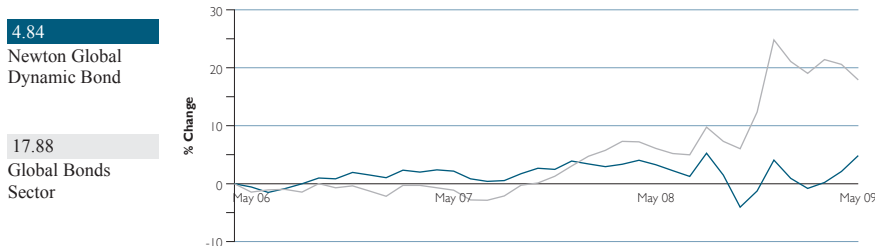
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### Statutory performance data updated quarterly

From	31 Mar 08	30 Mar 07	31 Mar 06	31 Mar 05	31 Mar 04
To	31 Mar 09	31 Mar 08	30 Mar 07	31 Mar 06	31 Mar 05
Fund	-3.1%	1.3%	-	-	-

Source: Lipper as at 31 May 2009. Total return including income net of UK tax and annual charges, but excluding initial charge. All figures are in sterling terms. The impact of the initial charge, which may be up to 4%, can be material on the performance of your investment. Performance figures including the initial charge are available upon request. Past performance is not a guide to future performance.

### Performance record since launch



Source: Lipper as at 31 May 2009. Total return including income net of UK tax and annual charges, but excluding initial charge. For comparison, please note that the index quoted is gross of tax. All figures are in sterling terms. The impact of the initial charge, which may be up to 4%, can be material on the performance of your investment. Performance figures including the initial charge are available upon request. Past performance is not a guide to future performance.

### Calendar Performance

	2004	2005	2006	2007	2008
Fund	-	-	-	2.40	0.14
Sector	-	-	-	4.57	20.01
Quartile Rank	-	-	-	3	4

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### Performance to

	Sterling income shares					
	Fund	Index	Sector	Ranking	No. of funds in sector	Quartile rank
1 month	2.66	3.26	-1.58	8	49	1
3 months	5.70	9.57	0.65	12	49	1
6 months	6.18	15.64	5.90	22	46	2
YTD	0.75	9.85	-3.48	11	47	1
1 year	1.52	-0.05	10.46	33	45	3
3 years	5.45	12.53	19.48	35	42	4
5 years	-	-	-	-	-	-
3 years annualised	1.79	4.02	5.76	35	42	4
5 years annualised	-	-	-	-	-	-

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### Asset allocation

	%
United Kingdom	18.78
United States	18.62
Luxemburg	12.35
Australia	6.32
Netherlands	4.73
France	4.42
Brazil	3.15
Others	22.75

### Credit quality breakdown

	%
AAA	20.19
AA	20.15
A	21.50
BBB	15.92
BB	11.20
B	7.31
CCC	2.95
CC	0.27
C	0.20

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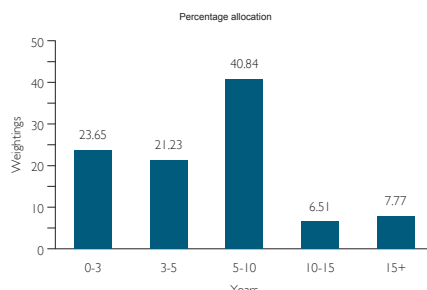
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normally be held for at least five years. Changes in the rates of exchange may affect the value of investments. Certain Funds can invest in overseas securities which may also generate profits overseas and pay dividends in foreign currencies, which means the funds are exposed to changes in currency rates. Certain Funds may invest in emerging markets. It should be noted that these markets have additional risks associated with local custody and registration practices that may be less developed than more mature markets. Certain Funds take their charges from the capital of the fund. Investors should be aware that there is potential for future capital erosion. Certain Funds may hold sub-investment grade bonds that typically have a low credit rating and carry a high degree of default risk, which can affect the capital value of your investment. Certain Funds may hold fixed interest securities, which are particularly affected by trends in interest rates and inflation. This may affect the capital value of your investment. Certain Funds have a concentrated portfolio of stocks due to investment in a single country and/or geographic area/limited industry diversification/investment in a limited number of securities, giving rise to concentration risk. Certain Funds may invest in smaller companies. Smaller companies may be riskier and less liquid than larger companies. This means that their share prices may be more volatile. Certain Funds may invest in illiquid securities, which means that there is a possibility that they cannot be readily converted into cash when required. The value of these securities is subject to greater fluctuation if they are not regularly traded. All of the sub-funds may use derivatives for efficient portfolio management (EPM) purposes. EPM restricts the use of derivatives for the reduction of risk, the reduction of cost and the generation of additional capital or income with no or an acceptable low level of risk. EPM transactions must be economically appropriate and the exposure fully covered. Certain Funds will, additionally to EPM, make use of the expanded regulations and use derivatives in pursuit of their investment objectives. All of these factors may affect the performance of the Funds. In Germany, the Prospectus is available from JP Morgan AG, Junghofstrasse 14, 60311 Frankfurt Am Main Germany, in Austria from Raffelstein Zentralbank Österreich Aktiengesellschaft, Am Stadtpark 9, A-1030 Vienna. BNY Mellon Investment Funds is a collective investment vehicle ("Institución de Inversión Colectiva") that is duly registered by the Comisión Nacional del Mercado de Valores on the Register of foreign Collective Investment Institutions commercialised in Spain ("Registro de Instituciones de Inversión Colectiva extranjeras comercializadas en España") under the number 186. This document is issued in the UK and in mainland Europe (excluding Germany) by BNY Mellon Asset Management International Limited. BNY Mellon Asset Management International Limited, 160 Queen Victoria Street, London EC4V 4LA. Registered in England No. 1118580. Authorised and regulated by the Financial Services Authority. BNYMAMI, BNY MFM and NIM, are all ultimately owned by The Bank of New York Mellon Corporation. CP3340-18-03-2009(3M)

For comparison purposes all performance returns are shown against a composite benchmark of 25% Merrill Lynch Global Broad Market Corporate Index, 25% Merrill Lynch Global High Yield Constrained Index, 25% JP Morgan Government Bond Index, 25% Merrill Lynch Global Emerging Market Sovereign Plus. This composite index is fully hedged to Pound Sterling.

### Maturity distribution



Portfolio holdings are subject to change at any time without notice. The information provided is for illustrative purposes only and should not be construed as a recommendation to purchase or sell any security.

### Top 10 Holdings

	%
USA Treasury Bonds 6.25% 15/08/23	2.31
European Inv. Bank 4.75% 15/10/17	2.20
Bank Of America Corp Frn 11/6/12	2.10
Euro Inv. Bank 4.875% Bds 07/09/16	1.77
USA Trsy Notes 1.625% Tii 15/01/18	1.69
Statoilhydro Asa 7.5% Bds 1/10/16	1.66
New South Wales Treasury Corp 6% Bds 1/5/12 Ser'12rg	1.59
Oesterreichische Kontrollbank 3.125% Bds 14/10/11	1.48
Int. Bank Rec and Dev 7.625% Bds 19/1/23	1.47
Societe Generale 5.75% Bds 20/04/16	1.43

### Portfolio characteristics

	Fund	Index
Duration (in years)	4.5	5.3
Average maturity (in years)	7.8	8.6
Annual yield (%)	8.4	7.8

### Currency breakdown

	Fund	Index
(after hedging)	%	%
Sterling	86.47	4.19
Other European	5.43	0.29
US Dollar	1.78	59.60
Euro	0.17	24.07
Yen	-0.16	9.92
Others	6.31	1.92

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