

# Newton Osprey Fund

Fourth quarter 2009

## Fund information

### Aim

To achieve capital growth over the long term through a portfolio that is predominantly invested in equities across a wide range of industries and countries.

### Fund facts

Fund structure	Unit Trust
Base currency	GBP
Benchmark	FTSE All Share, FTSE World ex UK & FTSE Govt All Stocks
Fund launch date	17 September 2004
Fund domicile	UK
Pay dates	Two business days before 30 June, 31 Dec
ISIN	GB0004765821
SEDOL	0476582

### Fund data

Fund size (millions)	GBP 14
Volatility	18.2
Dividend yield	2.7%
Sharpe ratio	0.2
Information ratio	1.2

### Fees and charges

Annual management charge	1.0%
Total expense ratio	1.16%

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

<b>Newton Osprey Fund</b>	<b>4.6%</b>				
FTSE All Share	5.5%	FTSE W World (ex UK)	3.2%	FTA Govt All Stocks	-2.0%

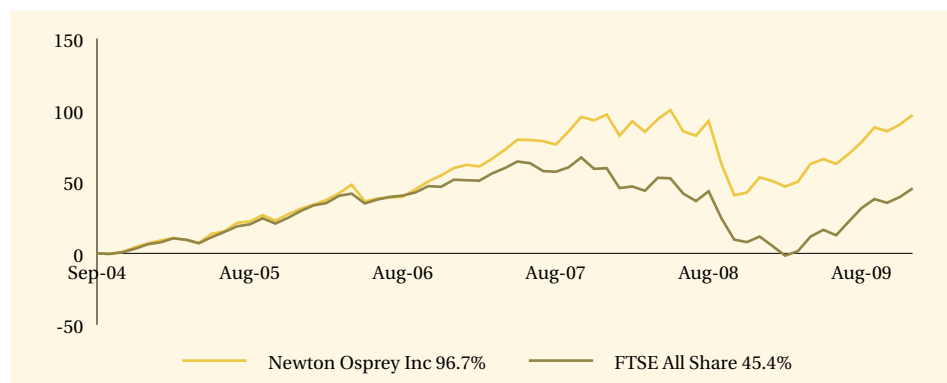
### Significant transactions

Acquisitions	Disposals
Parkway Life Real Estate Investment Trust	Tele Norte Leste Participacoes S/A
Transocean Ltd	Champion Real Estate Investment Trust
Telekomunikacja Polska S.A.	Halliburton Co.
Zhejiang Expressway Co. Ltd	Petrobras Petroleo Brasileiro (Pfd)
Inpex Corp.	Dragon Oil PLC

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
Newton Osprey Fund	-	-	-	-	-	22.6	21.7	23.4	-22.3	28.5
FTSE All Share	-	-	-	-	-	22.0	16.7	5.3	-29.9	30.1

### 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
Newton Osprey Fund	22.6%	21.7%	23.4%	-22.3%	28.5%

All performance sourced from: Lipper & Datastream, as at 31 December 2009. Calculation basis: Sterling, total return, bid to bid, without initial charges, net 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.

### 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

Tele Norte Leste, Natura Cosmetics, Millicom, MTN

### Energy Supply

#### Factors

Following decades of underinvestment in oil and gas infrastructure, surplus production and refining capacity is limited. Despite weak demand currently, forecast supply of energy implies a structurally higher real oil price. This has implications for the oil industry, infrastructure, and alternative energy sources as well as significant macro effects.

#### Investments

Inpex Holdings, Total, Transocean

## Newton

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### London

160 Queen Victoria Street, London  
EC4V 4LA

### Edinburgh

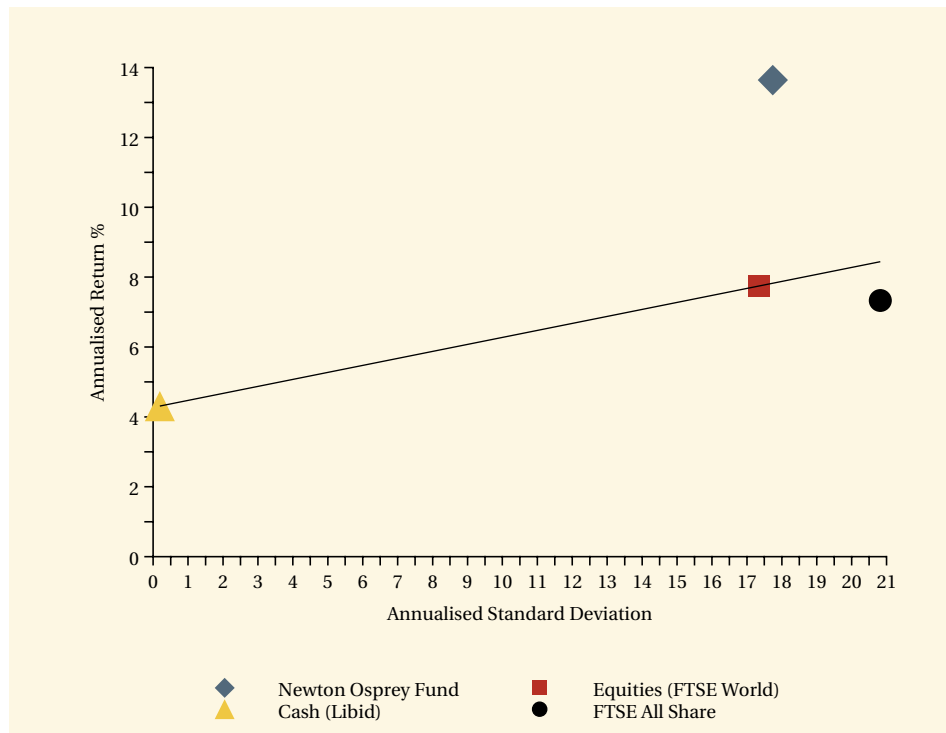
2 Festival Square, Edinburgh EH3 9SU

### Leeds

1 Whitehall Riverside, Leeds LS1 4BN

## Long-term performance - risk and reward

### Fund return and volatility since launch

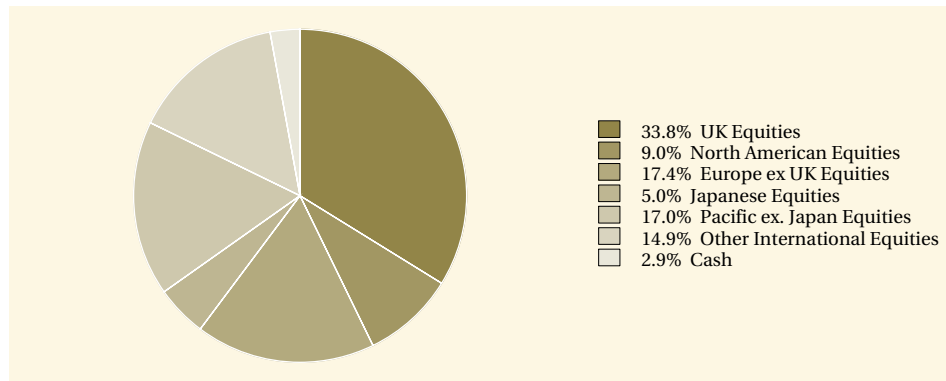


This chart shows both return and volatility. The Newton Osprey Fund has given a higher return than world equities with slightly higher volatility. The relaunch date of the fund was 17 September 2004.

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

## Fund analysis

### Breakdown as % of total market value



Source: Newton as at 31 December 2009.