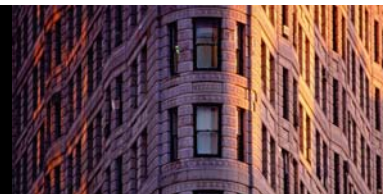


Newton Offshore Strategy Fund Global Balanced

Third quarter 2010



Fund information

Aim

To achieve a balanced return from income and capital growth with a portfolio of global securities predominantly invested in equities, bonds and cash. Derivatives may be used to reduce the overall volatility.

Fund facts

Fund structure	OEIC
Base currency	GBP
Benchmark	70% FTSE W World, 25% Citigroup (SSB) WGBI, 5% Cash (UK Interbank 1 Month Deposit Rate)
Fund launch date	08 February 2001
Fund domicile	Jersey
Pay dates	28 Feb, 31 Aug
ISIN	GB0009461590
SEDOL	0946159

Fund data

Fund size (millions)	GBP 9
Volatility	14.6%
Dividend yield	2.3%
Sharpe ratio	0.4
Information ratio	0.3

Fees and charges

Annual management charge	1.0%
Total expense ratio	1.16%

All figures correct as at 30 September 2010.

Risk and performance statistics sourced from Newton using 36 months of data (where applicable) to 30 September 2010.

Focus on the latest quarter

Performance over three months

NOSF Global Balanced	6.5%		
Benchmark	6.8%		
FTSE W World	8.7%	Citigroup WGBI	2.2%
		Libid 1 month	0.1%

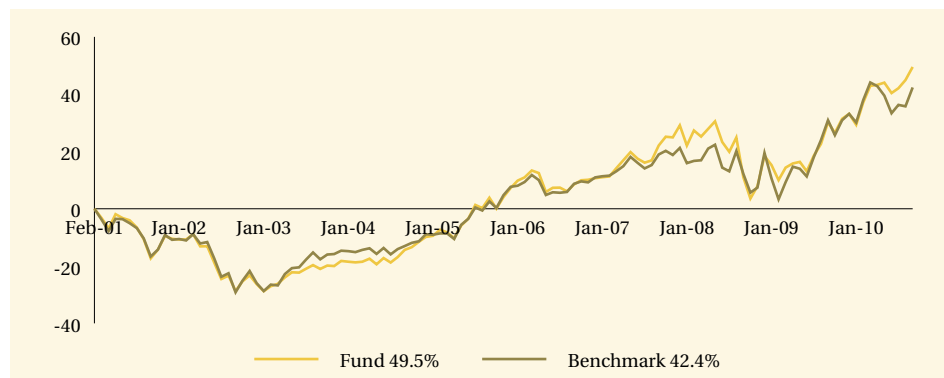
Significant transactions

Acquisitions	Disposals
Yum! Brands Inc.	Banco Santander-Chile
BHP Billiton PLC	Deutsche Boerse AG
Canada (Govt of) 3.5% Bds 01/06/2013	Tele Norte Leste Participacoes S/A
Norway (Kingdom of) 6.5% 15/05/2013	HTC Corp.
Aberdeen Asset Mgmt 7.9% Perp 29/5/2049	Millicom International Cellular S.A.

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



	2001	2002	2003	2004	2005	2006	2007	2008	2009	YTD 2010
Fund	-	-17.7	11.0	10.2	19.0	3.2	16.7	-8.2	12.4	12.3
Benchmark	-	-17.0	15.3	6.7	18.2	3.0	9.3	-1.5	11.4	6.9

Discrete past performance (%)

From	30/09/05	30/09/06	30/09/07	30/09/08	30/09/09
To	30/09/06	30/09/07	30/09/08	30/09/09	30/09/10
Fund		4.5	12.4	-9.0	17.3
Benchmark		4.5	12.4	-9.0	14.8

All performance sourced from: Lipper, Datastream & Bloomberg, as at 30 September 2010. Calculation basis: Sterling, total return, bid to bid, 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 popping of the credit bubble has marked an end to the era of rapid growth in private sector debt in the developed world. Structurally impaired financial systems and impending regulatory burdens ensure that credit will be less freely available, and this has profound implications for consumer-driven economies, all asset classes and investment strategies.

Investments

Novartis, British American Tobacco, Standard Chartered, Nestle

More government

Factors

State intervention and forms of managed capitalism hold sway over an increasing proportion of global output. With the increasing involvement of governments come more regulation, higher taxes and the prospect, ultimately, of slower growth and higher economic volatility. Local interests will take priority over global interests. The unpredictable nature of state intervention increases the risks in all asset classes.

Investments

No commercial banks or property in the USA, UK or Continental Europe, Barrick, Minas Buenaventura, Newcrest (gold)

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Edinburgh

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Leeds

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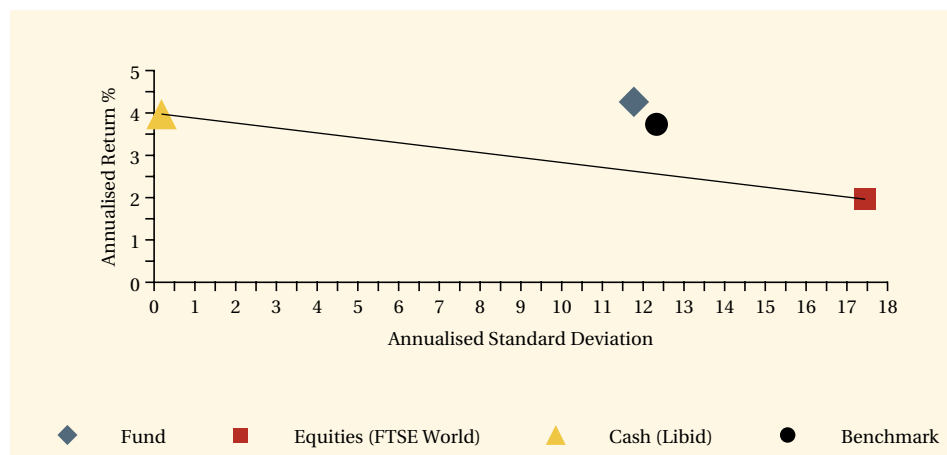
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Long-term performance - risk and reward

Fund return and volatility since launch

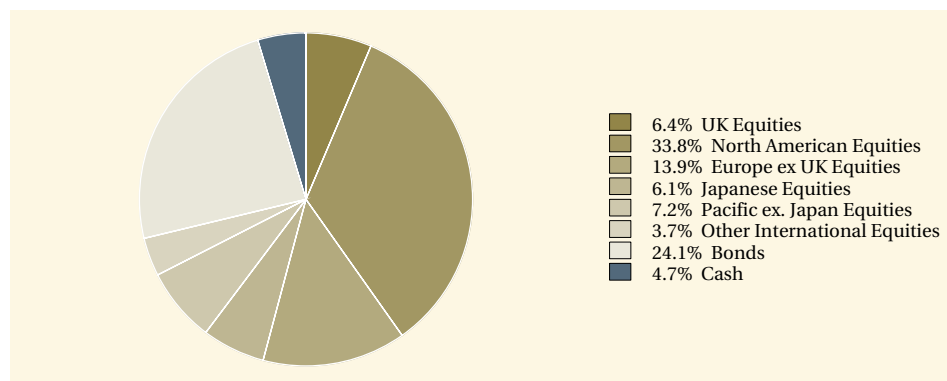


This chart shows both return and volatility. The NOSF Global Balanced Fund has given a higher return than cash, world equities and the benchmark with slightly lower volatility than that of the benchmark. The launch date of the fund was 8 February 2001.

Performance sourced from: Lipper, Datastream & Bloomberg, as at 30 September 2010. Calculation basis: Sterling, total return, bid to bid, without initial charges, gross income reinvested, net of management fees.

Fund analysis

Breakdown as % of total market value



Source: Newton as at 30 September 2010.