

**INVESTEC
American (OEIC)**

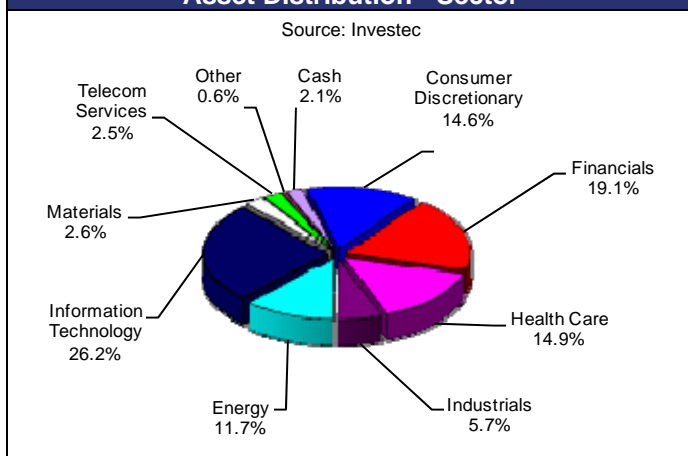
**OBSR Fund Rating
AA**



Key Information

| | | |
|---|------------------------|-------|
| Launch Date | 23 September 2002 | |
| Fund Size | £539.2m | |
| Type of Shares Available | Accumulation | |
| Distribution Dates | 28 February, 31 August | |
| Historic Yield | Nil | |
| ISA | Yes | |
| ISA Transfer | Yes | |
| Standard Fund Management Charges | Initial | 4.50% |
| | Annual | 1.50% |

Asset Distribution - Sector



Top Ten Holdings

| | % |
|-------------------------------|-------------|
| Exxon Mobil | 5.2 |
| Gilead Sciences | 5.1 |
| Microsoft | 5.0 |
| Dell | 4.9 |
| Google | 4.9 |
| General Electric | 4.7 |
| Transocean | 4.5 |
| Thermo Fisher Scientific | 4.3 |
| US Bancorp | 3.8 |
| Staples | 3.7 |
| Concentration (Top 10) | 46.1 |

Source: Investec

Classification

| | |
|---------------------------|------------------------|
| Sector | North America |
| Market Cap / Style | Large Cap Bias / Blend |
| Benchmark/Index | S&P 500 |

Management/Investment Style

| | |
|--|---|
| Fund Managers | Edward Maran (February 2006) Connor Browne (February 2006) |
| Sub-advised by Thornburg Investment Management in Santa Fe, the fund offers a balance between growth and value stocks through an investment process incorporating quantitative screening and fundamental analysis. Investment focuses on companies with sound business fundamentals, which are trading at a discount to their intrinsic value. | |

Investment Objective & Methodology

The fund aims to achieve long-term capital growth primarily through investment in large-cap American equities. The fund is benchmarked against the S&P 500 Index.

The fund is co-managed by Edward Maran and Connor Browne of Thornburg Investment Management in Santa Fe. The fund has been sub-advised on this basis since September 2002. Rob MacDonald has joined Maran and Browne as associate portfolio manager and is involved in day-to-day portfolio discussions and helps with trading. MacDonald joined Thornburg in June 2007. The managers work alongside a well resourced group of analysts and portfolio managers who all contribute to the management of this strategy.

The managers seek to invest in companies with sound business fundamentals whose shares are trading at a discount to their intrinsic value, focusing on where it finds value or where it believes companies are out of favour. This philosophy can result in the portfolio having a contrarian tilt as the managers look for stocks that are temporarily suffering from investor scepticism or bad news. Acknowledging that different valuation methods work better for different types of company, the managers break the list of possible investible stocks into three groups from which it constructs the portfolio, as follows: basic value, which it defines as financially sound companies with well established businesses that are trading at low valuations relative to their net assets or potential earnings power; consistent earners, which are companies with steady earnings and dividend growth that are selling at attractive values and are priced below historical norms; and emerging franchises, which are attractively valued companies in the process of establishing a leading position in a product, service or market that is expected to grow at an above average rate. The investment process comprises quantitative and qualitative analysis. The former is driven by a monthly screen that focuses on traditional financial ratios in order to narrow the search to a short-list of 100-150 of the most attractive stocks, which are typically out-of-favour. This short-list tends to focus on attractively-priced large caps (>US\$1 billion) with above average dividend yields. The latter includes financial and market analysis, seeking to assess the competitive landscape and identify key drivers through in-house primary research, in-depth company visits and liaison with external brokers, the result of which is an estimate of the intrinsic value of each stock.

The portfolio will feature 40-55 stocks, diversified by sector and economic sensitivity. The fund aims to have a balance of growth and value stocks selected from the basic value and consistent earners categories, while a maximum of 25% is allocated to stocks from the emerging franchises category. The fund is permitted to have stock positions of +/- 5% compared to the index weight and sector positions of +/- 25% compared to the index. Although infrequent, the fund can invest in fixed income securities to a limited extent where the managers believe moving up the capital structure, in specific cases, is beneficial.

www.obsrfundratings.co.uk

Data as at 30 September 2011
Last Updated October 2011