

NEWTON Balanced (OEIC)

OBSR Fund Rating
AA / Silver

obsr FUND
RATINGS

Key Information

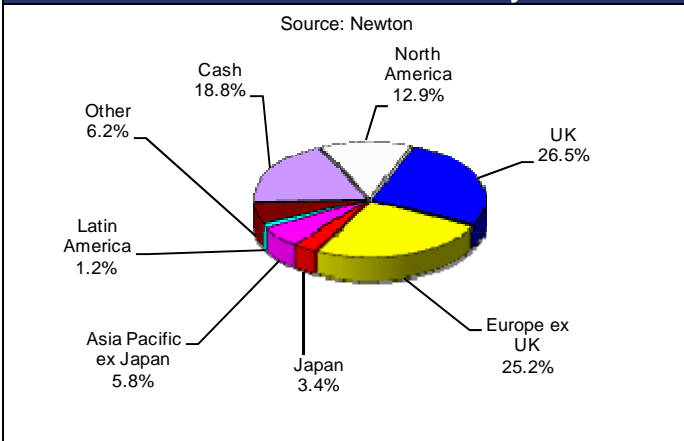
Launch Date	4 November 1986	
Fund Size	£2626.1m	
Type of Units Available	Income	
Distribution Dates	28 February, 31 August	
Historic Yield	2.97%	
ISA	Yes	
ISA Transfer	Yes	
Standard Fund Management Charges	Initial	4.00%
	Annual	1.50%

Classification

Sector	Balanced Managed
Benchmark/Index	WM Private Client Balanced
Management/Investment Style	
Fund Manager	Iain Stewart (January 2005)

This fund offers investors exposure to a portfolio of equities, bonds and cash where asset allocation will reflect Newton's house views on the relative attraction and potential of global asset markets.

Asset Distribution - Country



Top Ten Holdings

Company	%
GlaxoSmithKline	3.7
Norway (Kingdom of) 3.75% 25/5/2021	3.6
BP	2.3
Newcrest Mining	2.3
Bayer	2.2
Norway (Kingdom of) 4.5% 22/5/2019	2.0
ETFs Physical Gold	1.9
Roche Holding	1.6
Tesco	1.4
Australia (Commonwealth) 4.75% 21/4/2027	1.3
Concentration (Top 10)	22.3

Source: Newton

Investment Objective & Methodology

The fund aims to achieve a balance between capital growth and income from a portfolio of UK and international securities. It is designed as a long-term core holding. The fund's performance objective is to achieve a top quartile ranking over successive three-year periods, within the Lipper Balanced Managed sector.

The fund is managed by Iain Stewart, who is a member of the Investment Strategy Group. He has been at Newton since 1985 and specialises in the management of global multi-asset mandates, which includes managing the Newton Absolute Intrepid and Newton Exempt funds.

Within Newton's investment process, considerable attention focuses on identifying global investment themes and translating these thematic preferences into appropriate sector and stock selection. Newton has long believed that it is better to view investments within a global context, given the progressive erosion of trade barriers and the growth of companies whose country of origin or stockmarket quotation is an unreliable guide to the scope of their interests. Asset allocation for the Balanced Fund will reflect Newton's house views on the relative attractions of markets as well as the manager's own contribution. As a member of the Investment Strategy Group with particular responsibility for co-ordinating the development of the global investment themes used to drive the wider Newton investment house process, Mr Stewart reflects these themes boldly within the Balanced portfolio but within the mandate and risk controls of the fund. However, the emphasis is on the most attractive assets to hold and therefore the equity/fixed income/cash component may move some way from the benchmark. The manager's role extends to determining the sector and stock exposures of the fund which is directly invested. Within the equity selection process, the manager prefers good quality companies with strong fundamentals trading on attractive relative valuations. Within the fixed interest area, the manager will generally favour highly-rated bonds (either conventional or index-linked), including sovereign debt as well as high quality investment-grade supranational and corporate bonds.

The portfolio will strike a balance between income and growth rather than targeting a progressive distribution policy. Portfolio construction aims to be diversified at stock, sector and regional asset mix. Cash may go up to 20%. Within the fixed interest part of the fund, individual exposures may be concentrated when the emphasis is on Government and/or supranational issues, with lower unit sizes applying when corporate bonds predominate in order to moderate stock-specific risk.

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Data as at 31 December 2011
Last Updated January 2012