

## INVESTMENT OBJECTIVE

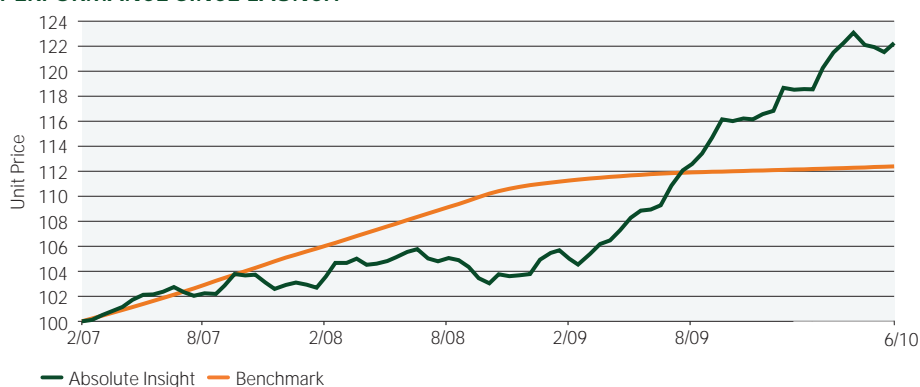
The investment objective of the Fund is to seek to provide attractive, positive absolute returns in all market conditions.

## INVESTMENT POLICY SUMMARY

The Fund will seek to achieve its objective by investing primarily in shares of the range of sub-funds. These sub-funds are absolute return funds which follow a number of different strategies: UK Equity, currency and emerging market debt. The manager will typically conduct a monthly review and rebalance of the allocation of capital to each strategy. Absolute Insight may also invest in liquid assets (including units in collective investment schemes), permitted money market instruments.

Further details on the components of the investment policy can be found in the prospectus.

## PERFORMANCE SINCE LAUNCH



## PERFORMANCE %

	1 mth	3 mths	YTD	1 year	3 year	Since Inception (p.a.)
Fund (gross)	0.3	0.6	4.6	12.2	6.1	6.2
Fund (net)	0.2	0.3	3.7	10.1	4.6	4.8
Benchmark	0.0	0.1	0.3	0.6	3.3	3.6

Past performance is not a guide to future performance. Net returns are after 1% annual management charge and 10% performance fee above benchmark.

## MONTHLY RETURN (GROSS %)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2010	1.4	0.0	2.5	1.3	-0.9	0.3							4.6
2009	1.6	-0.4	0.4	1.0	1.7	0.6	1.8	1.6	1.9	1.1	0.1	0.6	12.6
2008	0.0	0.6	1.0	-0.1	0.3	0.7	-0.5	0.0	-0.7	-1.2	0.5	0.2	0.8
2007	-	-	0.5	0.6	1.0	0.3	-0.0	-0.1	0.6	0.8	-0.5	-0.2	2.9

Source: Insight and Bloomberg. Fund benchmark: 3 Month GBP LIBID (gross of UK tax). Inception date: 28 February 2007.

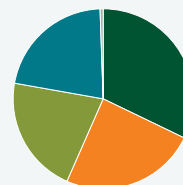
## CORRELATION MATRIX - ABSOLUTE INSIGHT SUB-FUNDS

	UK Equity MN	Currency	Emerging Market Debt	Credit*
UK Equity MN	1.00	0.22	0.09	
Currency		1.00	-0.14	
Emerging Market Debt			1.00	
Credit*				-

\* Insufficient history to calculate Credit Fund correlations.

## ASSETS UNDER MANAGEMENT

Fund size: £224.1m

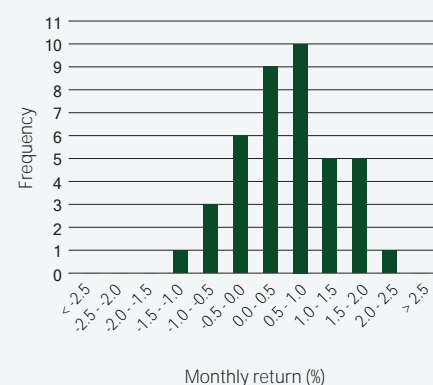


## ASSET ALLOCATION

UK Market Neutral	34.6%
Currency	26.3%
Emerging Market Debt	22.8%
Credit Fund (UCIT)	23.3%
Insight Liquidity ILF GBP	0.6%

Source: Insight

## DISTRIBUTION OF MONTHLY RETURNS



Source: Insight

## RETURNS BY SUB-FUND

	3 Mths (%)	Since inception (% p.a.)*
UK Equity Market Neutral Fund	0.2	5.5
Currency Fund	2.2	8.3
Emerging Market Debt Fund	-0.7	5.8
Credit Fund	0.1	45.6

\* Inception date for each fund is 28 February 2007, except Credit Fund, which is 2 June 2009. Gross of all fees. Source: Insight

## RISK STATISTICS

Standard deviation (%)	2.65
Sharpe ratio	1.00
Maximum drawdown (%)	-2.82
No. of positive months	31/40

Basis: Calculated using twice monthly gross prices. Max drawdown using all available official prices. Source: Insight

# Absolute Insight

## FUND MANAGER COMMENTARY

The Fund returned 0.49% (gross of fees) in June, compared to the 3-month sterling LIBID return of 0.05%. There were good returns from both the Currency Fund and Emerging Market Debt Fund during the month. The Currency Fund benefited from exposure in safe haven currencies such as the Japanese yen and Swiss franc, with corresponding shorts in the euro. The Emerging Market Debt Fund benefited from positioning in external currency government bonds, where spreads were slightly wider but returns were underpinned by strong performance from US treasuries. Both the Credit and UK Equity Market Neutral funds produced negative returns over the month. The Credit fund produced positive returns at the underlying asset level but this was offset by a price swing from mid to bid pricing. The UK Equity Market Neutral fund was slightly negative, but largely preserved capital in a month when UK equity markets fell by over 4%. Several paired positions, largely in engineering and energy stocks, underperformed on macro concerns rather than stock specific factors.

## INVESTMENT PHILOSOPHY AND PROCESS

The Fund seeks to achieve its objective by investing primarily in a range of uncorrelated sub-funds. Each of these sub-funds has an absolute return objective and are structured to be uncorrelated with each other by following different investment strategies and using different investment universes. The sub-funds are selected to optimise diversification benefits within the Fund, meaning the Fund can provide a diversified source of absolute returns to investors. Currently, one of the sub-funds employs a non-directional equity market neutral strategy. The other three sub-funds include a macro discretionary currency fund, a long/short emerging market debt fund and a multi-strategy credit fund. All of the sub-funds can make use of derivatives for investment and efficient portfolio management purposes. The fund manager conducts an in-depth review of the Fund and each of the sub-funds in which it invests on a monthly basis.

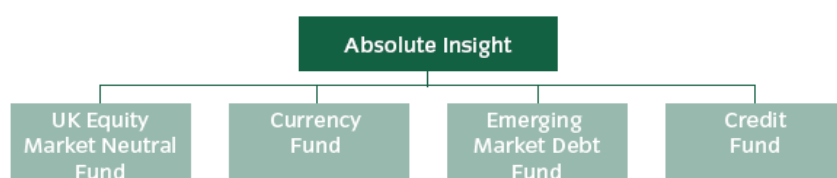
The Fund has three key qualities:

- **Broad opportunity set:** this is not only limited to geographical reach or asset class, but also extends to the investment techniques portfolio managers can use. The ability to take short positions via derivatives in unattractive assets as well as go long undervalued ones immediately doubles the opportunities available.
- **Precision:** in contrast to traditional investing, the use of derivatives allows managers to precisely target a specific investment opportunity and hedge any unintended or unwanted risk associated with that particular market, sector or asset class.
- **Diversification:** the underlying Absolute Insight funds are diverse in terms of asset class, geography and management style, with the aim of reducing overall volatility and increasing the prospect of capital preservation.

## KEY BENEFITS

- Aims to produce positive returns in all market conditions
- A relatively low-risk product
- An effective method of portfolio diversification

## FUND STRUCTURE



Past performance is not a guide to future performance. Market movements may cause the value of investments to go down as well as up and you may not get back the amount originally invested. This document is aimed at professional investors only. It is not designed for, and should not be used or relied upon by private investors.

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## FUND FACTS

Inception date	28-Feb-2007
Benchmark	3 month GBP LIBID
Fund manager	Reza Vishkai
Legal structure	Open Ended Investment Company (OEIC)
Domicile	UK
Listing	London Stock Exchange
Fund structure	Non-UCITS Retail Scheme
Currency	Sterling, Euro
Pricing	Daily
Depositary	Royal Bank of Scotland
Custodian	The Bank of New York Mellon
Administrator	The Bank of New York Mellon (International)

## SHARE CLASS A

ISIN £ (acc)	GB00B1SVX910
Sedol £ (acc)	B1SVX91

## SHARE CLASS Fp

ISIN £ (acc)	GB00B1SVX803
Sedol £ (acc)	B1SVX80

## Need more Information?

For details on all of our fund ranges or to obtain any literature please contact:  
**Customer Services: 0845 777 2233**  
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