

ILF £ Liquidity Plus Fund

Insight
INVESTMENT

FACTSHEET - 31 DECEMBER 2011 Dublin-based AAAf S&P-rated Fund
FOR PROFESSIONAL CLIENTS ONLY, NOT FOR DISTRIBUTION TO RETAIL CLIENTS.

FUND AIM

The aim of the fund is to provide a net rate of return equivalent to 3 Month LIBID + 12.5 bps.

Fund benchmark: 3 Month £ LIBID

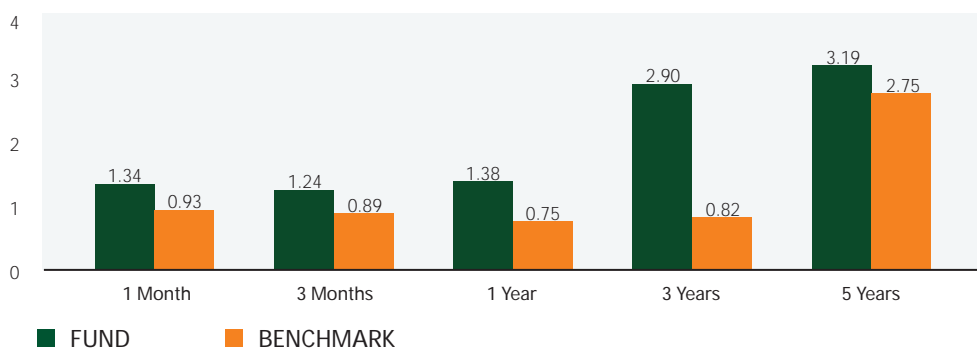
INVESTMENT BACKGROUND

The ILF £ Liquidity Plus Fund was launched in December 2004. The aim of the fund is to provide institutional investors, who do not have the requirement for daily access, with the opportunity to achieve higher returns from their cash investments.

INVESTMENT APPROACH

The fund invests in a diversified portfolio of securities, instruments and obligations that carry a minimum rating of A1 for short-term investments. The fund carries a AAAf rating from 'Standard & Poors'. Further details can be found in the product brochure available on our website at www.insightinvestment.com.

RETURN PERFORMANCE



Basis: Annualised total return, Gross of all fees and expenses.
Source: Insight Investment.

The value of investments and any income will fluctuate (this may be due to exchange rate changes) and investors may not get back the amount invested.

FUND MANAGER'S COMMENTS

Economic data in the UK remained weak and continued to point to recessionary conditions. The month's PMI manufacturing reading was indicative of this, although a figure of 49.6 showed that the sector was not contracting as fast as had been expected. However, with considerable uncertainty remaining as to the outlook for the UK, the Bank of England elected to maintain its asset purchase programme at £275bn, although analyst forecasts are for additional quantitative easing to be administered to the UK economy over the coming months. This decision may be supported by inflation levels, with CPI data showing some signs of easing over the month as global growth concerns continued to weigh on commodity prices.

UK money markets rates did not move significantly in December, with one-month sterling LIBOR rates staying at 0.7%, and the three-month at 1.0%. Ongoing troubles in the eurozone made gilts more attractive, pushing Britain's borrowing costs lower: the yield of two-year UK government bonds fell to 0.32%, from 0.46% at the end of November, while the yield of the benchmark 10-year bond ended the year at 1.97%, from 2.31% in November.

Given the dislocations of the foreign exchange markets, European names can issue their debt in sterling, paying a hefty premium to investors, whilst achieving their target funding levels in euros.

Additionally, we engaged in currency arbitrage to profit from the dysfunctions of foreign exchange markets, which at the moment are penalising the euro. In this sense, we bought €20m of three-month ABN debt at 1.4%, receiving 2.43% when translated into sterling.

We sold some short-dated gilts to profit from their rally, fuelled by their safe-haven status.

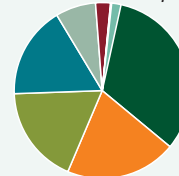
FUND FACTS

Fund manager	Colin Cave	Dealing cut-off time	Daily - 4pm
ISIN	IB00B0539B73	Running Yield	1.54%
Weighted Average Maturity	92 days	Launch date	December 2004
Benchmark	3 Month £ LIBID	Custodian/Administration	Northern Trust, Dublin

¹ as at 31 December 2011

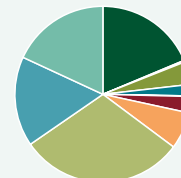
➤ A BNY MELLON COMPANYSM

Fund Size: £2,349.7M¹



FUND BREAKDOWN BY ASSET CLASS

Floating Rate Note	35.5%
Commercial Paper	20.5%
Certificate of Deposit	17.8%
Mortgage-Backed	16.7%
Money Market Fund	7.3%
Government Bond	2.7%
Corporate Bond	0.1%
Asset-Backed	0.1%
Repurchase Agreement	-0.7%



FUND CREDIT BREAKDOWN

AAA	19.7%
AA+	0.3%
AA	4.2%
A+	2.1%
A	0.1%
A2	2.0%
AA-	6.8%
A-1+	30.2%
A-1 < 90 days	16.5%
A-1 > 90 days	18.1%
NR	0.0%

S&P deem all A-1 securities maturing within 7 days as A-1+

TEN LARGEST HOLDINGS

Insight Liquidity Fund	7.2%
FRN GE Capital UK Funding 30/01/12	2.8%
FRN Deutsche Bank 26/04/12	2.7%
FRN Societe Generale 01/04/2012	2.7%
CD Bank Of Tokyo Mitsubishi 0.8% 30/01/2012	2.1%
CD UBS 1.045% 12/03/2012	2.1%
Z/C CP Bank Nederlandse Gemeenten 13/02/2012	2.1%
Z/C CP CDC 17/01/2012	2.1%
CP Den Norske Bank 23/03/2012	2.1%
Z/C CP Caisse Amortissement De La Det 0% 16/05/2012	2.1%
Total % of Funds	28.1%

For more information on any of our funds please call 020 7321 1547 or email at business.development@insightinvestment.com

Unless otherwise stated, the source information is Insight Investment Management (Global) Limited.

All features described in this leaflet are those current at the time of publication and may be changed in the future.

Insight Liquidity Funds plc is authorised by the Central Bank of Ireland. The full prospectus and simplified prospectus are available at www.insightinvestment.com.

The investment's value and the income deriving from it may fall as well as rise, as a result of the market and currency fluctuation. Past performance is not a guide to future performance.

You may not get back the amount originally invested.