PFS SOMERSET CAPITAL MANAGEMENT INVESTMENT FUNDS ICVC

Interim Report (unaudited)
31 March 2011

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Aggregated Statement of Total Return

for the period ended 31 March 2011

	31.03.11		31.03.10	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		(1,811,140)		2,322,699
Revenue	538,037		264,848	
Expenses	(377,302)		(219,583)	
Finance costs: Interest	(348)		(184)	
Net revenue (expense) before taxation	160,387		45,081	
Taxation	(30,619)		(25,444)	
Net revenue (expense) after taxation		129,768		19,637
Total return before distributions		**(1,681,372)**		**2,342,336**
Finance costs: Distributions		(211,876)		(50,797)
Change in net assets attributable to shareholders from investment activities		**(1,893,248)**		**2,291,539**

Aggregated Statement of Change in Net Assets Attributable to Shareholders

for the period ended 31 March 2011

	31.03.11		31.03.10	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		**16,656,474**		**7,009,170**
Amounts received on issue of shares	45,048,846		12,706,163	
Less: Amounts paid on cancellation of shares	(4,512,103)		(5,394,850)	
		40,536,743		7,311,313
Dilution levy		–		–
Stamp duty reserve tax		–		–
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(1,893,248)		2,291,539
Retained distribution on Accumulation shares		98,314		44,452
Closing net assets attributable to shareholders		**55,398,283**		**16,656,474**

Aggregated Balance Sheet
as at 31 March 2011

	31.03.11		31.03.10	
	£'000	**£'000**	**£'000**	**£'000**
ASSETS				
Investment assets		52,869,248		16,100,651
Debtors	477,563		4,024,648	
Fixed deposit	–		–	
Bank balances	2,560,399		644,539	
Total other assets		**3,037,962**		**4,669,187**
Total assets		**55,907,210**		**20,769,838**
LIABILITIES				
Investment liabilities				
Creditors	(368,754)		(4,019,049)	
Distribution payable on Income shares	(140,173)		(57,542)	
Bank overdrafts	–		(36,773)	
Total other liabilities		**(508,927)**		**(4,113,364)**
Total liabilities		**(508,927)**		**(4,113,364)**
Net assets attributable to shareholders		**55,398,283**		**16,656,474**

The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice ("SORP") for Financial Statements of Authorised Funds issued by

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 30 September 2010.

Certification of Accounts by the Authorised Corporate Director
In accordance with the requirements of the OEIC Regulations and COLL, we hereby certify the Report on behalf of the ACD, Phoenix Fund Services (UK) Limited.

S.A.King
S.D. Mathieson
Directors
Phoenix Fund Services (UK) Limited
27 May 2011

Investment Objective & Policy

For the half year from 01 October 2010 to 31 March 2011

The Sub-Fund seeks to achieve capital appreciation and income growth by mainly investing in an actively managed portfolio of dividend-paying emerging market securities.

The portfolio will consist principally of quoted equity securities, issued by companies established or operating in emerging market countries, principally in Asia, Eastern Europe, the Middle East, Africa and Latin America.

The Sub-Fund may also invest at the Manager's discretion in other transferable securities, money market instruments, cash and near cash, depositary receipts, derivative instruments and forward transactions, deposits and shares in other collective investment schemes. Use may also be made of stocklending, borrowing, cash holdings, hedging and other investment techniques permitted under applicable FSA Rules.

Managers' Review

Interim Report for the Somerset Emerging Markets Dividend Growth Fund OEIC

The Fund performed poorly in the six months to the end of March 2011 in capital terms. The Fund's price at NAV was almost unchanged over the period whereas the market was up over 7% in sterling terms. Whilst we feel we 'understand' the discrepancy the performance was disappointing. We will adapt our tactics where ever we can, though the larger part of the dividend growth strategy remains intact.

The critical period for the Fund was December and January, in which the index outstripped the Fund by over 6%. This relative performance was equally as strong in the strongly positive month of December as the strongly negative month of January. The overwhelming reason for the divergence in performance of the Fund versus the index was the lack of energy and commodity exposure in the Fund. The Fund has a 0% weighting in energy and one position of 2.5% in a cement producer (materials); the index has 15% exposure to energy and a 16% weighting to materials. Meanwhile in the period from November to January only two sectors in our universe were actually in positive territory: energy and basic materials. All other sectors were in negative territory. It is not to say that we could not have done better than we did through better stock selection within the sectors we were exposed too but the environment was not favourable overall to a selection of stocks biased towards stable and growing dividends and internally financed growth. Speculatively or otherwise, the price of Brent Crude surged over 19% in both Dollar and Sterling terms, almost all of this *before* the revolts in the Middle East. Such an increase in such a short space of time clearly has been negative for many of the consumer and related stocks that we have in the portfolio.

Managers' Review
continued

The Fund has had moderate success, even in the period in question, in repositioning itself. Over the period only one stock that was sold contributed negatively to the performance. In this case, we decided that Akbank, though still a well managed bank, gave the Fund too much exposure to the Turkish financial system, which in our view has seen a deterioration in forthcoming data. On the other hand Cyfrowy Polsat, the polish satellite T.V. operator sold because of an impending and expensive acquisition, was sold for a profit. Indeed even some of the stocks that were sold for fundamental reasons such as China Pharmaceuticals, which issued a profits warning in the second half of 2010 contributed slightly positively to the performance for this period. The major addition to the Fund was Top Glove, a Malaysian producer and marketer of disposable medical use latex gloves. It is an extremely well managed business which has grown market share from nothing to 25% globally in the last 2 decades. Though it has struggled with rubber prices recently, the company is in a very strong position overall. The stock has contributed slightly positively to the Fund so far and we hope for more to come.

The outlook for the next year is mixed. For the moment, we continue to be in the rising interest rate phase of the market cycle in emerging markets, which should continue to be broadly positive for them. However, as time passes, key prices like oil continue to rise and the market cycle matures, we draw closer to the point at which interest rates must be cut to avoid recessions in emerging markets. We are clearly closer to that point, but we are also clearly not there yet, given loan growth rates of greater than 20% in countries like Brazil and Turkey and growth rates still above 10% in China. The rising price of oil sets up the conditions for its own demise, and the rising price of assets likewise. Interestingly and possibly more negatively for this particular cycle, this event has the potential of coinciding with a period of rising interest rates in developed markets (if policy makers here can bear to do anything about rising inflation). Is an inflection point for emerging markets likely to occur in the next 6 months rather than in 2012? Given the continued fragility of the global economy, it is important that we are prepared for this outcome whether or not it occurs.

Lead Manager, Edward Lam

Portfolio Statement

as at 31 March 2011

Holding	Security	Value £	% of Total Net Assets 2011
	Banks		
11,198	Bank Pekao	418,221	2.26
212,200	Siam Commercial	472,711	2.56
		890,932	4.82
	Beverages		
86,910	Compania Cervecerais Unidas	632,543	3.42
70,639	Anadolu Efes	622,244	3.36
		1,254,787	6.78
	Contruction & BuildingMaterials		
844,745	Semen Gresik	547,722	2.96
	Electricity		
38,151	Enersis	495,035	2.68
60,100	AES Tiete	558,223	3.02
44,520	Companhia Energetica de Minas Geraus Pref	528,073	2.86
		1,581,331	8.56
	Electronic & Electrical Equipment		
51,901	Taiwan Semiconductor	394,357	2.13
40,015	Mediatek	286,505	1.55
911,000	Meacronix	375,902	2.03
85,693	Reunert	458,950	2.48
		1,515,714	8.19
	Engineering & Machine		
368,000	AAC Acoustic Technologies	615,394	3.33
	Food Producers & Processors		
26,096	Tiger Brands	421,506	2.28
	General Retailers		
67,000	Souza Cruz	436,286	2.36
61,079	Shoprite	581,753	3.15
225,000	Ports Design	321,220	1.74
		1,339,259	7.25

Portfolio Statement

continued

Holding	Security	Value £	% of Total Net Assets 2011
	Information Technology Hardware		
725,493	Travelsky Technlogy	441,065	2.38
25,550	HTC	620,630	3.36
		1,061,695	5.74
	Investment Companies		
79,810	The Foschini Group	623,153	3.37
632,600	Top Glove	690,583	3.73
		1,313,736	7.10
	Life Insurance		
177,114	Sanlam	449,360	2.43
	Personal Care & Other Household Products		
28,500	Natura Cosmeticos	502,543	2.72
	Software & Computer Services		
3,775	NCSoft	537,795	2.91
	Speciality & Other Finance		
99,000	Cielo	525,449	2.84
	Telecommunication Services		
7,241	Millicom International Cellular	445,167	2.41
36,694	Mobile Telesystems	485,972	2.63
76,000	China Mobile	436,442	2.36
10,976	Mobinil - Egyptian Mobile Services	178,092	0.96
41,633	MTN	524,759	2.83
12,090	Philipppine Long Distance Telephone	403,185	2.18
830,000	PT Telekomunikas Indonesia	431,124	2.33
43,457	Maroc Telecom	527,456	2.85
		3,432,197	18.55
	Tobacco		
10,034	KY & G	325,268	1.76

Portfolio Statement
continued

Holding	Security	Value £	% of Total Net Assets 2011
	Transport		
90,848	Ford Otomotiv Sanayi	539,626	2.91
	Water		
535,951	Inversiones Aguas Metropolitanas	505,210	2.73
	Investment assets	**17,359,524**	**93.86**
	Net other assets	**1,135,815**	**6.14**
	Net assets	**18,495,339**	**99.99**

Significant Portfolio Changes

for the period ended 31 March 2011

Major purchases	**Cost**
	£
Top Glove Corporation	696,225
Anadolu Efes Biracilik	427,709
Semen Gresik (Persero)	380,530
AAC Acoustic Technologies	376,396
Reunert	368,214
Other purchases	8,368,905
Total Purchases for the interim period	**£10,617,979**

Major sales	**Proceeds**
	£'
Akbank	382,853
Cyfrowy Polsat	364,661
Bank Zachodni	219,604
Siliconware Prexcision Industries	163,454
China Pharmaceutical	55,339
Other sales	36,297
Total Sales for the interim period	**£1,222,208**

Comparative Tables

Net Asset Values

Year	Income Shares			Accumulation Shares		
	Net Asset Value (£)	No. of shares in issue	Net Asset Value (pence per share)	Net Asset Value (£)	No. of shares in issue	Net Asset Value (pence per share)
2010	6,060,656	5,694,541	106.43	2,150,123	2,005,707	107.20
2011*	15,700.180	14,826,850	105.89	2,795.159	2,613,737	106.94

* As at 31 March 2011

Price History

The table below shows the highest buying and lowest selling prices on a calendar year basis in pence per share/unit for five full calendar years/ since launch.

Past performance is not necessarily a guide to the future performance.

Year	Income Shares		Accumulation Shares	
	Highest	Lowest	Highest	Lowest
2010	111.34	93.68	112.45	93.68
2011*	111.70	97.96	112.81	98.93

* As at 31 March 2011

Distribution Record

Year	Income Shares Net revenue per share (pence)	Accumulation Shares Net revenue per share (pence)
2010	0.7710	0.7710
2011*	0.9420	0.9548

* As at 31 March 2011

Total Expense Ratio

Expense Type	31 March 2011* %	30 September 2010 %
Investment Manager's charge	1.00	1.00
Other expenses	0.60	0.60
Total expense ratio	1.60	1.60

* The total expense ratio is annualised based on the fees incurred during the accounting period.

Statement of Total Return

for the half year ended 31 March 2011

	31.03.11	
	£	£
Income		
Net capital gains		51,780
Revenue	196,422	
Expenses	(110,030)	
Finance costs: Interest	(1)	
Net revenue before taxation	86,391	
Taxation	(15,805)	
Net revenue after taxation		70,586
Total return before distributions		**122,366**
Finance costs: Distributions		(138,175)
Change in net assets attributable to shareholders from investment activities		**(15,808)**

Statement of Change in Net Assets Attributable to Shareholders

for the half year ended 31 March 2011

	31.03.11	
	£	£
Opening net assets attributable to shareholders		**8,210,779**
Amounts receivable on issue of shares	12,760,691	
Less: Amounts payable on cancellation of shares	(2,485,279)	
		10,275,412
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(15,808)
Retained distribution on Accumulation shares		24,956
Closing net assets attributable to Shareholders		**£18,495,339**

Balance Sheet
as at 31 March 2011

	31.03.11		30.09.10	
	£	£	£	£
ASSETS				
Investment assets		17,359,524		7,834,448
Debtors	171,370		3,895,787	
Bank balances	1,224,214		480,972	
Total other assets		1,395,584		4,376,759
Total assets		**£18,755,230**		**£12,211,207**
LIABILITIES				
Creditors	(120,100)		(3,919,750)	
Distribution payable on Income shares	(139,669)		(43,905)	
Bank overdrafts	–		(36,773)	
Total other liabilities		(259,769)		(4,000,428)
Net assets attributable to Shareholders		**£18,495,339**		**£8,210,779**

Accumulation Statement

for the half year ended 31 March 2011

Income Share Distribution

Payable 31 May 2011

Class A Shares	Net	Equalisation	Distribution 2011	Distribution 2010
Group 1	0.9454	—	0.9454	—
Group 2	0.4479	0.4941	0.9420	—

Accumulation Share Distribution

Final Allocated 31 May 2011

Class A Shares	Net	Equalisation	Distribution 2011	Distribution 2010
Group 1	0.9548	—	0.9548	—
Group 2	0.8161	0.1387	0.9548	—

Further information

Interim: Group 1 - Shares purchase on 30 September 2010
Group 2 - Shares purchase on 1 October 2010 - 31 March 2011

Equalisation

Equalisation applies only to shars purchased during the distribution period (Group 2 shares). It represents the accruald revenue included in the purchase price of the units. After averaging it is returned with the distribuiton as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Investment Objective & Policy

For the half year from 01 October 2010 to 31 March 2011

The Sub-Fund seeks to achieve capital appreciation by mainly investing in an actively managed portfolio of emerging market securities.

The portfolio will consist principally of quoted equity securities, issued by companies established or operating in emerging market countries, principally in Asia, Eastern Europe, the Middle East, Africa and Latin America.

Managers' Review

Interim Report for the Somerset Global Emerging Markets Fund OEIC

Activity within the Fund over the six months to 31st March 2011 remained below our long term average. However, it is worth considering the stock purchases and disposals in turn before turning to our strategy and outlook for the remainder of the year.

LIC Housing Finance in India was sold owing to corporate governance concerns. Whilst we had achieved a good return on the position, an investigation into the actions of the Chief Executive in accepting bribes from a number of property developers to whom LIC had extended loans despite their failure to meet the company's annual lending guidelines were a cause for concern. We also believed that that there was potential for further asset quality deterioration and we were not prepared to hold on with this risk overhanging the stock.

In China, we added Ports Design, the high-end clothing manufacturer and retailer. We have long been impressed by the company's strong brand equity and ability to raise selling prices. Relative weakness in the stock made the valuation look attractive when compared to other high-end retailers in China. We were also waiting for the company's completion of its store rationalisation programme which had been impeding sales growth. From this year onwards, Ports will increase its network by 10% a year and stands to benefit from the growth potential of China's luxury-apparel market. In South Africa, Tiger Brands was purchased for its strong basket of brands which delivers pricing power and high returns. We are also excited by its increasing penetration in Sub-Saharan Africa.

Union Bank of India sold off over Q1 2011 along with other large Indian banks on asset quality concerns. The bank's second quarter results, for the year to March 2011, did show an increase in pension-related provisions. However, in our view, the balance sheet remains strong compared to its local peers and the bank's ability to achieve high loans growth gives us a positive outlook. Shanghai Industrial was another laggard amid the fear of further tightening in the Chinese property sector and as inflationary concerns began to trouble investors.

Managers' Review
continued

Performance during Q4 2010 was led by Banorte which became the third largest bank in Mexico through the acquisition of IXE Grupo Financiero in November. The market reacted positively to this transaction owing to the potential synergies, valued by management at $1.3 billion, and the extended geographical reach. Weg was another to perform well in the fourth quarter, driven by the conviction among investors that Brazil's CAPEX cycle was starting to turn in the company's favour. In particular, there was a realisation that Weg could benefit more than expected from the $225 billion investment programme announced by Petrobras. This positive momentum drove the stock to almost 30x P/E, near its historical high, and so the decision was taken to sell the position. The full position was sold in January 2011. Elsewhere, CNOOC benefited from the strength in the oil price and TSMC performed well because of the strong demand and high utilisation rate anticipated for 2011, this was consistent with improved sentiment in the technology field.

There were several other changes to the Fund. In Turkey we sold Akbank owing to concerns that the Turkish financial system looks somewhat overstretched. While Akbank is better-run than most of the local banks, we think the sector as a whole is at risk. After disappointing results in the fourth quarter, we also sold MediaTek. We were expecting the company to be able to reverse the average selling price deterioration which had been a trend throughout 2010. However, owing to heightening competition at the lower-end and a failure to move up the value chain and meaningfully to penetrate the smart devices segment, dominated by the likes of Qualcomm, MediaTek continues to be squeezed. With margin pressure looking set to continue at least until the third quarter, we decided there was little upside in holding on to the position.

Despite our negative view on Turkey's financial system, we remain positive on parts of the consumer sector. We added Anadolu Efes, a beverage manufacturer with an enviable monopolistic position in the Turkish beer market and a stake in the regional Coca-Cola franchise. We also bought Chinatrust Financial which we view as the best private bank to benefit from a recovery in domestic demand owing to its strong corporate and credit card franchise. Beijing Enterprises was added in China mostly for its stable gas transmission and distribution business, a sector we view as highly attractive in the long-term given China's aim to triple gas consumption by 2015. Likewise bought for its defensive qualities was Yuhan Corp, a well-run pharmaceuticals company in Korea with increasing exposure to China through its Yuhan-Kimberly subsidiary. In Russia we began adding a position in Lukoil.

As alluded to above, MediaTek reported disappointing results which showed a failure to move up the value chain as expected. The stock was sold off during Q1 2011 as a result and was the worst performing stock in the Fund. Ports Design was another weak performer because of fears in the market that it would not be able to maintain its high prices in the face of strong competition from international brands. Conversely, we believe that the company has strong brand equity and will be able to maintain or even increase ASPs slightly this year in order to pass on higher raw materials and labour costs. Hon Hai's poor performance over this period came mostly in March when the earthquake in Japan prompted fears of supply chain disruptions. Given Hon Hai's 40% global market share, the company is bound to be affected but its strong customer relationships and scale economies should allow it to continue to deliver in the long-term.

Managers' Review
continued

The top performers were lead by Rosneft which benefited from the rising oil price and talk of a tie-up with BP in the Arctic. Hyundai Mobis performed well off the back of continued confidence in new car sales at affiliated car-makers, Hyundai Motor and Kia. The unfortunate events in Japan only served to bolster investors' positive outlook for Korean auto exports this year. SOHO China was another stock to outperform, driven by news of further land acquisitions in Shanghai where the property developer now has five exciting projects.

Monetary policy still dominates investors' thinking. China has tightened significantly with a further increase in the reserve ratio requirement (RRR) rumoured to be imminent. It would be the tenth since the beginning of 2010 and has been accompanied by interest rates rising to 6.31%. At the same time the developed economies, other than the European Central Bank, have continued with easy money. The Japanese Central Bank has reportedly injected $300bn into the domestic economy to assist demand after the earthquake. To give an idea of the scale of this action it took the Federal Reserve six weeks to do what the Bank of Japan has done in ten days. There is also now some discussion about whether the Federal Reserve will implement a QE3 programme and although this is not a consensus view it is no longer considered impossible.

The decision by the Bank of Japan means that the carry trade is once more in action with excess liquidity making its way to asset markets. This has buoyed emerging markets which are now at a 10% premium to mature ones. This ought to sound a note of caution. Monetary tightening in emerging markets is not over. China has not succeeded in cooling its property market but now has a real interest rate of 1.4%. India, Korea and Russia all still have negative real rates and are suffering from food inflation. As food makes up more of the CPI basket in lower income countries this is a particular problem. Efforts to tackle inflation include high interest rates, subsidies and price controls. Subsidies tend to be counter-productive because they deflate prices while inflating government activity which boosts prices again. Price controls are effectively a tax on corporations and a margins squeeze is likely. The other route that is being used as an anti inflationary tool is allowing the currency to appreciate. This is happening in Chile (the peso is up 5.5% this year), South Korea (the won is up 4.5% in a month), Brazil (a 6.5% rise in three weeks) and even in China the RMB has risen by 1% so far this year. This reduces the cost of raw materials but raises the dollar cost of exports. It reverses the long period of export led deflation enjoyed by the West from the early 1990s.

In spite of recent market strength the overall outlook is not especially benign. Liquidity from the developed markets is abundant which is inflating asset values and corrective activity has been taken to prevent an inflation re-spurt; however, these actions dampen the competitiveness of emerging markets at a particular cost to corporate profits. As valuations were already above the developed markets it is hard to see why they should go further.

Managers' Review
continued

The strategy is a variant of 'don't fight the Fed'. Policy makers in emerging markets have made their intentions fairly clear. China is uncharacteristically pellucid. It wants to stop the property bubble, increase wages and stop inflation. This means residential property investment is at risk and the market view that it has avoided government action is likely to prove mistaken. Exporters' profit margins are going to be squeezed unless they can charge their own customer higher prices which is difficult with low growth in the West. Additionally, staple producers will see higher input costs without the ability to pass them through to consumers as they become subject to price controls. Other consumer stocks will benefit from wage rises and increased demand. So the macro pushes investors to careful stock selection not just in China but elsewhere.

Lead Manager, Edward Robertson

Portfolio Statement
as at 31 March 2011

Holding	Security	Value £	% of Total Net Assets 2011
	Automobiles		
1,607	Hyundai Mobis	297,938	3.27
	Beverages		
19,101	Banco do Brasil	216,384	2.37
76,000	Grupo Financiero Banorte	222,783	2.44
5,905	Bank Pekao	220,539	2.42
664,300	Krung Thai Bank	250,751	2.75
342,000	Chinatrust Financial	181,023	1.98
40,482	Union Bank of India	196,652	2.16
364,060	China Construction	212,571	2.33
		1,500,703	16.45
	Beverages		
6,585	Fomento Economico Mexicano	240,930	2.64
22,226	Anadolu Efes Biracilik	195,784	2.15
		436,714	4.79
	Chemicals		
261,786.00	Huabao International	247,338	2.71
	Construction & Building Materials		
5,647	Grasim Industries	194,088	2.13
318,721	Semem Gresik(Persero)	206,655	2.27
31,247	Duratex SA	206,708	2.27
		607,450	6.67
	Diversified Industrials		
50,000	Beijing Enterprises	177,052	1.94
	Electricity		
2,463,331	Energy Development	212,808	2.33
	Electronic & Electrical Equipment		
90,200	Hon Hai Precision	196,140	2.15
168,920	Taiwan Semicondutor	252,643	2.77
		448,783	4.92

Portfolio Statement
continued

Holding	Security	Value £	% of Total Net Assets 2011
	Food Producers & Processors		
12,621	Tiger Brands	203,856	2.23
	Gas Distribution		
124,647	Petronet	212,384	2.33
	General Retailers		
120,000	Wal-Mart de Mexico	223,884	2.45
134,182	Ports Design	191,564	2.10
		415,448	4.55
	Investment Companies		
118,300	Genting Berhad	268,520	2.94
	Oil & Gas		
2,003	Lukoil	89,279	0.98
197,115	CNOOC	309,867	3.40
70,500	PTT Exploration & Production	261,751	2.87
44,799	OAO Rosneft Oil	255,296	2.80
		916,193	10.05
	Pharmaceuticals		
33,939	Sun Pharmaceuticals Industries	208,025	2.28
2,678	Yuhan	224,644	2.46
		432,669	4.74
	Real Estate		
461,798	Soho China	244,453	2.68
	Sofeware & Computer Services		
4,963	Infosys Technologies	224,723	2.46
2,130	NHN	231,369	2.54
		456,092	5.00
	Speciality & Other Finance		
33,834	Cielo	179,576	1.97

Portfolio Statement
continued

Holding	Security	Value £	% of Total Net Assets 2011
	Steel & Other Metals		
865	POSCO	247,936	2.72
	Telecommunications Services		
3,882	Millicom International Celluler	232,872	2.55
19,223	Mobile Telesystems	254,588	2.79
8,771	Mobinil - Egypian Mobile Services	142,315	1.56
18,681	MTN	235,463	2.58
		865,237	9.48
	Tobacco		
84,842	Shanghai Industrial	202,441	2.22
	Water		
16,494	Companhia de Saneamento do Estado de Sao Paulo	297,102	3.25
	Investment assets	**8,870,692**	**97.24**
	Net other assets	**252,113**	**2.76**
	Net assets	**9,122,805**	**100.00**

Significant Portfolio Changes

for the period ended 31 March 2011

Major purchases	**Cost**
	£
Yuhan Corporation	240,712
Tiger Brands Limited Common	226,485
Beijing Enterprises Holdings	176,779
Anadolu Efes Biracilik	175,952
Chinatrust Financial Holding	170,463
Other purchases	2,353,605
Total purchases for the interim period	**£3,343,997**

Major sales	**Proceeds**
	£
Weg S.A. Common	255,004
LIC Housing Finance Limited	249,189
Mediatek Inc	199,463
Akbank T.A.S	198,020
Cielo SA Common	147,229
Other sales	2,078,547
Total sales for the interim period	**£3,127,451**

Comparative Tables

Net Asset Values

Year	Income Shares			Accumulation Shares		
	Net Asset Value £	No. of shares in issue	Net Asset Value Pence per share	Net Asset Value £	No. of shares in issue	Net Asset Value Pence per share
Class 'A' 2009	4,805	3,444	139.52	123,547	88,539	139.54
Class 'A' 2010	56,226	31,069	180.97	272,897	149,640	182.37
Class 'A' 2011*	66,300	35,718	185.62	397.169	213,296	186.65
Class 'B' 2009	45,116	32,343	139.49	6,835,702	4,900,346	139.49
Class 'B' 2010	2,546,353	1,416,301	179.79	5,499,965	3,031,865	181.41
Class 'B' 2011*	2,622,868	1,417,239	185.07	5,964.152	3,178,378	187.65
Class 'B' USD						
2010	$110,703	39,075	$2.83	N/A	N/A	N/A
2011*	$115,921	39,075	$2.97	N/A	N/A	N/A

*As at 31 March 2011

Price History

The table below shows the highest buying and lowest selling prices on a calendar year basis in pence per share since launch. Past performance is not necessarily a guide to the future performance.

Year	Income Shares		Accumulation Shares	
	Highest	Lowest	Highest	Lowest
Class 'A' 2008	109.99	103.95	109.99	103.95
Class 'A' 2009	150.93	116.16	152.10	93.77
Class 'A' 2010	191.95	140.01	193.94	141.09
Class 'A' 2011*	191.95	140.01	193.94	141.09
Class 'B' 2008	110.08	93.17	110.08	93.17
Class 'B' 2009	150.85	117.33	152.20	93.67
Class 'B' 2010*	191.68	140.13	194.35	141.39
Class 'B' 2011*	193.75	168.18	196.45	170.52
Class 'B' USD				
2010	3.03US¢	2.72US¢	N/A	N/A
2011*	3.00US¢	2.28US¢	N/A	N/A

*As at 31 March 2011

Comparative Tables (continued)

Distribution Record

Year	Income Shares Net income per share p	Accumulation Shares Net income per share p
Class 'A' 2009	1.0470	1.0470
Class 'A' 2010	0.3760	0.3789
Class 'A' 2011*	0.0000	0.0000
Class 'B' 2009	1.2250	1.2250
Class 'B' 2010	0.9290	0.9374
Class 'B' 2011*	0.0000	0.0000
Class 'B' USD		
2010	1.4639USȻ	N/A
2011*	0.0000	N/A

*There is no distribution payable for the period under review.

Total Expense Ratio

The Sub-Fund invests in collective investment schemes, the expenses incurred by these schemes in relation to the Sub-Fund (synthetic TER) are disclosed in the below table as other expenses together with direct expenses of the Sub-Fund.

	31 March 2011* %	30 September 2010 %
Class 'A' Manager's periodic charge	1.50	1.50
Class 'A' Other expenses	1.00	0.70
Total expense ratio	2.50	2.20
Class 'B' Manager's periodic charge	1.00	1.00
Class 'B' Other expenses	1.00	0.84
Total expense ratio	2.00	1.84

* The total expense ratio is annualised based on the fees incurred during the accounting period.

Statement of Total Return

for the half year ended 31 March 2011

	31.03.11		31.03.10	
	£	£	£	£
Income				
Net capital gains		334,546		1,277,627
Revenue	72,538		56,708	
Expenses	(88,363)		(78,523)	
Finance costs: Interest	(14)		(40)	
Net expense before taxation	(15,839)		(21,855)	
Taxation	(5,829)		(2,823)	
Net expense after taxation		(21,668)		(24,678)
Total return before distributions		**312,878**		**1,252,949**
Finance costs: Distributions		–		10
Change in net assets attributable to shareholders from investment activities		**£312,878**		**£1,252,959**

Statement of Change in Net Assets Attributable to Shareholders

for the half year ended 31 March 2011

	31.03.11		31.03.10	
	£	£	£	£
Opening net assets attributable to shareholders		**8,445,695**		**7,009,170**
Amounts received on issue of shares	2,184,979		288,752	
Less: Amounts paid on cancellation of shares	(1,820,747)		(3,408,914)	
		364,232		(3,120,162)
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		312,878		1,252,959
Retained distribution on Accumulation shares		–		–
Closing net assets attributable to shareholders		**£9,122,805**		**£5,141,967**

Balance Sheet
as at 31 March 2011

	31.03.11		30.09.10	
	£	**£**	**£**	**£**
ASSETS				
Investment assets		8,870,692		8,266,203
Debtors	129,113		128,861	
Bank balances	216,919		163,567	
Total other assets		346,032		292,428
Total assets		**£9,216,724**		**£8,558,631**
LIABILITIES				
Creditors	(93,919)		(99,299)	
Distribution payable on Income shares	–		(13,637)	
Total other liabilities		(93,919)		(112,936)
Net assets attributable to Shareholders		**£9,122,805**		**£8,445,695**

Investment Objective & Policy

For the half year from 01 October 2010 to 31 March 2011

The Sub-Fund seeks capital appreciation by investing in an actively managed portfolio composed principally of quoted equity securities, issued by companies established or operating in emerging market countries, principally in Asia, Eastern Europe, the Middle East, Africa and Latin America and whose market capitalisation does not exceed US$2.5 billion at the time of the investment. The Sub-Fund may also invest in other investment funds in order to gain exposure to specific markets or the expertise of specific managers. The Sub-Fund generally seeks to maintain a diversified portfolio in order to reduce its dependence on specific companies or industry sectors.

The Sub-Fund may invest in cash and near cash, and in shares in other collective investment schemes subject to the limits set out in Appendix 2 of the prospectus, however, investment by the Sub-Fund in other Schemes will be limited to a maximum of 10% of the scheme property of the Sub-Fund.

Managers' Review

Interim Report for the Somerset Emerging Markets Small Cap Fund OEIC

We were delighted to launch our Global Emerging Markets Small Cap Fund on 2nd November 2010 and thank you to all our clients for supporting our strategy. Turnover since launch has been low as expected but it is worth reviewing the reasons behind the various purchases and sales before turning to our outlook over the coming months.

DECEMBER

In December we sold Indian commercial vehicles manufacturer Eicher Motors since the stock had reached 19x p/e. A lot of the 'free' growth had been priced as operating leverage worked its way into higher margins. Asset turnover was 1.6x versus 0.9x for fellow CV manufacturer Otokar. New emissions norms led to a further surge in demand in the first half but were unlikely to be repeated. There was also increasing competition coming into the sector from Mahindra & Mahindra and smaller players. In addition customer financing costs were rising. It remained an attractive company but valuations did not discount the risks.

We bought Malaysian latex glove manufacturer Top Glove. This impressively well run company was facing difficult conditions and therefore reasonable valuations. The rubber price (from which latex is derived) rose 25% in November alone after an already strong 2010. Latex makes up 60% of Top Glove's costs and it's last quarter's results were poor as a result leading to a sell off in the stock and an attractive entry level. With almost 30% of global market share their pricing power was good but they have not been able to pass all costs through as a result of the velocity of the cost increases. This situation should not be permanent and Top Glove should take advantage of its competitive position to further consolidate market share. The opportunities for growth in emerging markets are significant. We were below consensus in our estimates for 2011 but still predict 6% FCF yield, 3% dividend yield and 16x p/e for the stock. Any change in the negative outlook would provide even more attractive numbers.

We also bought E Ink, the innovator of the Kindle's unique reading display which it also sold to other E-readers. We considered buying the stock in 2009 but the earnings stream was unproven, debt was high as were valuations. All of these improved over 2010 and we considered the earnings outlook to be unusually strong.

Managers' Review

continued

JANUARY

In January we bought Pruksa. I met them in Bangkok in November and was impressed by their good working capital and balance sheet practices. A focus on low-rise, pre-cast housing and a low land-bank policy translated into only 161 days working capital, lower debt and frequent free cash flow. They are now the largest property developer in Thailand by sales although their market cap is 65% of more famous and asset intensive Land & Houses. At 9x p/e and with at least 40% upside to our fair value we added the stock to the portfolio at the end of the month.

We sold Glaxo Smith Klein Consumer. This has been a very difficult decision as the company is still fantastic with an unchallenged position in malted drinks and a profitably expanding portfolio of food and drink products in India. The latest results were further proof of its strength and its sustainable growth should be somewhere near 18%. At 30x it was the most expensive stock in the portfolio however and we found it difficult to see further upside at these levels. Although they handle it well, rising input costs may be an issue, along with execution risk for new product launches and these risks were not factored into valuations.

We sold Sibir Telecom after the catalyst (merger with other regional telecoms) had been realised.

FEBUARY

We sold Saraiva on concerns the margin gain had been diluted by diworsification into online retailing which involves selling electronics and other lower margin goods. One of the things we liked about Saraiva was the fact that management were incentivised on 'cash value added' whereby the management were rewarded on the cash they generated over the cost of capital. What seems to have happened however, perhaps coincidentally, is that their cost of capital has been lowered through increased debt funding including lowest cost BNDES funds. At 22x p/e we considered these negatives not fully priced in and sold the stock.

With the proceeds we bought Cremer, the largest healthcare products provider in Brazil, although largest only with 8% market share. Future growth will depend on their ability to consolidate the fragmented marketplace. If done successfully, as with Odontoprev, this can lead to tremendous growth and profitability. The provision of healthcare products to retailers and hospitals is lower end than health insurance however so we see lower barriers to entry. The company should be able to achieve at least the underlying 10-15% growth rates of the industry however as Brazilians spend more on healthcare. ROAs are 11%, the company has a net cash position and it trades at 13.5x.

After much debate we also sold Otokar. This Turkish commercial vehicles and defense manufacturer was a company the analysts were very keen should be in the fund and I was less enthusiastic about. The lumpiness and volatility of orders made the company's cashflow very hard to predict. Profitability in some years could be quite high for its industry but it was always hard to know when. The most compelling reason to own it was its historically low asset turnover and indeed it turned out to have been well timed as profits look likely to double to the end of 2011. If they do this however the stock will still be trading on 15x earnings which, given its industry, is expensive in our eyes. After a tremendous run we decided to take profits.

Managers' Review

continued

Macronix was bought with the proceeds. Its technology (ROM and Serial Flash memory) is considered 'sunset', which means its life cycle is expected to be shorter but its competition is much lower. 10-12% of revenues goes to R&D so there is the likelihood of new technology being produced. In the meantime Nintendo provides strong demand and is launching a new product this year. Macronix makes 24% net margins, 34% ROA, 50% cash/market cap and a 7% dividend yield. At 7x p/e we thought this was undervalued.

We exited Hyundai Mipo as we only had three months left to sell it as it went over $2.5bn last year. We continue to like the company and valuations but can no longer hold it given the size. With the proceeds we bought Yuhan corporation. The team saw this pharmaceutical company in Korea last year. It has a joint venture with Kimberly Clark for household and personal care products which has strong export presence in China. It has 11% ROA, net cash and good growth prospects for 13x p/e.

Attribution

The fund was hurt by a sharp fall in Allied Digital's stock price at in February. The company was investigated by the Income Tax Department at the beginning of February. 14 other companies have had similar raids since November and even Infosys has been subject to a tax dispute. The fact that Indian small caps were being sold across the board and that T Rowe Price (who held 7% of the stock) sold all of their holding aggressively meant the stock fell heavily. We met the company and, after a share buyback was instigated, we sold the stock at higher levels given the low probability of investor sentiment recovering on the stock in the medium term.

Macro trends which hurt the small cap asset class were a pronounced increase in rates of inflation from November onwards. Given the preponderance of consumer facing companies and cost takers in the small cap universe this hurt earnings outlooks and valuations. There are few energy or integrated materials stocks protecting the asset class from this, unlike in the large cap universe.

India, after strong performance, was the worst relative performer from November given its greater exposure to inflation and oil price shocks, corruption and corporate governance scandals over the period and higher valuations.

Outlook and strategy

After the de-rating of the asset class owing to the above trends, valuations are attractive again. The fund is at 14.8x trailing valuations (universe at 15.7x) and 13x forward earnings. Whilst not trough valuations we think these are attractive given the strong earnings growth many companies display. The main threat remains inflation, especially if there is a sharp spike in oil and commodity prices. The main opportunity is the need for investors to move out of fixed income and into equity given the impossibility of rates going any lower and the probability of inflation eating away returns. Small cap Global Emerging Markets will benefit if real Asian/Emerging incomes rise which we think possible.

Lead Manager, Mark Asquith

Portfolio Statement
as at 31 March 2011

Holding	Security	Value £	% of Total Net Assets 2011
	Banks		
139,548	Federal Bank	816,982	2.94
	Beverages		
325,700	Grupo Continental	688,542	2.48
	Contruction & BuildingMaterials		
1,308,850	Heidelbergcement India	801,969	2.89
147,688	Cimsa Cimento Sanayi ve Ticaret	602,735	2.17
278,021	Raubex	464,690	1.67
		1,869,394	6.73
	Electronic & Electrical Equipment		
1,630,000.00	Macronix	672,579	2.42
605,000.00	E Ink	610,298	2.20
1,396,100.00	Hana Microelectronics	691,122	2.49
		1,973,999	7.11
	Engineering & Machinery		
277,000	Giant Manufacturing	696,361	2.51
70,000	ST Shine Opitcal	537,580	1.94
		1,233,941	4.45
	Food Producers & Processors		
928,300	Grupo Herdez SAB-Series	1,156,563	4.16
4,491,400	Alliance Global	768,278	2.77
40,694	Kernel	633,413	2.28
		2,558,255	9.21
	Gas Distributors		
372,000	ENN Energy	719,051	2.59
	General Retailers		
1,462,100	Robinson Department Store	738,873	2.66
428,000	Ports Design	611,031	2.20
		1,349,904	4.86

Portfolio Statement
continued

Holding	Security	Value £	% of Total Net Assets 2011
	Housing Goods & Textiles		
521,957	Vestel beyazs Esya Sanyai	617,963	2.22
	Information Technology Hardware		
1,241,507	Travelsky Technology	754,776	2.72
	Insurance		
51,556,000	Panin Financial	620,547	2.23
	Investment Companies		
87,827	The Foschini	685,749	2.47
1,527,625	IGB	676,497	2.44
596,660	Security Bank	731,587	2.63
660,505	Top Glove	721,046	2.60
104,219	JSE	671,478	2.42
133,300	Valid Solucoes	1,001,948	3.61
111,800	Banco ABC Brasil	529,502	1.91
429,485	MMI	654,428	2.36
		5,672,236	20.44
	Leisure, Entertainment & Hotels		
104,895	City Lodge	634,108	2.28
	Media & Photography		
1,131,200	BEC World	775,814	2.79
870,681	Navneet Publications	665,645	2.40
45,870	Woongjin Thinkbig	438,258	1.58
		1,879,718	6.77
	Pharmaceuticals		
107,100	Cremer	615,262	2.21
505,897	FDC	718,326	2.59
7,031	Yuhan	589,795	2.12
2,548,000	Sino biophamaceutical	592,648	2.13
		2,516,032	9.05

Portfolio Statement
continued

Holding	Security	Value £	% of Total Net Assets 2011
	Real Estate		
509,598	Parque Arauco	697,994	2.51
1,554,295	Pruksa Real Estate	589,899	2.12
1,036,000	Capitaretail China Trust	640,930	2.31
		1,928,824	6.94
	Software & Computer Services		
153,598	Allied Digital Services	183,715	0.66
	Transport		
65,300	Tegma Gesitao Logistica	621,046	2.24
	Investment assets	**26,639,032**	**95.92**
	Net other assets	**1,141,489**	**4.11**
	Net assets	**27,780,521**	**100.03**

Significant Portfolio Changes

for the INTERIM period ended 31 March 2011

Major purchases	**Cost**
	£
Grupo Continental S.A.B	1,092,656
Hyundai Mipo Dockyard	1,067,864
Valid Solucoes SA	967,021
Grupo Herdez SAB-Series	951,452
Alliance Global Group	922,474
Other purchases	33,885,170
Total purchases for the interim period	**£38,886,638**

Major sales	**Proceeds**
	£
Hyundai Mipo Dockyard	1,047,472
ML Vestel Beyaz Wts 05/11/2013	713,774
ML Heidelbergcement IND 03/11/2015 Wts	665,110
Merrill Lynch ML FDC LTD LEPO 03/11/2015 Wts	636,659
Sibirtelecom Common	629,507
Other sales	6,896,334
Total sales for the interim period	**£10,588,855**

Comparative Tables

Net Asset Values

Share Class	Year	Accumulation Shares		
		Net Asset Value	No. of shares in issue	Net Asset Value per share)
Class B GBP	2011*	2,816,049	3,058,377	92.08
Class B EUR	2011*	13,418,140	16,800,424	90.22
Class B USD	2011*	11,546,320	20,165,487	91.78

* As at 31 March 2011

Price History

The table below shows the highest buying and lowest selling prices on a calendar year basis in pence per share/unit for five full calendar years/ since launch.

Past performance is not necessarily a guide to the future performance.

Share Class	Year	Accumulation Shares	
		Highest	Lowest
Class B GBP	2010	102.31	86.79
	2011*	101.40	100.19
Class B EUR	2010	103.20	98.90
	2011*	104.83	86.54
Class B USD	2010	101.84	94.19
	2011*	99.11	87.21

* As at 31 March 2011

Distribution Record

Share Class	Year	Accumulation Shares
		Net revenue per share (pence)
Class B GBP	2011*	0.2557
Class B EUR	2011*	0.1654
Class B USD	2011*	0.1872

* As at 31 March 2011

Comparative Tables (continued)

Total Expense Ratio

	31 March 2010 %
Class B GBP Manager's charge Class B GBP Other expenses	1.25 0.35
Total expense ratio	1.60
Class B EUR Manager's charge Class B EUR Other expenses	1.25 0.35
Total expense ratio	1.60
Class B USD Manager's charge Class B USD Other expenses	1.25 0.35
Total expense ratio	1.60

* The total expense ratio is annualised based on the fees incurred during the accounting period.

Statement of Total Return

for the half year ended 31 March 2011

	31.03.11 £	31.03.11 £
Income		
Net capital gains		(2,189,949)
Revenue	269,077	
Expenses	(178,909)	
Finance costs: Interest	(333)	
Net revenue before taxation	89,835	
Taxation	(16,625)	
Net revenue after taxation		73,210
Total return before distributions		**(2,116,751)**
Finance costs: Distributions		(73,197)
Change in net assets attributable to shareholders from investment activities		**£(2,189,936)**

Statement of Change in Net Assets Attributable to Shareholders

for the half year ended 31 March 2011

	31.03.11 £	31.03.11 £
Opening net assets attributable to shareholders		–
Amounts receivable on issue of shares	30,103,176	
Less: Amounts payable on cancellation of shares	(206,077)	
		29,897,099
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(2,189,936)
Retained distribution on Accumulation shares		73,358
Closing net assets attributable to Shareholders		**£27,780,521**

Balance Sheet
as at 31 March 2011

	31.03.11	
	£	**£**
ASSETS		
Investment assets		26,639,032
Debtors	176,958	
Bank balances	1,119,266	
Total other assets		1,296,224
Total assets		**£27,935,256**
LIABILITIES		
Creditors	(154,735)	
Total other liabilities		(154,735)
Net assets attributable to Shareholders		**£27,780,521**

Accumulation Statement

for the half year ended 31 March 2011

Accumulation Share Distribution

Interim allocated 31 May 2011

Class	Shares	Net	Equalisation	Distribution 2011
Class B GBP	Group 1	0.2557	–	0.2557
	Group 2	0.2554	0.0003	0.2557
Class B EUR	Group 1	0.1654	–	0.1654
	Group 2	0.1654	–	0.1654
Class B USD	Group 1	0.1872	–	0.1872
	Group 2	0.1863	0.0009	0.1872

Further information

Interim: Group 1 - Shares purchase on 1 November 2010
Group 2 - Shares purchase on 2 November 2010 - 31 March 2011

Equalisation

Equalisation applies only to shars purchased during the distribution period (Group 2 shares). It represents the accruald revenue included in the purchase price of the units. After averaging it is returned with the distribuiton as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

General Information

Authorised Status

PFS Somerset Capital Investment Funds ICVC (the "Company") is incorporated in England and Wales as an ICVC under registration number IC000713. The Shareholders are not liable for the debts of the Company.

The Company is authorised by the FSA as a UCITS Scheme under the COLL Sourcebook and is an umbrella company for the purposes of the OEIC Regulations with each Fund being a UCITS Scheme. The effective date of the authorisation order made by the FSA was 17 October 2008.

Head Office

Springfield Lodge, Colchester Road, Chelmsford, Essex CM2 5PW

Address for Service

The Head Office is the address in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

Base Currency

The base currency of the Company is Pounds Sterling.

Share Capital

The minimum share capital of the Company is £1 and the maximum is £100,000,000,000.

Shares in the Company have no par value. The share capital of the Company at all times equals the sum of the net asset values of each of the Sub-Funds.

Structure of the Company

PFS Somerset Capital Management Investment Funds ICVC is structured as an umbrella company. Provision exists for an unlimited number of Sub-Funds, and at the date of this Report, the Sub-Funds launched within the OEIC are shown below:

PFS Somerset Global Emerging Markets Fund
PFS Somerset Global Dividend Growth Fund
PFS Somerset Emerging Markets Small Cap Fund

Classes of Shares

The Company can issue different classes of shares in respect of any Sub-Fund.

Holders of Income shares are entitled to be paid the revenue attributable to such shares in respect of each annual accounting period.

Holders of Accumulation shares are not entitled to be paid the revenue attributable to such shares, but that revenue is retained and accumulated for the benefit of shareholders and is reflected in the price of shares.

General Information
continued

Valuation Point

The Scheme Property of the Company and each Fund will normally be valued at 12:00 mid day on each Dealing Day for the purpose of calculating the price at which Shares in the Company may be issued, sold, repurchased or redeemed.

The ACD reserves the right to revalue the Company or any Sub-Fund at any time if it considers it desirable to do so, with the Depositary's approval.

Buying and Selling of Shares

The ACD will accept orders for the purchase and sale of shares on normal business days between 8:30am and 4:30pm. Instructions to buy or sell shares may either be in writing to:

PO Box 10282, Chelmsford, Essex, CM1 9JX
Or by telephone to:
0845 026 4282

A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

Pricing Basis

The prices of Shares are published daily on the Investment Management Association website at www.investmentuk.org and in the Financial Times. Neither, the ACD nor the Company can be held responsible for any errors in the publication of the prices. The Share price is calculated on a forward pricing basis, that is at the next Valuation Point after the purchase or redemption is deemed to be accepted by the ACD.

The prices of Shares are published daily on the Investment Management Association website at www.investmentuk.org and in the Financial Times. Neither, the ACD nor the Company can be held responsible for any errors in the publication of the prices. The Shares in the Company will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Other Information

The Instrument of Incorporation, Prospectus, Simplified Prospectus and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon application. Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR.

General Information
continued

Risk Warning

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable. As a Sub-Funds is not a legal entity, if the assets of one Sub-Funds are insufficient to meet the liabilities attributable to it, the ACD may re-allocate such liabilities between the Sub-Funds then in existence in a manner which is fair to shareholders generally. This re-allocation will normally be performed on the basis of the respective net asset values of the Sub-Funds.

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