

Schroder International Selection Fund Emerging Markets (USD)

Investment Objective and Policy

To provide capital growth primarily through investment in equity securities of Emerging Markets companies.

Fund Manager's Review

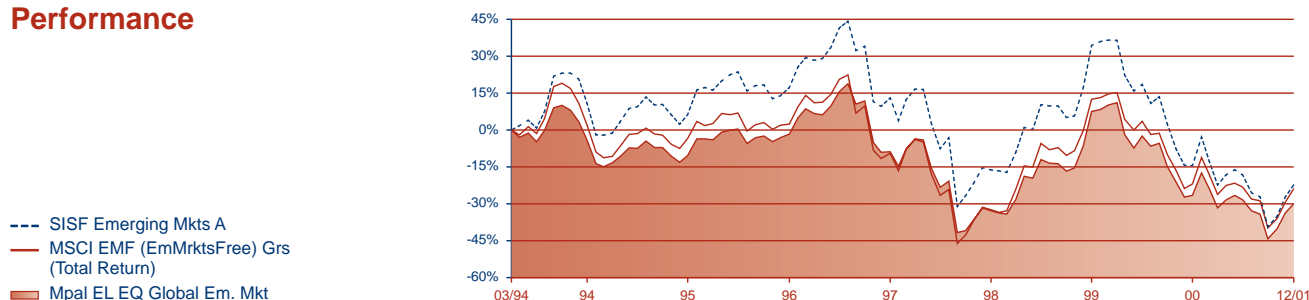


Emerging markets performed well in the last quarter of 2001 as investors sought out future growth at low prices. Technology stocks in particular helped provide a useful bounce in markets such as Asia and South Korea. Latin America produced good returns as Brazil found investor favour, despite uncertainty in Argentina and Mexico.

Over the quarter we initially reduced holdings in South Korea, but remained in some financials and quality technology stocks such as Samsung Electronics. The technology sector is more responsive than some thought to economic cycles and should benefit once global interest rate cuts spark increased demand around the world in 2002. We moved back into Brazil, taking advantage of its improving economic situation, but pulled away from Mexico as we believe its performance, although respectable, will lag the potential of other markets. Reflecting our long-held view that Argentina would eventually default and devalue, we have held an underweight position for the past year, which worked in the Fund's favour.

An improving global situation supports our view that, despite the possibility of short-term volatility, growth-sensitive Emerging Markets should benefit from investors' longer-term market expectations. In this Fund we are poised to take advantage, favouring quality cyclical stocks that should perform well in the anticipated upturn.

Performance



Performance Statistics

Performance in USD (in %)	3 months	1 year	3 years	5 years	Since Launch	Beta	Annual Volatility
SISF Emerging Markets A Accumulation	+28.2	-9.0	-7.2	-33.7	-22.2	1.05	27.30
MSCI EMF Gross (TR)	+26.6	-2.4	+12.7	-25.6	-23.8	1.00	25.79
Competitor Average	+26.1	-5.2	+4.5	-28.7	-29.9	1.00	26.01

Source: Standard & Poor's Micropal (Fund), buying price to buying price; Standard & Poor's Micropal (Index)

Launch: 09/03/1994; Since launch statistics measured since earliest available date 31/03/1994.

Annual Volatility: Volatility is an estimate of the risk of an investment and is measured by the Lognormal Annualised Standard Deviation of the fund.

Beta: Beta is the relative measure of the sensitivity of an investment's return to changes in the benchmark's return. The Beta (or Slope) between two funds is the amount the first fund moves when the other moves by one. Beta and Annual Volatility are measured over the past three years.

Performance is calculated on an offer to offer basis of the accumulation shares. The distribution shares, with all dividends reinvested, are used as performance proxy prior to the creation of the accumulation shares.

Past performance is not necessarily a guide to future performance and may not be repeated. Investors may not get back the full amount invested, as prices of shares and the income from them may fall as well as rise. Exchange rate changes may cause the value of any overseas investments to rise or fall.

Top 10 Holdings

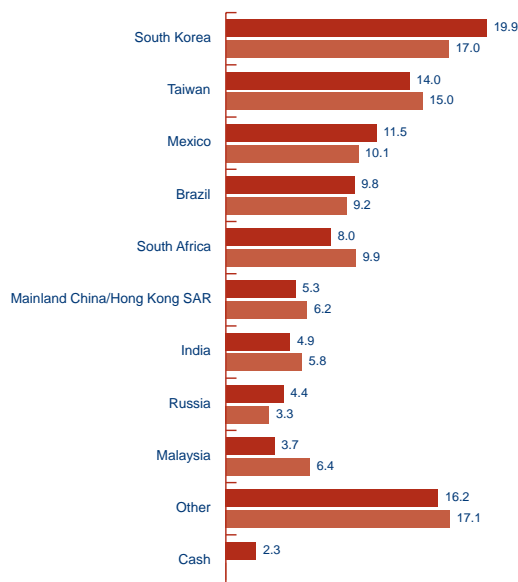
	% NAV
1. Samsung Electronics	5.9
2. Schroder India Fund	4.1
3. Teléfonos de México SA	3.3
4. TSMC Ltd	3.3
5. China Mobile (Hong Kong) Ltd	2.8
6. Petróleo Brasileiro SA	2.7
7. United Microelectronics	2.5
8. SK Telecom	2.3
9. Kookmin Bank	2.0
10. America Movil SA de CV	1.8

Schroder International Selection Fund Emerging Markets (USD)

Asset Allocation in %



Country



Technical Details

Investment manager:

Schroder Investment Management International Limited, 31 Gresham Street, London EC2V 7QA, Great Britain

Fund Size: USD 157.2 Million

Fees:

The total annual fees quoted apply to 'A' shares which are offered at net asset value per share plus an initial charge of 5.00% of the unrounded offer price (which is 5.26315% of the net asset value per share), a maximum annual management fee of 1.50%, an annual administration, custody and statutory fee of 0.40% and Luxembourg tax of 0.06%. For your information, the Luxembourg annual subscription tax was reduced from 0.06% to 0.05% on 1 January 2002. 'B' shares are offered at the management fee quoted for the 'A' shares with an additional annual fee (a distributors' fee) of 0.60% per annum of the net assets. There is no initial charge on 'B' shares

Prices:

Each class of share of each Sub-Fund is listed on the Luxembourg Stock Exchange and all prices are published in the Financial Times and Financial Express. Prices may be published in other local newspapers in the individual countries in which the Fund is registered, in accordance with the registration.

Bloomberg ticker number: SCHIMAA LX, SCHIMBALX

Reuters code: LU0106252389.LUF, LU0106252462.LUF

Rating: S&P Fund Stars *

Potential investors should be aware that investment in the Schroder International Selection Fund Emerging Markets class involves an above average degree of risk and should be seen as long-term in nature.

This document does not constitute an offer to anyone, or a solicitation by anyone, to subscribe for shares of Schroder International Selection Fund (the "Fund"). Nothing in this document should be construed as advice. Subscriptions for shares of the Fund can only be made on the basis of its latest prospectus together with the latest audited annual report (and subsequent unaudited semi-annual report, if published), copies of which can be obtained, free of charge, from Schroder Investment Management (Luxembourg) S.A.

The shares of the Fund have not been registered under the United States Securities Act of 1933 and are not for distribution in the United States of America or any of its territories or possessions or to or for the benefit of a United States person (as defined in the prospectus).

The Fund is a Luxembourg-registered UCITS recognised in the UK under Section 264 of the Financial Services and Markets Act 2000. All or most of the protections provided by the UK regulatory system do not apply to investments in the Fund and compensation will not be available under the UK Financial Services Compensation Scheme. The Fund is not managed in order to qualify for UK distributor status. It may not meet the requirements of investors subject to UK taxation.

An investment in the Fund entails risks, which are more fully described in the prospectus. **Past performance is not necessarily a guide to future performance. Investors may not get back the full amount invested, as prices of shares and the income from them may fall as well as rise. Exchange rate changes may cause the value of any overseas investments to rise or fall.** Schroders has expressed its own views and opinions in this document and these may change. Approved for issue in the UK by Schroder Investment Limited, 33 Gutter Lane, London, EC2V 8AS. Regulated by the FSA.