



## SELECT FUND: FIXED INCOME CLASS

### OBJECTIVE

To offer a convenient vehicle for investing in an international portfolio of fixed income mutual funds and securities, which are anticipated to provide the best opportunities for capital growth.

### INVESTMENT POLICY

To invest in a diverse range of top performing offshore fixed income mutual funds as well as a number of indexed products in order to control overall costs.

### INVESTMENT PROCESS

A quantitative analysis of fund performance is undertaken relative to peer groups to ensure the consistency of performance. This is followed with a qualitative analysis to understand the manager's philosophy, process and style.

### FUND REVIEW

The net asset value (NAV) per share of the Fund rose from \$15.82 to \$16.21 over the quarter, an increase of 2.47%; against a benchmark return of 2.71%. Year to date the Fund increased 4.92% vs. a benchmark return of 8.51%

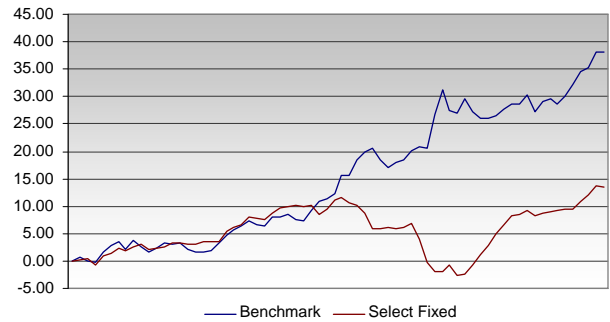
US Treasuries continue their astonishing ascent, with every issue hitting daily all time highs. This stems from an expected \$1 trillion quantitative easing programme to come from the Federal Reserve as early as next month as signalled by Ben Bernanke in his speech in Jackson Hole Wyoming. While stimulus is welcomed to help a stumbling economy, investors must be made aware that this is economic data dependent; meaning if the data remains tepid and signals sluggishness rather than a complete breakdown, the Fed may not put taxpayers on the hook for another 12 figures of debt.

We will continue to remain cautious with both equities and bonds rallying and will maintain a high credit quality. While we are still below benchmark duration, we have moved upward to 85%. We will look to add to EMD in the future, once clarity is provided.

### GENERAL INFORMATION

Currency: USD	Fiscal Year End: 30 June
Valuation: Thursday	Min. Investment: USD 10,000
Dealings: Friday	Total Expense Ratio: 1.16%
Front End Fee: None	Size of Fund (millions): USD 82.88
Units Available: Accumulation	NAV per share (30.09.2010): USD 16.21
Identifier: BUTSLFX BH	

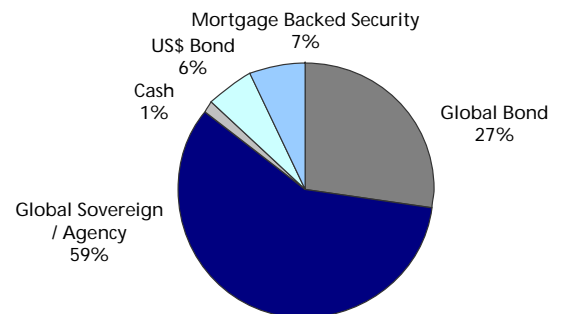
### CHART MONTHLY



### AVERAGE ANNUAL COMPOUND RETURNS

1 Year	3 Years	5 Years	7 Years	10 Years
+4.85%	+1.24%	+1.96%	+2.99%	+4.62%

### ASSET ALLOCATION



### TOP HOLDINGS

Name	% of Fund
1. Vanguard US Government Bond Fund	34.66
2. PIMCO Total Return Fund	15.05
3. Vanguard Euro Investment Grade Bond Fund	14.67
4. Vanguard Euro Government Bond	8.68
5. PIMCO Investment Grade Credit	7.67
6. Vanguard US MBS Fund	7.00
7. Western Asset Emerging Market Bond	5.20
8. BUTTERFIELD Money Market	1.40

### BENCHMARK COMPOSITION

80% JPM US Gov Bond 20% JPM Global Gov – EX US

### Contact Information

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