

31 March 2011

# Fund Review



Butterfield

## 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 increased to 15.94 a return of 0.38%, against a benchmark return of 0.13%.

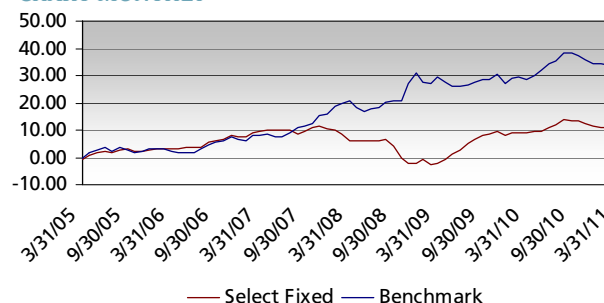
Bonds started strongly in March, as perceived negative economic growth effects from MENA crises caused oil prices to spike. The earthquake and tsunami in Japan caused a further bounce as uncertainty of the effects fuelled a 'flight to quality' out of risk assets. As investors settled down however, the rally weakened as recent, more positive Economic releases were digested. Although we still believe there are many issues weighing on Global growth, we still see value in selected risk assets in the debt space.

The fund is reducing its allocation to Euro Credit in favour of PIMCO Global Investment grade. We believe the manager's ability to add value at this stage of the credit cycle will be better than index product, particularly in the European high grade space.

### 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 64.38
Units Available: Accumulation	NAV per share (31.3.2011): USD 15.94
Identifier: BUTSLFX BH	

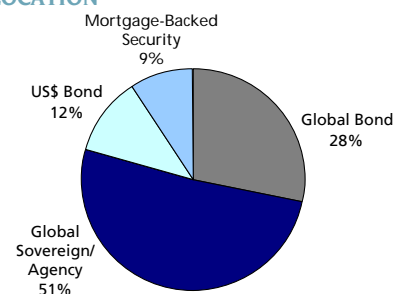
### CHART MONTHLY



### AVERAGE ANNUAL COMPOUND RETURNS

1 Year	3 Years	5 Years	7 Years	10 Years
2.18%	1.78%	1.59%	2.10%	3.91%

### ASSET ALLOCATION



### TOP HOLDINGS

Name	% of Fund
1. Vanguard US Government Bond Fund	33.92
2. PIMCO Total Return Fund	13.86
3. Vanguard Euro Investment Grade Credit	12.79
4. Vanguard US Investment Grade Bond Fund	12.23
5. PIMCO Investment Grade Credit	10.50
6. Vanguard US MBS Fund	9.62
7. Western Asset Emerging Market Bond	7.03

### BENCHMARK COMPOSITION

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

REV. 26.04.11

### Contact Information

Butterfield Asset Management Limited | Tel (441) 299 3817

[www.butterfieldgroup.com](http://www.butterfieldgroup.com)

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