

Elite Fitzwilliam Balanced Growth Fund

May 2010

Fund manager

Stuart Clark, Fund Manager

Morningstar rating

Fund objective

The investment objective of this Fund is to provide long term capital growth by primarily investing and actively managing on a medium risk basis a diversified portfolio of units and/or shares in collective investment schemes worldwide.

Key details

Fund type	OEIC
Sector	Balanced Managed
Launch date	5 July 1995
Fund size	£56.05m
Currency	Sterling
Initial charge	3.50%
AMC	1.25%
Min investment	£5,000
Mid price	240.99p
Sedol: acc	BIHDJ89

Authorised Corporate Director and Registrar

WAY Fund Managers Limited

Investment Adviser

Fitzwilliam Asset Management Limited
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Administrator

The Bank of New York Mellon (International) Limited

Depository

BNY Mellon Asset Servicing B.V.

Fitzwilliam Asset Management Limited is authorised and regulated by the Financial Services Authority.

Issued and approved by Fitzwilliam Asset Management Limited, registered in England and Wales No 06236394.

The registered office is 55 Baker Street, London W1U 7EU, telephone 020 7893 3588.

Manager's commentary

What was originally labelled as a 'Greek' crisis quickly spread to a crisis of confidence in the Eurozone during May, engulfing Portugal and Spain and leading to a tightening of liquidity in the banking system. On May 10, European officials (including those not in the Eurozone) and the IMF unveiled a €750bn (nearly \$1tn) package of loans to be used for countries in need. The bulk of the promises were provided by Eurozone members but the IMF have pledged up to €250bn. On the same day, the ECB announced a plan to bolster the Euro with a programme of government debt purchases, intervening in markets deemed to be 'dysfunctional', likely to be countries with poor public finances.

Not surprisingly, May was a tough month for markets with developed equity markets down 7.5% and emerging market equities down 5.6%. Global investment grade bonds just about broke even, losing 0.4% over the month – Gilts and Treasuries outperformed, returning 2.4% and 1.6% respectively, reflecting the 'risk off' behaviour of markets. Commodities were also hit by fears of a slowdown in Chinese growth with the DJ-UBS Commodity index falling 6.9%, reflecting the 16% drop in crude oil and the 11% drop in industrial metals.

Having reduced exposure to equity markets in the middle of April we were well positioned for this sell off relative to our peers. Unfortunately the strong rebound in the last two days of the month meant the fund dropped behind the sector average by 0.29% at the month end. This was a disappointing result as we had started rotating back into higher risk positions but not aggressively enough to catch the full bounce. The initial trade on May 26th saw us switch 1/3 of the holding in Invesco Perpetual Income into the more aggressive GLG UK Select fund. This was followed on the 28th with an incremental move from investment grade bond holdings into the Hexam Global Emerging Markets fund. As we feel this increased volatility is likely to stay in the markets we are taking incremental steps to increase risk on negative days and will continue to do so over the next month as long as the relatively good news continues to be ignored in equity market.



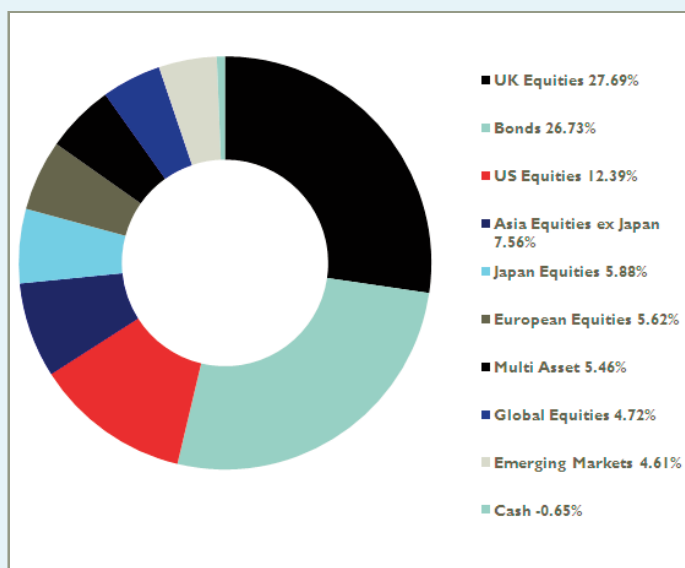
Fund performance since inception



Past performance should not be taken as an indication of future performance.

Top 10 holdings and portfolio breakdown as at 28 May 2010

Real Return Asian	7.56%
Eaton Vance Emerald US Value	6.27%
BlueBay High Yield Bond	6.25%
GLG Japan CoreAlpha	6.18%
Martin Currie North American	6.12%
GLG Japan Core Alpha	5.88%
Legal & General Dynamic Bond	5.64%
Neptune European Opportunities	5.62%
Thames River Global Credit	5.55%
Artemis Strategic Assets	5.46%



Source: Fitzwilliam Asset Management Limited

Discrete performance

% Growth TR GBP	IY 31/03/09 to 31/03/10	IY 31/03/08 to 31/03/09	IY 31/03/07 to 31/03/08	IY 31/03/06 to 31/03/07	IY 31/03/05 to 31/03/06
Elite Fitzwilliam Balanced Growth	36.96%	-26.57%	-8.13%	7.08%	27.61%

Cumulative performance

% Growth TR GBP	6 Months	1 Year	3 Years	5 Years	Since launch 5 July 1995
Elite Fitzwilliam Balanced Growth	4.59%	18.07%	-15.47%	20.18%	142.18%
IMA Balanced Managed	3.66%	18.51%	-6.56%	26.05%	119.37%
Quartile	2	3	4	4	2
Annualised return		18.07%	-5.45%	3.75%	6.11%

Source: Financial Express. The performance figures above have been calculated using data as at 28 May 2010 and are on a bid to bid basis (no initial charge) with net income reinvested. Past performance should not be taken as an indication of future performance.

Important information

The investments described are intended as long-term investments. Please remember that the value of investments and the income from them can fall as well as rise. Past performance should not be seen as an indication of future performance. A proportion of the Fund's assets may be held in foreign currencies and therefore may be affected by fluctuations in currency markets. If interest rates increase substantially when compared to inflation, this may affect the competitiveness of the Fund's fixed interest assets in comparison to alternative investments such as deposits. The Manager's views and opinions may change.

Please refer to the latest full prospectus, key features, annual and interim reports as appropriate for more information. Further information is also available from the contact details. You should seek independent financial advice before proceeding with any investment. This fact sheet is not an invitation to invest and is for information purposes only.

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