

# Schroder International Selection Fund

## Global High Income Bond

C Accumulation EUR Hedged Share Class

<b>Fund Launch Date</b>	25 January 2011
<b>Total Fund Size (Million)</b>	USD 41.7
<b>Share Price End of Month (EUR)</b>	105.04
<b>Total number of holdings</b>	128
<b>Benchmark</b>	Global High Income Bond Composite Benchmark (EUR Hedged)*
<b>Fund Manager</b>	James Barrineau & Wesley Sparks
<b>Managed fund since</b>	25 January 2011
<b>Running Yield</b>	7.85 %
<b>Effective Duration of Fund in Years</b>	4.01
<b>Effective Duration of Index in Years</b>	4.66
<b>Effective Yield</b>	8.48 %
<b>Option Adjusted Spread of Fund</b>	497 bp
<b>Option Adjusted Spread of Index</b>	319 bp
<b>Average Credit Rating</b>	B+

The Running Yield reflects the income related to the Coupons of the instruments held in the portfolio as a percentage of their market value. The figure shown is a market value weighted average for the whole portfolio. It does not include any preliminary charge and investors may be subject to tax on distributions.

## Investment Objective and Policy

To provide a high income return primarily through investment in a portfolio of bonds and other fixed and floating rate debt securities denominated in various currencies issued by governments, government agencies, supra-national and corporate issuers worldwide.

The Fund may invest in the full spectrum of available securities, including asset-backed and mortgage-backed securities and non-investment grade securities. Asset-backed securities and mortgage-backed securities will not exceed 20% of the net assets of the Fund. The Fund also has the flexibility to implement active currency positions through currency forwards or via the above instruments.

## Risk Considerations

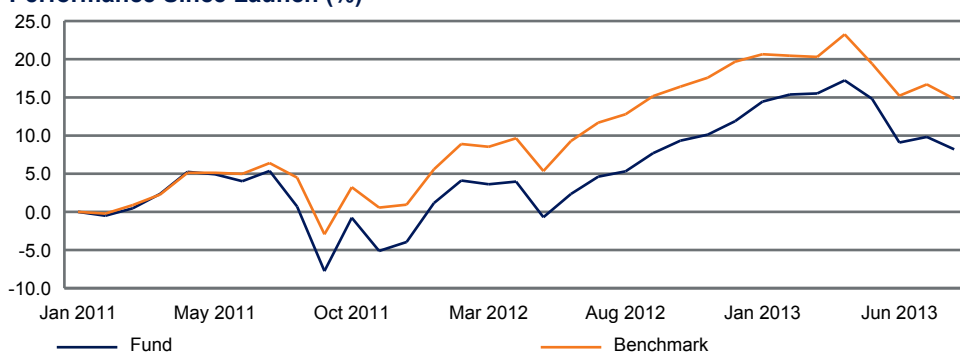
The capital is not guaranteed and the value of the assets may go up and down. Lower rated securities generally pay higher yields than more highly rated securities to compensate investors for the higher risk but are subject to greater market and credit risks. The value of bonds and other debt instruments varies in the opposite direction to the change in interest rates. A deterioration in the ability of a security issuer to meet its obligations to make timely payments of interest and principal will affect the value and credit rating of the respective securities. The currency derivatives instruments employed are subject to the risk of default by the counterparty with whom they have been traded with. The unrealized gain of the currencies to be received, as well as some of market exposure, may therefore be lost.

## Performance Analysis

Performance (%)	1 month	3 months	6 months	YTD	1 year	3 years	5 years	Since Launch
Fund	-1.5	-5.8	-6.2	-3.3	2.7	---	---	8.2
Benchmark	-1.6	-3.8	-4.7	-4.1	1.8	---	---	14.8

Discrete Yearly Performance (%)	Q2/2012 - Q2/2013	Q2/2011 - Q2/2012	Q2/2010 - Q2/2011	Q2/2009 - Q2/2010	Q2/2008 - Q2/2009
Fund	6.6	-1.6	---	---	---
Benchmark	5.4	4.1	---	---	---

### Performance Since Launch (%)



**Past performance is not a reliable indicator of future results, prices of shares and the income from them may fall as well as rise and investors may not get back the amount originally invested.**

All fund performance data are on a NAV to NAV basis, net income reinvested. Data is not available for the time periods with no % growth stated. In case a share class is created after the fund's launch date, a simulated past performance is used, based upon the performance of an existing share class within the fund, taking into account the difference in the Total Expense Ratio and including the impact of any performance fees if applicable.

The benchmark is composed of: 1/3 Barclays Capital Global High Yield xCMBSxEMG, 2% Capped + 1/3 JP Morgan GBI EM Global Diversified Comp unhedged USD + 1/3 JP Morgan CEMBI Broad Composite EM Corporate.

Some performance differences between the fund and the benchmark may arise because the fund performance is calculated at a different valuation point from the benchmark.

Source: Schroders

\* The index has been hedged by Schroders to reflect the currency of the share class.



# Schroders

# Holdings Analysis

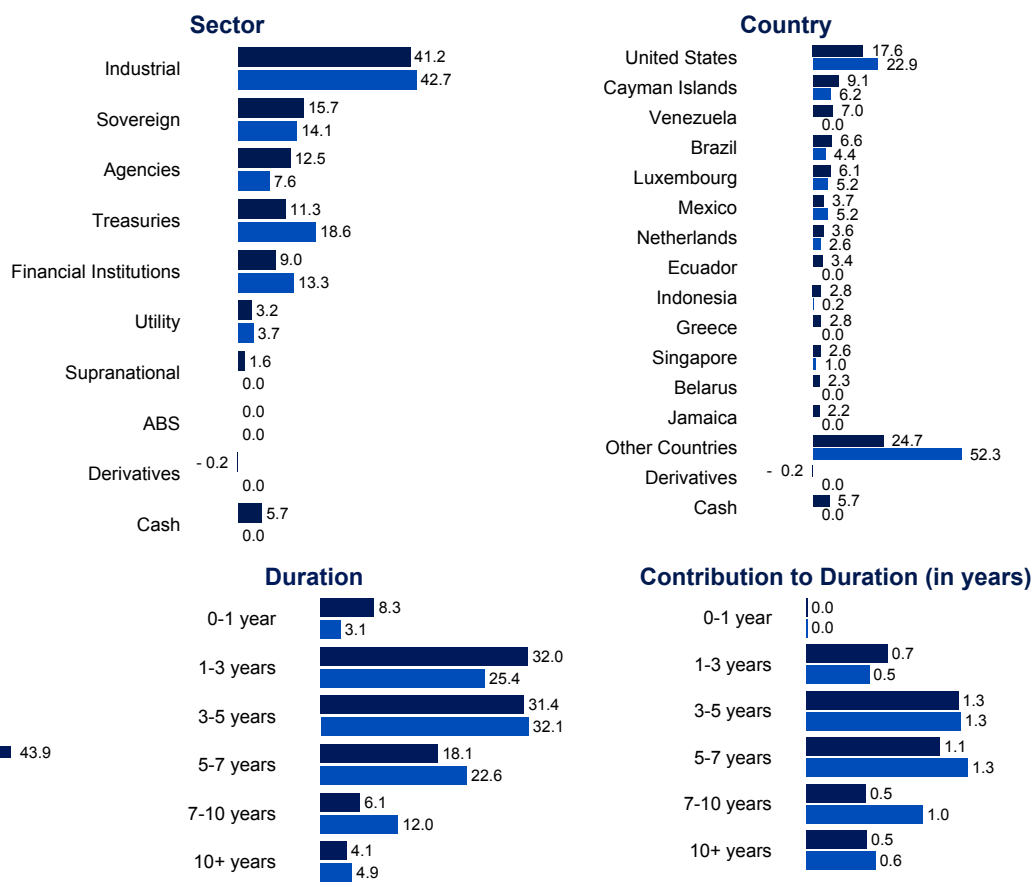
Top 10 Holdings	Sector	% NAV
1. Petroleos de Venezuela 4.9% 28/10/2014	Agencies	4.7
2. Brazil Government Bond 10% 01/01/2017	Treasuries	4.2
3. Ecuador Government Bond 9.375% 15/12/2015	Sovereign	3.4
4. Brazil Treasury Bill 10% 01/01/2021	Treasuries	2.4
5. Republic of Belarus Government Bond 8.75% 03/08/2015	Sovereign	2.3
6. Petroleos de Venezuela 8.5% 02/11/2017	Agencies	2.0
7. Naftogaz Ukraine 9.5% 30/09/2014	Agencies	1.9
8. Gajah Tunggal 7.75% 06/02/2018	Industrial	1.9
9. Russian Federal Bond 7% 25/01/2023	Treasuries	1.8
10. Pakistan Government Bond 7.125% 31/03/2016	Supranational	1.6
<b>Total</b>		<b>26.2</b>

## Asset Allocation (%)

Fund  
Benchmark

Credit ratings are calculated using asset ratings from different rating agencies. Fixed Income instruments in the country split are classified according to the issuer's country of incorporation. The figures do not include the exposure commitment of the derivative contracts.

Source: Schroders



## Information

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	Accumulation
<b>SEDOL</b>	B9FRZW5
<b>Bloomberg</b>	SGHIBCH: LX
<b>Reuters</b>	LU0903425766.LUF
<b>ISIN</b>	LU0903425766
<b>Fund Base Currency</b>	USD
<b>Dealing Frequency</b>	Daily (13:00 CET)
<b>Maximum Initial Fee</b>	1.00 % of gross investment amount
<b>Annual Management Fee</b>	0.60 %
<b>Minimum Investment Amount</b>	EUR 500 000 or USD 500 000 or their near equivalent in any other freely convertible currency. The minimum subscription amount may be waived at the Directors' discretion.

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