

# Foreign & Colonial Investment Trust PLC



March 2010



**Jeremy Tighe**  
Fund Manager

## Trust aims

The objective of the trust is to secure long-term growth in capital and income through a policy of investing primarily in an internationally diversified portfolio of publicly listed equities, as well as unlisted securities and private equity, with the use of gearing. The trust is benchmarked against a composite index of 40% FTSE All-Share Index/ 60% FTSE All World ex-UK.

## Trust highlights

- The first ever investment trust, launched in 1868.
- A diversified portfolio gives exposure to most of the world markets.
- Invests in more than 600 companies in 35 countries.
- Among the largest investment trust in its sector.

## Benchmark

40% FTSE All-Share Index / 60% FTSE All World ex-UK

## Average annual return

Average annual return figure over 5 years 8.72%

## Key details

Fund Type	Investment Trust
Launch Date	1868
Total assets	£2.1 billion
Share price	277.00p
NAV	311.28p
Discount/Premium(-/+)	-11.0%
Dividend Payment Dates	May, Sep
Net dividend yield	2.4%
Actual gearing**	108.0
Management fee rate***	Fixed Fee of £6.79m p.a.
Total expenses	0.58%
Year end	31 December
Sector	Global Growth
Currency	Sterling
Website	www.foreignandcolonial.com

## Standardised performance

	2009/2010	2008/2009	2007/2008	2006/2007	2005/2006
<b>Fund</b>	46.5%	-32.3%	7.0%	8.1%	32.4%

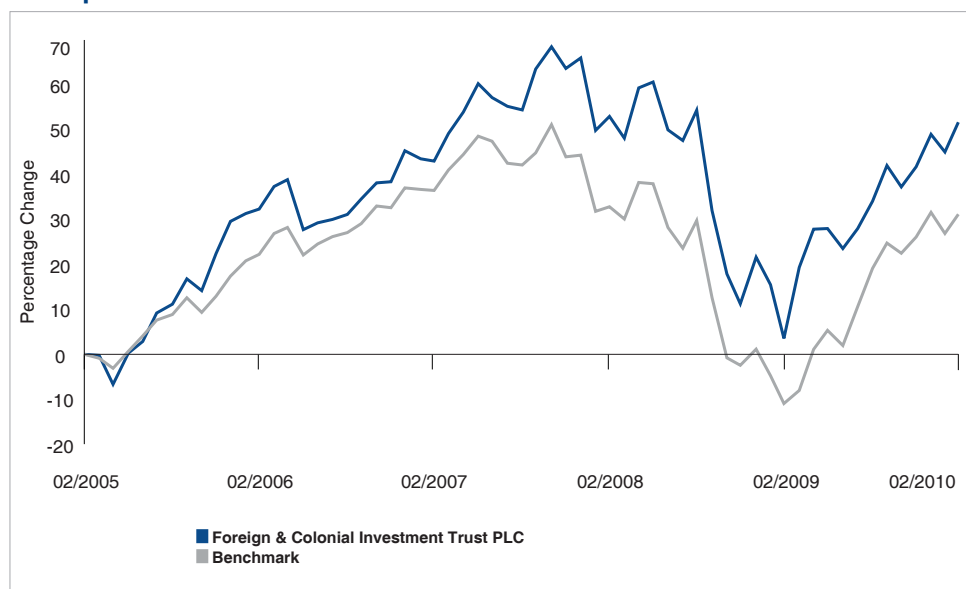
## Cumulative performance

	1 Month	Year to date	1 Year	3 Years	5 Years
<b>Fund</b>	4.6%	1.8%	46.5%	6.0%	51.7%
<b>Benchmark</b>	5.5%	1.8%	48.0%	5.0%	40.1%

Source: Datastream & Lipper. Basis: share price, percentage growth, bid to bid, net income reinvested. Basis in accordance to the regulations of the FSA.

Past performance is not a guide to future performance. The standardised performance table refers to 12 month periods ending 28 February. The cumulative performance table refers to cumulative periods ending 28.02.2010

## Fund performance



## Top ten holdings

Holdings	Sector/Country	%
HSBC	UK	2.8
Pantheon Europe III	Europe	2.7
BP	UK	2.5
Royal Dutch Shell	UK	2.4
Rio Tinto	UK	2.0
Vodafone Group	UK	2.0
GlaxoSmithKline	UK	2.0
Harbourvest PEP	Europe	1.8
Dover Street VI	USA	1.7
HV BUYOUT VII	USA	1.7
<b>Total</b>		<b>21.6</b>

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Continued

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## Asset Allocation



34.0 %	- UK
21.0 %	- USA
15.0 %	- Private Equity
10.0 %	- Total Europe
10.0 %	- Emerging Markets
5.0 %	- Japan
4.0 %	- Developed Asia

## Manager's commentary

Equity markets did well in February but all the action was in the currency markets as first the Euro and then the pound came under pressure. The concerns first centred on Greece but then spread to the other "Club Med" countries before reaching the UK; the common theme was the need to tackle the large fiscal deficits that have been increased dramatically by the financial crisis. Although we have more than a third of our assets invested in UK listed equities, our UK portfolio is heavily weighted towards large companies which derive most of their revenue from outside the UK. In addition all our long term borrowings and our £25m of short term loans are in sterling so the pound's weakness is a net benefit to our performance. It is hard to see sterling strengthening in the two months before the general election and the election uncertainty is likely to cause increased volatility in the equity market as well. We have no direct exposure to Greece which will be even more volatile than the UK.

## Trust codes

Sedol	
F&C FCI - GBP	0346607

All data as at 28.02.10 unless otherwise stated.

The yield is calculated on an historic basis using the actual dividends paid during the company's last financial year and the closing share price as at the end of the relevant month.

All information is sourced from F&C, unless otherwise stated. All percentages are based on gross assets. \* Total assets / shareholders' funds. \*\* (total assets - cash) / shareholders' funds. \*\*\* Management fee and expenses information as at the end of 30.09.07. Please refer to the latest annual report as to how the fee is structured. The share price may either be below (at a discount) or above (at a premium) the NAV. Discounts and premiums vary continuously. Performance information excludes any product charges which can be found in the 'Key Features' document for the relevant product. Stock market and currency movements may cause the value of investments and the income from them to fall as well as rise and investors may not get back the amount originally invested. Where investments are made in emerging markets, unquoted securities or smaller companies, their potential volatility may increase the risk to the value of, and the income from the investment. If markets fall, gearing can magnify the negative impact on performance. The fact sheet is issued and approved by F&C Management Limited. Authorised and regulated in the UK by the Financial Services Authority (FSA). Registered office: Exchange House, Primrose Street, London EC2A 2NY. Registered in England & Wales No 517895.