

# Schroder International Selection Fund

## EURO Liquidity

### A Accumulation Share Class

#### Investment Objective, Policy and Risk

To provide liquidity and current income, to the extent consistent with the preservation of capital, through investment in high quality short-term fixed income securities that are denominated in Euro, provided that (i) at the time of acquisition, the average initial or residual maturity of all such securities held in the portfolio does not exceed 12 months, taking into account any financial instruments connected therewith, or (ii) the terms and conditions governing those securities provide that the applicable interest rate is adjusted at least annually on the basis of market conditions.

The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Investments in debt securities are primarily subject to interest rate, credit and default risks and, potentially, to currency exchange rate risk. This fund may use financial derivative instruments as a part of the investment process. This may increase the fund's price volatility by amplifying market events.

#### Fund Overview



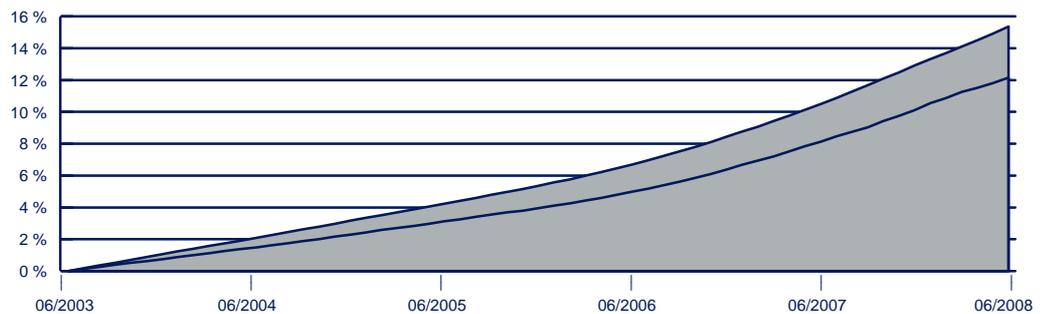
David Scammell

Schroder ISF EURO Liquidity is one of the lowest-risk types of funds available in our range, which we would expect to be well-suited to those investors who want peace of mind. The fund invests in a range of fixed income assets which are near to maturity. Since these securities tend to have very low levels of risk, the fund can be viewed as a 'safe haven', potentially offering security in times of uncertainty.

In particular, the fund focuses on protecting investors' initial investment. The fund has provided steady, positive returns since it was launched in 2001. In a rising-rate environment, it is less likely to suffer the losses that can typically affect a bond fund.

#### Performance in %

— EURO Liquidity  
 ■ Citi EUR 1m Eurodeposit LC TR



Performance in %	3 months	1 year	3 years	5 years	Beta	Annual Volatility (%)
EURO Liquidity	0.8	3.7	8.7	12.1	0.85	0.14
Citi EUR 1m Eurodeposit LC TR	1.1	4.4	10.7	15.4	---	0.12

Discrete Yearly Performance in %	Q2/2007 - Q2/2008	Q2/2006 - Q2/2007	Q2/2005 - Q2/2006	Q2/2004 - Q2/2005	Q2/2003 - Q2/2004
EURO Liquidity	3.7	3.0	1.8	1.6	1.5
Citi EUR 1m Eurodeposit LC TR	4.4	3.6	2.4	2.1	2.1

#### Past performance is not a guide to future performance and may not be repeated.

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.

Source: Schroders

#### Top 5 Holdings in %

Holding	% NAV
1. Ing Bank Nv 5.408% 21/05/2010	0.8
2. DnB NOR Bank 5.441% 07/04/2011	0.6
3. BNP Paribas 5.244% 14/04/2010	0.6
4. Santander International Debt 5.587% 28/04/2010	0.6
5. Fortis Bank 5.507% 14/05/2010	0.6
<b>Total number of holdings =</b>	<b>42</b>



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#### Asset Allocation in %



Other Net Assets is comprised of pure Cash (Cash in Bank), Payables and Receivables, Unrealised Profit and Loss on Forwards/ Futures/ Swaps & Options and short term investments with 1 month or less to maturity.

90.45% of the fund was held as cash or short term investments with 1 month or less to maturity. Any negative cash position represents borrowing of a temporary nature to cover timing differences on trade settlements.

#### Key Information

Morningstar Ratings are sourced from Morningstar.

S&P Fund Management Ratings are sourced from S&P.

<b>Fund Launch Date</b>	20/09/2001
<b>Total Fund Size (Million)</b>	EUR 1,758.8
<b>Fund Base Currency</b>	EUR
<b>S&amp;P Fund Management Ratings</b>	-
<b>Morningstar Rating</b>	★★★
<b>Modified Duration of Fund in Years</b>	0.28
<b>Modified Duration of Index in Years</b>	0.08
<b>Reuters</b>	LU0136043394.LUF
<b>Bloomberg</b>	SISFELA LX
<b>Initial Fee</b>	5.26 %
<b>Annual Management Fee</b>	0.50 %
<b>Minimum Investment Amount</b>	

EUR 1,000 or USD 1,000 or their near equivalent in any other freely convertible currency. The minimum subscription amount may be waived at the Director's discretion.

#### Investment Manager

Schroder Investment Management Limited, 31, Gresham Street, London EC2V 7QA, United Kingdom

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Subscriptions for shares of the Company can only be made on the basis of its latest prospectus and simplified prospectus together with the latest audited annual report (and subsequent unaudited semi-annual report, if published), copies of which can be obtained, free of charge, from Schroder Investment Management (Luxembourg) S.A., 5, rue Höhenhof, L-1736 Senningerberg, Luxembourg. The Company is a Luxembourg-registered UCITS recognised in the UK under Section 264 of the Financial Services and Markets Act 2000. There will be no right to cancel any agreements to purchase shares under section 6.7 of the UK Financial Services Conduct of Business Sourcebook. All or most of the protection provided by the UK regulatory system does not apply to investments in the Company and compensation will not be available under the UK Financial Services Compensation Scheme.

In accordance with the current prospectus, other than for Schroder ISF Global Property Securities, Schroder ISF Asia Pacific Property Securities, Schroder ISF European Defensive and Schroder ISF Middle East, the Company will seek UK distributor status for all distribution A and C shares and I shares of Schroder ISF Taiwanese Equity.

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