

September 2014 Brooks Macdonald Cautious Growth Fund

Fund facts

Fund Managers:	Jonathan Webster-Smith Mark Shields
Launch date:	20.12.04
Fund size:	£12.11m
Number of holdings:	23
Share types available:	Income, Accumulation
Base currency:	GBP
Initial charge:	Nil
Ongoing charge*:	1.40%
Annual Management Charge:	0.50%
Minimum investment:	£1,000
ISIN:	GB00B5T81S44 (Acc) GB00B054QH55 (Inc)
SEDOL:	B5T81S4 (Acc) B054QH5 (Inc)
Structure:	Sub-fund of IFSL Brooks Macdonald OEIC
Dealing frequency:	Daily
Investment Manager:	Brooks Macdonald Funds Ltd
Yield**:	1.50%
ISA/SIPP/PEP eligible:	Yes

* Ongoing charge represents the estimated direct costs of running a fund, which are deducted from the assets of the fund and provide a figure that makes the cost of investing across different funds easily comparable. The Annual Management Charge is included in the ongoing charge.

** The above historic yield is after the deduction of charges, which are taken from income.

The information presented in this factsheet, including charges and performance, is for Sterling Class A Shares. Other share classes may be available.

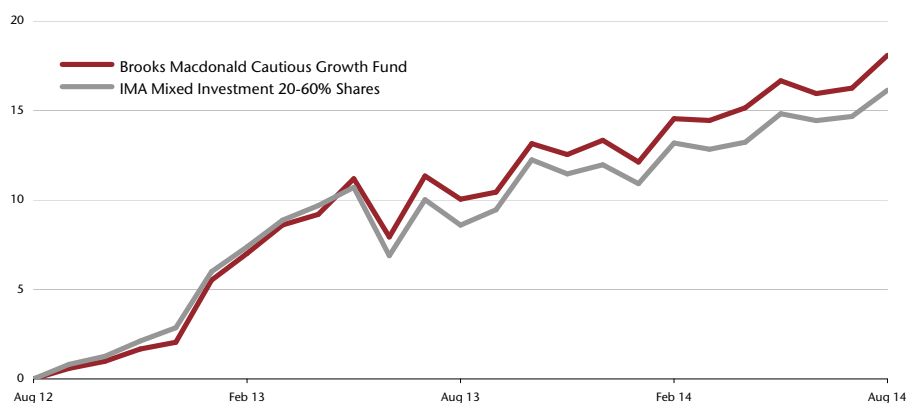
Fund overview

Actively-managed and investing primarily in fixed interest and equity markets, largely through collective investment schemes, the fund aims to provide investors with long-term capital growth. It invests in a cautious mix of assets that may also include transferable securities, money market instruments, exchange-traded funds, cash, and cash deposits.

The Cautious Growth Fund broadly mirrors Brooks Macdonald Asset Management's MPS Low to Medium Risk: (Income & Growth) portfolio, and is managed using the same proven investment process.

Performance

Performance vs IMA Mixed Investment 20-60% Shares



Discrete year Aug-Aug	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
Fund (%)	7.31	10.04	8.88	n/a	n/a
IMA Mixed Investment 20-60% Shares (%)	6.94	8.60	6.58	n/a	n/a
Difference (%)	0.37	1.44	2.30	n/a	n/a

Cumulative performance to 31.08.14	Fund (%)	IMA Mixed Investment 20-60% Shares (%)
3 months	1.22	1.14
6 months	3.09	2.60
1 year	7.31	6.94
2 years	18.08	16.14
Since inception	20.29	18.20

Source: Financial Express Analytics, total return, net of Annual Management Charge, bid-to-bid in Sterling. Past performance is not a guide to future performance. Please note: On 01.07.11, following a shareholder vote, the fund changed its name and investment objective. In the cumulative performance table, since inception means since 01.07.11.

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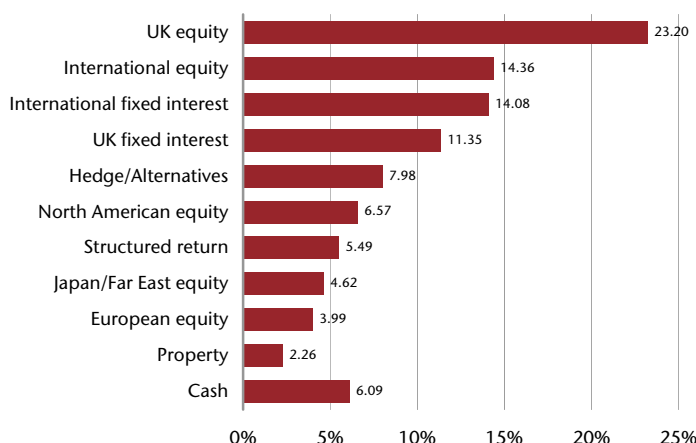
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Brooks Macdonald Cautious Growth Fund

Top ten holdings

Fund	% of fund
Liontrust Special Situations Fund	7.15
Fidelity US Index Tracker Fund	6.57
M&G Optimal Income Fund	6.41
Cash	6.09
Threadneedle UK Equity Income Fund	6.06
Trojan Income Fund	5.24
M&G Global Convertibles Fund	5.18
Fidelity MoneyBuilder Income Fund	4.94
AXA Framlington UK Select Opps. Fund	4.76
First State Asia Pacific Leaders B Fund	4.62
Total	57.02

Sector breakdown



Manager's comment

The fund rose in value over the month whilst also outperforming the IMA Mixed Investment 20-60% Shares sector.

August was a positive month for global equity markets although volatility was once again elevated. Geopolitical risk continued to weigh on sentiment and the situation remains unpredictable. The main source of uncertainty remains central bank policy and significant economic divergence between various developed markets.

Recent economic data from the eurozone has been disappointing, with the region as a whole stagnating. However, more worrying was the contraction from some key countries' economies such as Germany. This poor economic data was mirrored in Japan where second quarter GDP fell heavily. The question for these regions largely remains one of when they will introduce further monetary policy easing (a central bank's regulation of interest rates and the amount of money in circulation) in the coming months. In contrast, data from the UK and the US has remained far more positive and investors have been left speculating as to when the Bank of England (BoE) and the US Federal Reserve will introduce the first interest rate rise. Minutes from the BoE's Monetary Policy Committee showed that the policymakers were split on a rate rise for the first time since 2011.

The equity element of the fund performed well as global markets rose. Within the UK we saw investors return to mid cap stocks which was generally beneficial for the UK funds held within the fund. Equity income also performed well due to its resilience to market falls at the start of the month. Our international positions performed well, with our emerging markets holdings again providing decent returns. The fund's North American exposure benefitted from the weakening of Sterling against the Dollar over the month. However, our fixed interest exposure had more mixed performance. Defensive funds with significant exposure to the UK benefitted from the strong performance of gilts over the month, but returns from our more aggressive and international bond funds were more modest. Alternatives generally performed well, with our property exposure being particularly beneficial, whilst convertibles also provided solid returns.

Important information

All data provided by Brooks Macdonald, unless otherwise stated, as at 31.08.14. Information presented in this factsheet, including charges and performance, are for Sterling Class A Shares and may differ for other share classes. Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact, nor should reliance be placed on these views when making investment decisions. Prices and income will fluctuate and you may not get back your original investment. Past performance is not a guide to future performance. Changes in rates of exchange may have an adverse effect on the value of an investment. Changes in interest rates may impact the value of fixed interest investments within the fund. The value of your investment may be impacted if the issuers of underlying fixed interest holdings default, or market perception of their credit risk changes. There are additional risks associated with investments in emerging or developing markets.

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