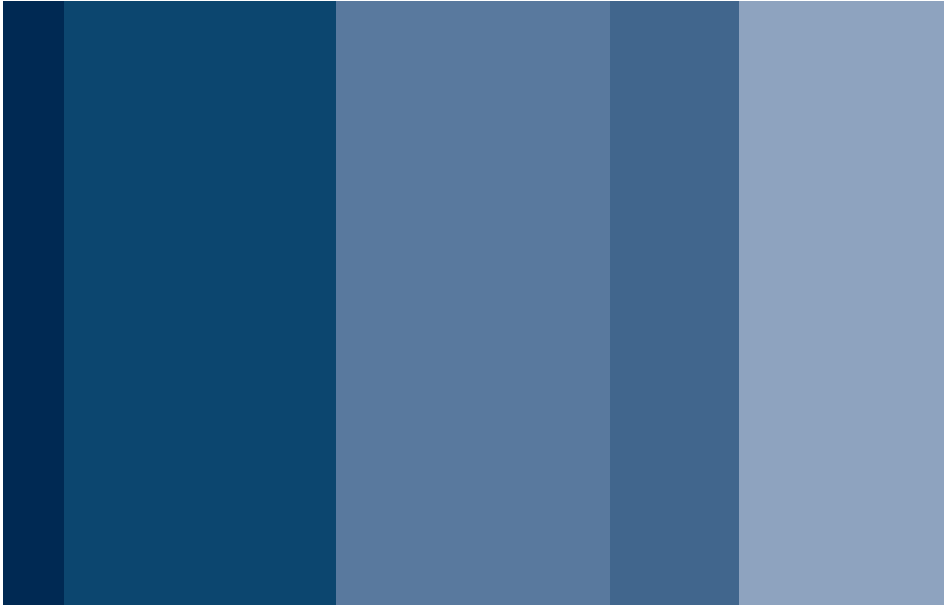


# Rathbone Global Opportunities Fund

Short report for the half year ended 31 July 2009





## Rathbone Global Opportunities Fund

### Manager

Rathbone Unit Trust Management Limited  
159 New Bond Street  
London W1S 2UD  
Telephone 020 7399 0399  
Facsimile 020 7399 0057

**A member of the Rathbone Group  
Authorised and regulated by the Financial Services  
Authority and member of the Investment  
Management Association**

### Dealing Office

PO Box 9948  
Chelmsford  
CM99 2AG  
Telephone 0845 300 2101  
Facsimile 0870 887 0180

### Registrar

International Financial Data Services (UK) Limited  
PO Box 9948  
Chelmsford CM99 2AG  
Telephone 0845 300 2101  
Facsimile 0870 887 0180  
**Authorised and regulated by the  
Financial Services Authority**

### Auditor

Grant Thornton UK LLP  
Chartered Accountants and Registered Auditor  
30 Finsbury Square  
London EC2P 2YU

### Directors

**GM Powell – Chairman  
PG Pearson Lund – Chief Executive Officer  
JR Chillingworth – Chief Investment Officer  
CRC Hexton  
RP Lanyon  
RE Loader FCA  
CP Mason – Compliance Director  
AD Pomfret  
CR Stick  
JG Thomson**

### Administrator

HSBC Securities Services  
1-2 Lochside Way  
Edinburgh Park  
Edinburgh EH12 9DT  
**Authorised and regulated by the  
Financial Services Authority**

### Trustee

Royal Bank of Scotland plc  
Trustee and Depositary Services  
The Broadstone, 50 South Gyle Crescent  
Edinburgh EH12 9UZ  
**Authorised and regulated by the  
Financial Services Authority**

## Manager's report for the half year ended 31 July 2009

During the six months to 31 July 2009, the Rathbone Global Opportunities Fund returned 18.1% versus 12.8% from the FTSE World Index (£). Over five years, the fund has returned 64.9% against the IMA Global Growth Sector – more than double the sector average of 28.7%.

Markets bottomed in March after a poor start to 2009. Investors liquidated portfolios and retreated into defensives. We maintained a high cash position throughout 2008, but deployed a significant portion of this in late 2008 and January 2009. We stayed true to our mandate of investing in undiscovered or out of favour growth companies, and have reaped the rewards in 2009. Defensive areas of the market have significantly underperformed, whilst cyclical growth strategies have soared. We are pleased with the fund's performance recovery but remain vigilant. Company fundamentals, investor sentiment and the fund remain volatile. The rally has lifted valuations, but differentiating between individual company performances still requires stock-picking skills – we believe this will be the primary source of returns during the year ahead.

During the period, we made a number of significant sales and purchases. We initiated a holding in *Aggreko*, a UK company that provides power generators. The company has a strong presence providing power in developing countries– this 'International Power Projects' division reported a 72% increase in trading profits. *China Insurance International* provides life insurance products throughout mainland China. We purchased the stock because premium growth has remained robust, and the liberalisation of investment activities should enhance returns. Premium growth in its life business was more than 60% in the first five months of the year, reflecting very little impact from the global recession. In April, we started a holding in *Rightmove*, the UK

property website that advertises houses for rent and sale. The collapse in the UK property market, coupled with excess capacity in estate agencies, pumelled the share price in 2008. However, conditions have stabilised; advertising properties on the internet is highly effective, and the company has pricing power afforded by an 80% market-share. *Rightmove* recently reported its strongest month ever for home-hunter activity and improved margins, and is the best example of a scaleable business that can make money on the internet. We added *Swedish Match*, a leading tobacco company in the fast-growing snuff, chewing tobacco and cigar markets. The company's high margins, sales growth and pricing power make this an ideal growth story in a defensive area of the market. Finally, we added *Visa*, the world's largest electronic payment network, with over 1.7 billion cards in issue. The company benefits from credit and debit card transaction growth and card issuance, particularly in developing countries, and expects 20% profit growth in 2009.

All of our sales were due to deteriorating fundamentals or disappointing management execution. We sold aircraft seating manufacturer *B/E Aerospace* due to continued budget and capacity cuts in the airline industry, and believing management to be overly optimistic. *Bucher Industries*, the Swiss industrial company, experienced continued downgrades and will struggle to reduce its cost base. *Denbury Resources*, the oil and gas producer, was sold as the company reduced growth expectations. Online gambling software company *Playtech* was significantly cut following a surprise profit warning as the economic environment affected customer wagers. Finally, we exited *Wellstream* as the order backlog declined, and the company had difficulty securing new awards for its flexible oil pipes used in offshore oil fields.

Recovery hopes have driven an impressive rise in markets in recent months. However, there is a feeling of unease that the markets have run too far, too soon. Reassuringly for us, there are companies which are still growing very quickly regardless, and with our flexible stock-picking mandate, we are able to identify and invest in these quickly. While we believe that economic recovery and stock markets will be bumpy, the fund is positioned in exciting companies with significant upside.

**James Thomson**

27 August 2009

## Net asset value per unit and comparative tables

### Fund size

<i>Date</i>	<i>Net Asset Value £</i>	<i>Units in issue</i>	<i>Net Asset Value (pence per unit)</i>
31 January 2007	31,750,798	48,604,649	65.32
31 January 2008	53,754,219	71,993,490	74.67
31 January 2009	50,061,019	100,518,105	49.80
31 July 2009	61,504,762	102,675,333	59.90

### Distribution record

<i>Year</i>	<i>Net income per unit p</i>
2005	–
2006	–
2007	–
2008	–
2009	0.29
2009*	–

\*To 31 July 2009

### Distributions

No distribution was made in respect of the period to 31 July 2009 on the grounds of immateriality of income available.

### Fund performance

<i>Unit class</i>	<i>Net Asset Value as at 31 July 2009 (pence per unit)</i>	<i>Net Asset Value as at 31 January 2009 (pence per unit)</i>	<i>Net Asset Value change %</i>
Income	59.90	49.80	20.28

## Performance record

<i>Performance to 31.07.09</i>	<i>6 months</i>	<i>1 year</i>	<i>3 years</i>	<i>5 years</i>
Rathbone Global Opportunities Fund	18.12%	-17.55%	-2.81%	64.94%
IMA UT Global Growth sector	10.88%	-8.44%	-5.79%	28.67%

<i>Discrete year performance ending 30 June</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>
Rathbone Global Opportunities Fund	25.73%	32.94%	30.85%	-3.85%	-26.38%
IMA UT Global Growth sector	13.27%	16.63%	15.68%	-8.84%	-16.35%

*Performance data source: Financial Express, bid to bid, net income re-invested.*

## Risk factors

An investment in a unit trust should be regarded as a medium to long term investment. Investors should be aware that the price of units and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance should not be seen as an indication of future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

## Total expense ratios

<i>Expense type</i>	<i>31.07.09</i>	<i>31.01.09</i>
Manager's periodic charge	1.50%	1.50%
Other expenses	0.10%	0.09%
Total Expense Ratio (TER)	1.60%	1.59%

## Portfolio turnover rate

<i>Date</i>	<i>Portfolio turnover rate (%)</i>	<i>Portfolio turnover rate (%) (31.01.09)</i>
31 July 2009	29.95	95.43

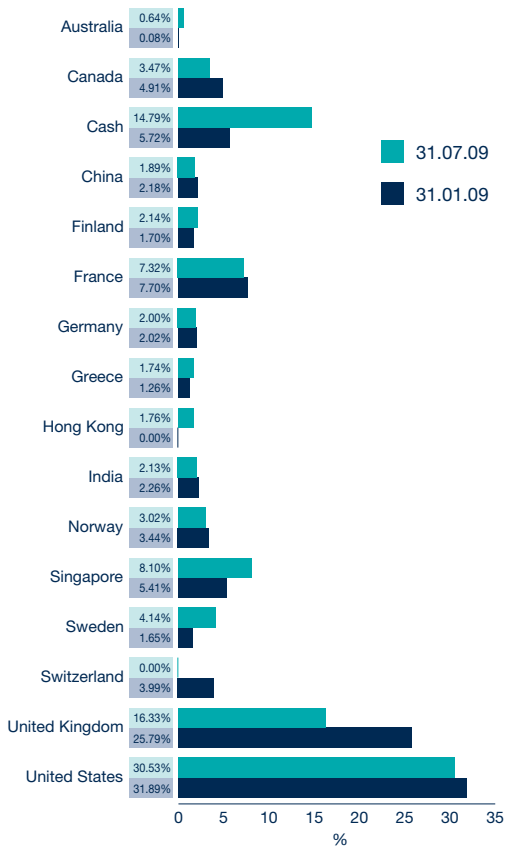
## Portfolio Information

### Top 10 largest holdings

The top 10 holdings at the end of the previous year and at the end of the current period are shown below.

	31.07.09		31.01.09
Noble	4.67%	Fluor	3.51%
Petrofac	4.02%	Bureau Veritas	3.40%
WMS Industries	3.55%	Playtech	3.33%
Dolby Laboratories	3.47%	Noble	3.15%
Olam International	3.43%	Yara International	3.14%
Fluor	3.37%	WMS Industries	3.08%
Yara International	3.02%	Petrofac	3.05%
Bureau Veritas	3.00%	Dolby Laboratories	3.00%
Visa	2.89%	Crown	2.99%
Crown	2.83%	Tsakos Energy	2.91%

### Geographical breakdown



**Risk profile**

There is little exposure to credit or cash flow risk. There are no net borrowings and little exposure to liquidity risk because assets can be readily realised to meet redemption. The main risks arising from the financial instruments are foreign currency, interest rate, market price and counterparty. The fund may invest up to 10% of its net asset in securities for there is no ready market.

The investment portfolio is exposed to market price fluctuations which are monitored by the Manager in pursuance of the investment objective and policy set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed and the Prospectus and the rules of the Financial Services Authority's Collective Investment Scheme Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

**ISA eligibility**

The fund has been managed throughout the period to ensure that it is eligible to qualify and be included in an Individual Savings account (ISA). The fund will at all times be invested in such a way that the units will constitute "Qualifying Investments" for the purposes of the Individual Savings Account (ISA) Regulations 1998, as amended from time to time.

## General information

### Authorised status

The Rathbone Global Opportunities Fund is an authorised unit trust scheme, established by a Trust Deed dated 20 March 2001 and launched in May 2001.

It is a 'UCITS Scheme' authorised under Section 243 of the Financial Services and Markets Act 2000, and the currency of the fund is pounds Sterling.

### Investment objective and policy

The objective of the fund is to provide above average long term capital growth from a global portfolio. The fund will be able to invest in any transferable security in all recognised world financial markets. The income yield will be at best minimal.

To meet the objective the fund may also invest at the Manager's discretion in money market instruments, warrants, cash and near cash, deposits and units in collective investment schemes. Use may be made of stocklending, borrowing, cash holdings, hedging and other investment techniques permitted by the FSA Rules.

### Valuation of the fund

The fund is valued on each business day at 12 noon for the purpose of determining prices at which units in the fund may be bought or sold. Valuations may be made at other times on business days with the Trustee's approval.

### Fund composition

The performance data, cash and cash equivalent figures quoted in the Manager's commentary and market capitalisation splits have been based on mid-day market prices ruling on the markets on which the stocks are quoted, on the last business day of the accounting period. All other data has been based on investments valued at the closing bid-market prices on the last business day.

### Long Report

The full report and accounts are available free of charge upon written request from:

Client Services Department  
Rathbone Unit Trust Management Limited  
159 New Bond Street  
London W1S 2UD

### Further details

Should you require further details of this fund or any of the other funds managed by Rathbone Unit Trust Management Limited, a Prospectus, a Simplified Prospectus (incorporating Key Features). Please write to:

Client Services Department  
Rathbone Unit Trust Management Limited  
159 New Bond Street  
London W1S 2UD

All literature is available free of charge.

Information is also available on our website:  
[www.rutm.com](http://www.rutm.com)



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