

CF Cheviot Balanced Fund

Factsheet - September 2008

Cheviot Asset Management, 90 Long Acre, London WC2E 9RA

www.cheviot.co.uk

Registered in England Number 1754391. Registered Office: 90 Long Acre, London, WC2E 9RA



Fund aim

To provide a balance of income and capital growth through investment in a diversified portfolio of predominately collective investment schemes. There may be occasions when the fund invests in equities, government securities, bonds, cash and money market instruments. Investments will not be confined to any particular economic or geographic sectors.

Fund facts as at 31/08/2008

Launch date 10/04/2007

Launch price 100.00p

Current price
(A shares)

Accumulation: 93.07p

Income: 92.80p

Prices are published daily in the Financial Times - Managed Funds section, under Capita Financial.

Fund size
£6,900,313

Base Currency
GBP

Benchmark
FT APCIMS Balanced

IMA sector
Balanced Managed

Estimated yield
2.9%

Ex-dividend dates
31/03 & 30/09

Dividend pay dates
31/05 & 30/11

Fund charges
Initial 5.0%
Annual 1.5%

Minimum investment
Lump sum: £1000
Regular Savings: £100

Dealing
Daily at 8.30am

Dealing Line (Capita Financial)
08459 220 044

For further information
please contact William Buckhurst
on 020 7845 6160 or
william.buckhurst@cheviot.co.uk

Fund manager profiles

William Buckhurst joined Cheviot in 2006 following four years at Laing & Cruickshank Investment Management and UBS Wealth Management, where he specialised in fund selection for two multi-manager funds and for private client portfolios.



Alan McIntosh joined Cheviot in 2006 and was appointed Chief Investment Officer, having been Senior Equity Strategist at Laing & Cruickshank and UBS Wealth Management. Alan has overall responsibility for asset allocation decisions made on the fund.



Fund manager comment

UK inflation looks likely to peak in the autumn giving scope for interest rate cuts later this year or early in 2009. The UK economy is in recessionary territory but the worst effects should be mitigated by easier monetary policy. The Eurozone has weakened sharply and although inflation remains elevated, as with the UK this should ease later in the year allowing the ECB to reduce interest rates.

The US economy seems to be in better shape than many had feared, albeit boosted by tax rebates. Export performance remains strong, however, and recent indicators point to signs of stabilisation in the housing market.

Most equity markets were up over the month and so we sold our holdings in the JPM America Trust and Mercantile Trust to lock in some gains. We also sold the Jupiter Emerging Europe Fund which has been a very strong performer but is now faced with considerable political risk given its large exposure to Russia. Following a sharp fall in the oil price we introduced a new holding in the Guinness Global Energy Fund.

Portfolio breakdown

Fixed Interest
Thames River Global Bond
CG Real Return

UK Equities
Jupiter UK Growth
Merrill Lynch UK Dynamic
CF Walker Cripps UK Growth
Invesco Perpetual Income
Psigma Income
Standard Life UK Smaller Co's

North America
Axa Framlington American Growth
Findlay Park American Smaller Co's

Europe (ex UK)
Liontrust Continental European
Artemis European Growth

Japan
Schroder Tokyo

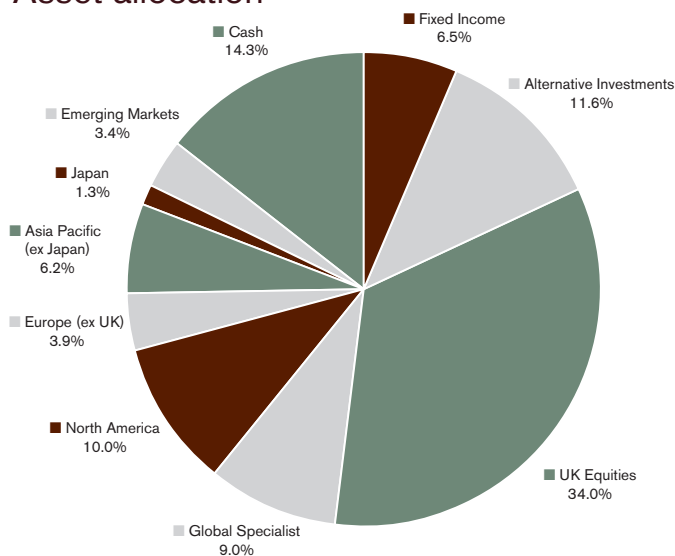
Asia Pacific (ex Japan)
First State Asia Pacific Leaders
Close Investments Far East Equity
Tosca Asia

Emerging Markets
Lazard Emerging Markets
Findlay Park Latin America

Global Specialist
JPM Natural Resources
China Real Estate Opportunities
S&W Aubrey Global Conviction
Guinness Global Energy Fund

Alternative Investments
F&C Event Driven
Tapestry Investment Company
HSBC Infrastructure Trust
Odey European Inc.
ETFS Physical Gold

Asset allocation



Past performance* to 31st August 2008

	% Growth	Quartile
Since launch (10/04/2007)	-7.55	3
1 Yr	-4.34	2

Past performance is not necessarily a guide to future performance.

Risk warning

* Performance figures are on a mid to mid basis, net income reinvested, to 31/08/2008 unless stated otherwise. Source: Lipper. This material is directed only at persons in the UK and is not an offer or invitation to buy or sell securities. Opinion expressed whether in general or both on the performance of individual securities, and in a wider economic context represents the views of Cheviot Asset Management at the time of preparation. They are subject to change and should not be interpreted as investment advice. The information in this document was captured on 31/08/2008. Investors are reminded that the value of investments and income arising from them may go down as well as up. Issued by Cheviot Asset Management which is authorised and regulated by the Financial Services Authority.