



## LAWRENCE HOUSE FUND MANAGERS

### Date of Launch

20/12/2004

### Fund Managers

Mike Sargeant  
Alan Stokes

### Fund Size

£6,746,336

### Benchmark

APCIMS Balance  
Managed

### NAV Price

A Class £1.229

B Class £1.224

### Latest Yield

A Class 1.67%

B Class 1.46%

### Dividend Dates

A Class 31/07, 31/01

B Class 31/07, 31/01

### Minimum Investment

A Class £50,000.00

B Class £2,500.00

### Initial Charge

A Class 1.0%

B Class 5.0%

### Annual Management Charge

A Class 1.0%

B Class 1.5%

A Class 1.0%

B Class 1.5%

All data as at 28/02/2006

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Elite Fund

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### Sedol No

A Class B054QF3

B Class B054QG4

### ISIN No

A Class

GB00B054QF32

B Class

GB00B054QG49

# Lawrence House Balanced Managed Fund

March 2006

## Fund Objective

The Balanced Managed Fund aims to provide capital growth through investment in a diversified portfolio of collective investment schemes giving exposure to many of the world's stockmarkets. The Fund can hold significant amounts in fixed interest funds, should the manager feel the potential risk and reward of this asset class could add to the overall fund's performance. Income distribution is not a consideration in the structure and management of this fund. The fund's benchmark is the Financial Times/Association of Private Client Investment Managers and Stockbrokers Balanced Index (FT/APCIMS).

## Investment Comment

In the UK, February saw M&A activity continue to dominate the movement of the stockmarkets. All the major indices made headway with the strongest return coming from the Mid and Small Cap stocks, which rose 3% and 2% respectively, whilst the Large Cap index returned just 0.50%. This was surprising given the proliferation of good results being posted. Royal Dutch Shell and BP both posted record profits on the continued strength of crude oil. Centrica also performed very strongly, on the announcement that Gazprom was considering making an offer for them.

In the US, Ben Bernanke gave his first testimony to congress and proved that while the name on the Federal Reserve Chairman's desk might have changed, the stance on interest rates hadn't.

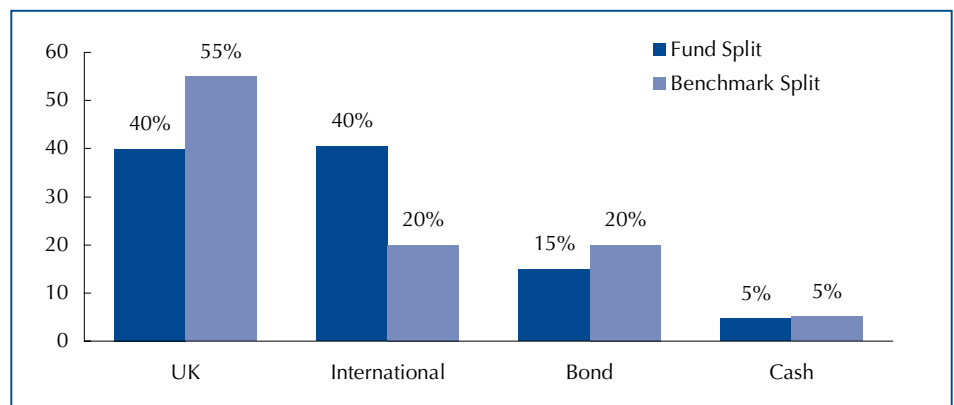
In Europe, the Central Bank met and left interest rates unchanged at 2.25%, but in clarifying their firm intention to keep inflation under control, indicated a probable rise in interest rates following their next meeting. As the Eurozone countries continue to produce conflicting economic signals, doubts are raised about the concept of a common interest rate policy.

In Japan, rumours emerged that an end to the near zero interest rates could be just around the corner as leading indicators pointed towards a growing economy. Despite the positive news, the Nikkei 255 index fell during the month suffering a bout of profit taking following the strong rise seen in 2005 and the recovery from the Livedoor wobble in January.

In Asia, the more established markets made headway after China resisted the US by refusing to bring forward the revaluation of the Renminbi. China also announced that it would bring its accounting practices into line with International Standards and thereby increase confidence in the information issued by national companies to foreign investors.

In response to current market activity, no new holdings were added to the fund this month, as it was decided to let cash increase slightly and take advantage of trading opportunities.

## Asset Allocation



## Fund Performance

|                                      | 01/03/2005 to 28/02/2006 | 1 Month Return | 3 Months Return | 6 Months Return | Since Launch |
|--------------------------------------|--------------------------|----------------|-----------------|-----------------|--------------|
| Lawrence House Balanced Managed Fund | 20.59%                   | 1.75%          | 8.90%           | 15.04%          | 22.40%       |

Source: Source: Lipper/ARC 01.03.06, Lump, % Chg, B/B, Net Income Reinvested

## Portfolio Composition

|                                  |      |
|----------------------------------|------|
| Mellon Newton International Bond | 9.02 |
| New Star UK Alpha                | 8.89 |
| Nucleus American Trust           | 8.84 |
| Rensburg UK Select Growth        | 8.50 |
| Artemis Income                   | 7.87 |
| Lazard UK Income                 | 7.87 |
| Schroder Income                  | 6.83 |
| Credit Suisse Target Return      | 5.91 |
| Schroder Tokyo                   | 5.31 |

|                                      |            |
|--------------------------------------|------------|
| Britannic Argonaut European Alpha    | 5.01       |
| New Star European Growth             | 4.72       |
| Framlington Emerging Markets         | 4.71       |
| Neptune Japan Opportunities          | 4.32       |
| Aberdeen Far East Emerging Economies | 4.05       |
| M&G Global Basics                    | 3.48       |
| Cash                                 | 4.67       |
| <b>TOTAL</b>                         | <b>100</b> |