

CHARLES STANLEY

CF Charles Stanley Equity Fund

Fact sheet as at 31st January 2010

Fund Information

Price:	Inc: 104.27p
	Acc: 111.80p
Fund size:	£6.6m
Yield	1.83% (income shares)

Price at launch	100.00p
Sedol	Inc: B09CC44 Acc: B09DHH5
Launch Date	13th March 2006
Annual Management Charge	1.25%
Share types	Income/Accumulation
Sector	IMA UK All Companies
Benchmark	FTSE 350
Standard Initial Charge	up to 5% 0% charge for Charles Stanley clients
Minimum Lump Sum Investment	£1,000
Fund Managers	Chris Evans Chris Harris
Dealing	Capita Financial Managers 0845 9220044

Investment objective

The investment objective of the CF Charles Stanley Equity Fund is to generate capital growth from a portfolio consisting predominantly of companies which form the FTSE 350 Index. There may be occasions when we choose to hold a high level of collective investment schemes, bonds, government securities, cash and/or money market instruments.

TOP 10 HOLDINGS

FUND	% OF FUND
INMARSAT	3.04
BHP BILLITON	2.96
RECKITT BENCKISER	2.95
BG	2.89
GLAXOSMITHKLINE	2.75
DIAGEO	2.70
ASSOCIATED BRITISH FOODS	2.66
SCOTTISH SOUTHERN	2.65
UNILEVER	2.59
SMITHS GROUP	2.53

HIGHLIGHTS

The Equity Fund declined by 1.91%

Surprise increase in the CPI measure of inflation

Barrack Obama suffered severe setback

Fund Manager's comment

During January, the price of the units in the Equity Fund declined by 1.91% compared to a fall in the FTSE 350 Share Index of 3.74%. (Statistics from Financial Express Analytics as at 31st January 2010, total return, bid-to-bid, pounds sterling.)

The U.K. Stock market began the year in a reasonably buoyant mood but a degree of disenchantment quickly set in among investors as the month progressed. In the UK there was a surprise increase in the CPI measure of inflation which rose to an annualised 2.9% against 1.9% the previous year. In China there was a suggestion that banks should curb excessive lending in order to rein in the economy. This had a negative affect on the mining sector which relies heavily on China's insatiable demand for raw materials.

On the basis that it never rains but it pours, Barrack Obama first of all suffered a severe setback in the Massachusetts polls and

then upset Wall Street by pledging a radical restructuring of American banks, effectively recommending the separation of retail banking activities from proprietary trading together with limits on investment in hedge funds and activities which could be deemed speculative. Just to round off the month Greece began to teeter on the verge of bankruptcy. In turn this cast a shadow over the viability of the economies of Portugal, Spain and Italy, and ensured that concerns over sovereign debt would be one of the main worries for 2010.

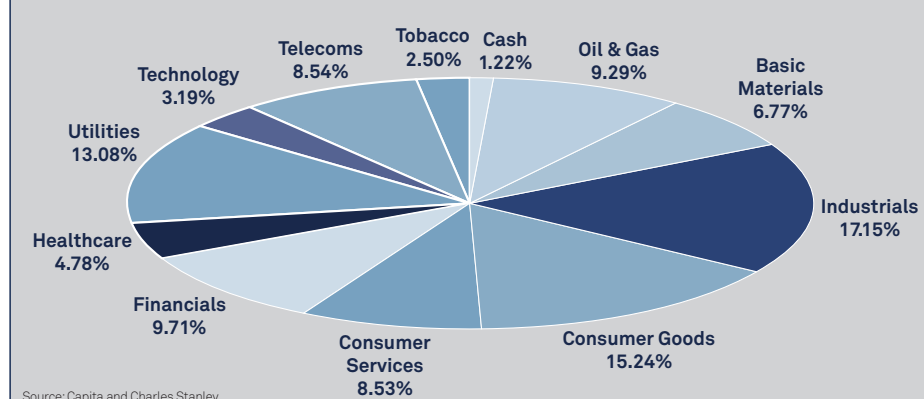
Early in January we decided that the relative strength of the market provided a good opportunity to trim some of the larger holdings and add to our cash so we reduced our exposure to Smith & Nephew, William Morrison, Reckitt Benckiser and Inmarsat. Despite modest reductions the last two still remain among our top three holdings.

PERFORMANCE

Name	1mth	6mth	3year	31/01/09 31/01/10	31/01/08- 31/01/09	31/01/07- 31/01/08	Since Inception*
CF Charles Stanley Equity	-1.91	14.71	1.29	27.96	-19.50	-1.66	11.99
FTSE All Share	-3.57	14.71	-7.17	33.24	-27.75	-3.57	0.85
(IMA) UK All Companies	-2.52	14.24	-11.96	32.97	-28.17	-7.82	-3.34
Quartile ranking		2	2	1	3	1	1

Source: Financial Express Analytics as at 31st January 2010. Total Return, Bid to Bid, Sterling, net income reinvested. *Fund Inception date 13/03/2006. The figures refer to the past. Past performance is not a reliable indicator to future results.

ASSET BREAKDOWN



Source: Capita and Charles Stanley.

Risk Warning: The information contained in this document does not constitute advice or a personal recommendation, nor does it constitute an invitation to purchase units. Investment should be made on the basis of the Prospectus and Simplified Prospectus, available on request. You are recommended to seek advice concerning suitability from your investment adviser. The information in this document is based upon sources we believe to be reliable, but its accuracy cannot be guaranteed. Please note past performance is not a reliable indicator of future returns. The value of investments, and the income from them, can go down as well as up and may be affected by exchange rate variations. The levels of taxation and their respective treatment depend on your individual circumstances and the applicable law, which may be subject to change in the future.

This document is issued and approved by Charles Stanley & Co. Limited, which is authorised and regulated by the Financial Services Authority. Registered office 25 Luke Street, London EC2A 4AR. Registered in England no. 01903304.