

## Client Update

UK OEIC

### Investment Objective & Policy

The Fund aims to achieve long-term capital growth. The Fund invests primarily in a diversified portfolio of equity and equity related instruments of issuers established or having significant operations in Latin America and listed, traded or dealt in on regulated markets worldwide.

### Cumulative performance (% in GBP) to 31 Dec 2011

Period	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Since Launch
<b>Fund return</b>	<b>8.3</b>	<b>-7.2</b>	<b>-9.3</b>	-	-	-	<b>88.7</b>
Benchmark return	9.0	-15.3	-18.8	-	-	-	49.3
Sector return	1.1	-12.6	-14.0	-	-	-	38.0
Quartile rank	1	2	1	-	-	-	1

### Annual performance (% in GBP) to 31 Dec 2011

Period	12 mths to 31/12/11	12 mths to 31/12/10	12 mths to 31/12/09	12 mths to 31/12/08	12 mths to 31/12/07
<b>Fund return</b>	<b>-9.3</b>	<b>33.1</b>	-	-	-
Benchmark return	-18.8	18.3	-	-	-
Sector return	-14.0	19.4	-	-	-
Quartile rank	1	1	-	-	-

### Manager's comments

- Latin American markets fell modestly in Sterling terms in December, underperforming World markets.
- Chile and Colombia were the only markets recording positive returns over the month.
- We bought Porto Seguro, a Brazil-based non-life insurance company partnered with Itau, at an attractive valuation.
- There were no major sales over the period.
- Regional valuations remain rich, and we cannot find a great deal of quality companies outside of the ones we already hold in the fund.
- However, a recent two-week trip to the region threw up a few new ideas.
- Latin America remains very exposed to a likely slowdown in China.
- We are concerned about the inflationary situation in Argentina and worry about the trajectory of corporate governance in Colombia.
- We suspect some of the best companies in Latin America will reinvent themselves as global companies in the coming years following the lead taken by the main shareholders of AB InBev.

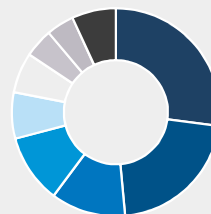
### Fund information

Launch date	14/04/2009
Fund size (£m)	161
IMA sector	Specialist
Benchmark	MSCI EM Latin America Index
Number of holdings	35
Fund managers	Jonathan Asante / Millar Mathieson
ISAable fund	Yes
Minimum investment	£1,000 lump sum / £50 per month
Charges	Mandatory Initial 4.0%; Annual 1.75%
Share type available	Accumulation

### Ten largest holdings

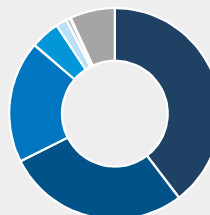
Stock name	%	Stock name	%
CCU	8.3	Kimberly-Clark Mexico	4.4
Tractebel Energia	7.8	Grupo Televisa	4.3
Embotella Andina	6.5	Fleury	4.0
Inversiones Aguas	6.4	Bladex	3.5
Weg	5.4	Grupo Herdez	3.4

### Sector breakdown



- Consumer Staples: 27.1% (\*15.2%)
- Utilities: 21.5% (\*6.5%)
- Consumer Discretionary: 11.6% (\*5.4%)
- Financials: 10.7% (\*21.8%)
- Industrials: 7.2% (\*4.3%)
- Health Care: 6.2% (\*0.6%)
- Materials: 4.5% (\*20.8%)
- Telecom Services: 4.3% (\*8.8%)
- Information Technology: 0.0% (\*1.8%)
- Energy: 0.0% (\*14.8%)
- Cash: 6.9% (\*0.0%)

### Country breakdown



- Brazil: 39.6% (\*64.8%)
- Chile: 27.9% (\*7.7%)
- Mexico: 18.7% (\*20.4%)
- Panama: 4.4% (\*0.0%)
- Cayman Islands: 1.7% (\*0.0%)
- Peru: 0.6% (\*2.9%)
- Costa Rica: 0.1% (\*0.0%)
- Venezuela: 0.0% (\*0.0%)
- Colombia: 0.0% (\*4.2%)
- Cash: 6.9% (\*0.0%)

\* Index Allocation

### How to contact us

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### Important Information / Risk Factors:

Past performance is not a guide to future performance, and investment markets and conditions can change rapidly. If your fund invests in equity markets, it will be more volatile than an investment in cash or fixed deposits. The value of your investment may go down as well as up. There is no guarantee you will get back the amount invested. If your fund invests in overseas markets, currency movements may affect both the income received and the capital value of your investment. If it invests in the shares of small companies, in emerging markets, or in a single country or sector, it may be less liquid and more volatile than a broadly diversified fund investing in developed equity markets. This fund should be considered a long-term investment. You should read the fund's Prospectus before investing, including in particular the sections on the risk factors applicable to any investment. The views expressed herein should not be relied upon when making investment decisions.

Statistical sources: All performance data for the First State Latin America Fund A Accumulation Shares as at 31 December 2011; Source for fund - Lipper Ltd, net of fees, income reinvested net of tax; source for benchmark - RIMES, income reinvested net of tax. All other portfolio details and non performance information (top 10 holdings, fund size, sector and country breakdown): First State's own records. Any research or analysis used in the preparation of this document has been procured by First State for its own use and should not be relied upon by others. Since launch performance figures have been calculated from 14 April 2009.

Further details: First State Latin America Fund is a sub-fund of First State Investments ICVC, an open-ended investment company. Copies of the Prospectus and Simplified Prospectus for the First State Investments ICVC are available free of charge by writing to: Client Services, First State Investments (UK) Limited, 23 St Andrew Square, Edinburgh, EH2 1BB, by telephoning 0800 587 4141 between 8am and 5pm Monday to Friday or by printing the documents out from the website [www.firststate.co.uk](http://www.firststate.co.uk). Issued by First State Investments (UK) Limited, authorised and regulated by the Financial Services Authority. A member of IMA. Registered number: 2294743. Registered address: 3rd Floor, 30 Cannon Street, London EC4M 6YQ.

BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002, Zürich has been designated as the Swiss Representative and Swiss Paying Agent. The Prospectus, the Articles of Incorporation, as well as the last annual and interim reports of the Company and the changes in the investment portfolio can be obtained free of charge at BNP Paribas Securities Services.