

Global Best Ideas Fund

half-yearly short report for the period
1 January 2009 to 26 June 2009

Due to a number of fund changes over the period, for certain other funds available from Skandia Investment Management Limited, we have changed the end date of the reporting period from 30 June to 26 June for this interim report only.

Some of the terms in this document are of a technical nature. We have highlighted these in bold type and you can find definitions in the glossary near the end of this document. If anything is unclear, we recommend you speak to your financial adviser who will be able to explain further.

fund objective

The Global Best Ideas Fund aims to provide long-term total return from capital growth and income through investment in global **securities**.

investment policy

Investment will be in a portfolio of global securities (including the UK), either directly in **transferable securities** or through **collective investment schemes**. Investment will generally be directly into global equities, although investment may also be made through regulated collective investment schemes, including those managed and operated by the **Authorised Corporate Director** (ACD). The Fund may hold **cash weightings**.

For efficient portfolio management purposes only, investment may also be made into **derivatives** or **forward transactions**.

risk profile

With this Fund, the underlying managers are given a high degree of freedom to pursue their best stock ideas, so the Fund is likely to perform very differently from traditional funds. The Fund holds shares from the UK and overseas. This includes some exposure to emerging markets, which tend to be less well regulated and more volatile than more established stock markets, so increasing the potential risk to investors. Exchange rate movements between sterling and other currencies may also increase or decrease the underlying value of this Fund's holdings. At times, the Fund may be heavily invested in smaller companies, which may carry a higher degree of risk and be more difficult to sell than larger companies. The managers each have the flexibility to hold up to 25% of their portfolios in cash and, if the Fund has high cash exposure at a time when markets are rising, the investment return could be less than if it were fully invested in shares.

fund manager's report

Global equity markets fell sharply during the first two months of 2009 as concerns over the global economy and ongoing problems in the banking sector persisted. This trend subsequently reversed and stock markets worldwide staged a strong recovery from March onwards on hopes that the worst of the recession may be over. Signs of improvement in economic data were initially tentative but became more broad-based as the period progressed. Meanwhile, worries about the health of the financial sector gradually eased, as many banks announced better-than-expected results.

The MSCI World Index fell by 7.2% in sterling terms over the period as a whole. While many overseas equity markets ended the period in positive territory in local currency terms, these gains were eroded for sterling-based investors as the British pound strengthened against many major currencies. Performance of emerging markets in Asia, Latin America and Central Europe was nonetheless very strong, driven by investors' increased appetite for risk. The UK equity market, meanwhile, ended the period broadly unchanged, with the FTSE All-Share Index returning 0.6%. At sector level, those expected to benefit most from a pick-up in global demand, such as materials (eg metals, chemicals and mining companies) and information technology, fared the best. Sectors that are less sensitive to the different stages of the economic cycle, notably utilities, telecommunications services and healthcare, were the weakest areas of the market.

continued

fund manager's report *(continued)*

The Global Best Ideas Fund had a very strong start to 2009, ending the period in positive territory and substantially ahead of the IMA Active Managed sector. Returns were driven by excellent stock-picking from the underlying managers. Stock selection within financials was the main contributor to performance, notably the Fund's positions in Barclays, Royal Bank of Scotland and Thailand's Kasikornbank, all of which staged a strong recovery over the period.

Stock-picking within information technology was also highly beneficial, with Apple and Google performing particularly well. Among consumer-related stocks, German pay-TV group Premiere and Belgian brewer Anheuser-Busch InBev also added value.

The mention of any particular stock should not be taken as a recommendation to buy or sell investments.

fund facts

The Fund offers accumulation shares only, which automatically reinvest any income to increase the capital value of your investment.

Fund accounting dates (ex-dividend dates)	Fund payment/ accumulation dates
31 December	28 February
26 June	31 August

The table below shows the net accumulation in pence per share distributed for the calendar years indicated. The Global Best Ideas Fund was launched on 13 June 2006.

Calendar year	Pence per share
2006 Accumulation*	0.0040 pence
2007 Accumulation	0.2144 pence
2008 Accumulation	0.1797 pence
2009 Accumulation**	0.1793 pence

* from 13 June

** to 31 August

total expense ratio (TER)

The Total Expense Ratio represents all operating charges and expenses as a percentage of a fund's value. It includes the Annual Management Charge as well as all the regular administrative costs incurred by a fund.

TER as at 26 June 2009	TER as at 31 December 2008
2.34%	2.33%

share price performance

The table below shows the highest and lowest share price in pence per share for the calendar years indicated.

Calendar year	Highest price	Lowest price
2006 Accumulation*	59.79 pence	50.00 pence
2007 Accumulation	67.06 pence	58.24 pence
2008 Accumulation	64.05 pence	34.93 pence
2009 Accumulation**	46.66 pence	35.37 pence

* from 13 June

** to 26 June

fund performance

Share class	Net asset value per share as at 26 June 2009	Net asset value per share as at 31 December 2008	% change
Accumulation	44.24 pence	41.01 pence	7.88%

Date	Net asset value of Fund	Shares in issue	Net asset value per share
31 December 2006	£254,112,283	430,574,492	59.02 pence
31 December 2007	£470,457,844	743,931,689	63.24 pence
31 December 2008	£261,749,643	638,256,456	41.01 pence
26 June 2009	£255,737,964	578,100,033	44.24 pence

	Percentage change to 26 June 2009				
	6 months	1 year	2 years	3 years	Since launch*
Fund performance	7.74%	-22.27%	-31.62%	-18.08	-11.46%

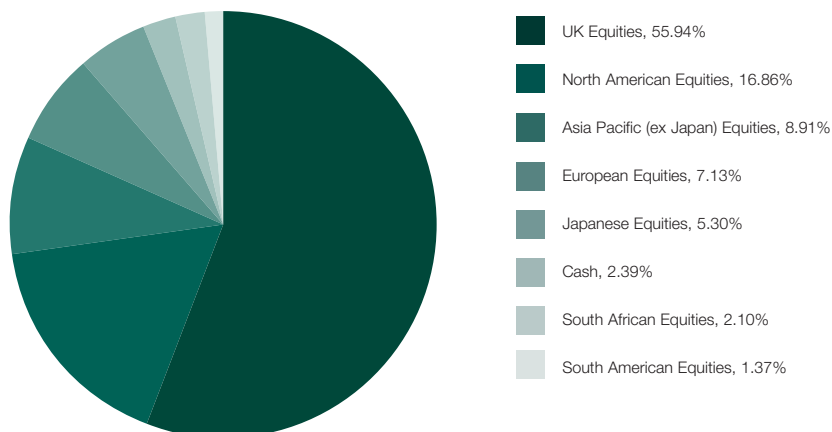
*from 13 June 2006

Source: Financial Express. Figures are calculated on a total return and single price basis, with net income reinvested in sterling terms.

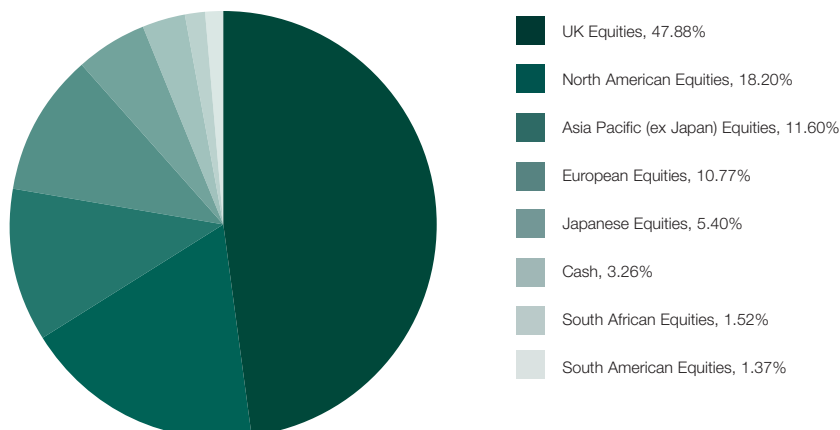
Six months' performance is from 31 December 2008 to 26 June 2009. Yearly comparatives are from previous half-yearly period end dates to 26 June.

You should not view past performance as an indication of future performance. The value of investments and any income from them may fall as well as rise and you may not get back the amount you invested. Where a fund invests in securities designated in a different currency to the Fund, the value of the Fund may rise and fall purely as a result of exchange rate fluctuations.

portfolio allocation as at 26 June 2009



portfolio allocation as at 31 December 2008



major holdings

The table below shows the top ten holdings of the Fund. All holdings will be shown if there are less than ten holdings.

As at 26 June 2009	%	As at 31 December 2008	%
Barclays	5.18	Royal Dutch Shell 'B' Shares	3.84
Premier	2.97	BAE Systems	3.78
Royal Bank of Scotland	2.64	BP	3.49
BAE Systems	2.52	Royal & Sun Alliance	2.93
Royal Dutch Shell 'B' Shares	2.36	Taiwan Semiconductor Manufacturing	2.48
British Sky Broadcasting	2.31	Wal-Mart Stores	2.44
Xstrata	2.16	British Sky Broadcasting	2.40
Compass	2.06	Muenchener Rueckversicherungs	2.40
Apple Computer	1.75	Cisco Systems	2.30
Republic Services	1.74	Google	2.23

glossary

Authorised Corporate Director (ACD) – the Authorised Corporate Director provides a professional investment management service in respect of the open-ended investment companies (OEICs) and controls the assets and operation of each fund. The ACD of the Skandia Investment Management OEICs is Skandia Investment Management Limited.

Cash weighting – the percentage of an investments holdings that are allocated to cash.

Collective investment schemes – are investments, such as OEICs or unit trusts, in which money from individual investors is pooled into a professionally managed fund.

Derivatives – derivatives are contracts between two or more parties whose value is derived from a related asset. The most common related assets include shares, fixed interest securities, commodities, currencies, interest rates and market indices. Derivatives can be used for speculative purposes but in investment funds they are generally used to reduce risk.

Forward transactions – forward transactions are also known as futures. Futures are agreements to buy or sell assets for delivery at a certain time in the future for a certain price.

Securities – any investments that can be assigned a value and traded such as bonds or shares, where there is a right to receive interest or dividends from the investment.

Transferable securities – a security whose ownership can be transferred between parties.

report and accounts

Copies of the annual and half-yearly Long Form Report and Accounts are available on request, free of charge, from our Edinburgh office. To contact us please call 0844 892 0996* or write to:

Skandia Investment Management Limited
PO Box 23486
12 Blenheim Place
Edinburgh
EH7 5YB

depository

The independent Depository is the Royal Bank of Scotland, whose address is:

Royal Bank of Scotland plc
Waterhouse Square
138-142 Holborn
London
EC1N 2TH

The Depository is authorised and regulated by the Financial Services Authority, whose address is:

25 The North Colonnade
Canary Wharf
London
E14 5HS

auditors

The Fund's independent auditors are KPMG Audit plc, whose registered address is:

KPMG Audit plc
One Canada Square
London
E14 5AG

authorised corporate director (ACD)

The Global Best Ideas Fund is managed by Skandia Investment Management Limited, which is the Authorised Corporate Director (ACD) of the Fund. Its registered address is:

Skandia Investment Management Limited
Skandia House
Portland Terrace
Southampton
SO14 7EJ

Skandia Investment Management Limited is a company limited by shares, incorporated in England and Wales and authorised and regulated by the Financial Services Authority.

how to contact us

If you have any questions please contact us or call your financial adviser. Our offices are open on business days between the hours of 8.30am and 5.30pm.

To contact us please call 0844 892 0996* or write to:

Skandia Investment Management Limited
PO Box 23486
12 Blenheim Place
Edinburgh
EH7 5YB

If you would like general information on the funds or on Skandia Investment Management Limited you can visit our website:

www.skandiainvestmentmanagement.com

** Calls cost 3 pence per minute from a BT landline. Customers who have telephone services with other providers may have different call charges. Calls from mobiles or internet services may be considerably higher.*

Financial Express and Skandia Investment Management Limited have done all they reasonably can to ensure the information contained in this short report is accurate. However, neither can accept any responsibility for decisions made by investors nor for any loss investors may suffer as a result of those decisions.

www.skandiainvestmentmanagement.com

Calls may be monitored and recorded for training purposes and to avoid misunderstandings.

Skandia Investment Management Limited is registered in England & Wales under number 4227837. Registered Office at Skandia House, Portland Terrace, Southampton, SO14 7EJ, United Kingdom. Authorised and regulated by the Financial Services Authority. FSA Register number 208543. VAT number 386 1301 59.

When printed by Skandia this item is produced on a mixed grade material, which uses a combination of recycled wood or paper fibre from controlled sources and virgin fibre sourced from well managed, sustainable forests.

SK4657/29-1555/August 2009

00000