

# Newton Real Return Fund

## Share Class A Share Class

### FUND AIM

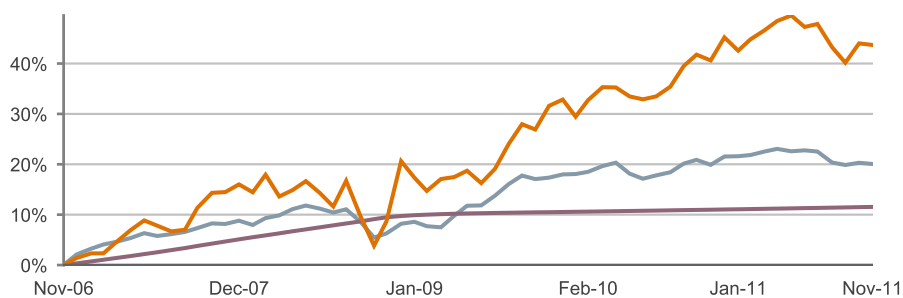
The Fund aims to generate attractive real returns over the long-term, with significantly less fluctuation in value than company shares.

### FUND RATINGS AND AWARDS



Fund ratings represent an opinion only and are not a recommendation to buy or sell any fund.

### CUMULATIVE PERFORMANCE



43.69% Newton Real Return A GBP Inc

11.54% LIBOR GBP 1 Month

20.06% IMA Absolute Return

### ANNUAL PERFORMANCE TO LAST QUARTER END (%)

From	Sept 2006	Sept 2007	Sept 2008	Sept 2009	Sept 2010
To	Sept 2007	Sept 2008	Sept 2009	Sept 2010	Sept 2011
Fund	14.62	-1.41	16.58	9.01	0.48
Performance Reference	4.50	4.69	1.62	0.43	0.49
Sector	9.12	1.21	8.41	2.01	-0.22

### PERFORMANCE

	Fund (%)	Perf. Ref. (%)	Sector (%)	Rank	No. of Funds in Sector	Quartile rank
1 month	-0.22	0.05	-0.20	18	48	2
3 months	0.30	0.14	-0.25	18	48	2
6 months	-3.91	0.26	-2.06	32	48	3
Year to date	-1.04	0.47	-1.22	28	45	3
1 year	2.18	0.51	0.14	14	45	2
3 years cumulative	32.22	1.89	12.97	4	18	1
5 years cumulative	43.69	11.54	20.06	2	10	1
3 years annualised	9.74	0.62	4.14	4	18	1
5 years annualised	7.51	2.21	3.72	2	10	1

Source for all performance: Lipper as at 30 November 2011. Total return including income net of UK tax and annual charges, but excluding initial charge. All figures are in sterling terms. The impact of the initial charge, which may be up to 4%, can be material on the performance of your investment. Performance figures including the initial charge are available upon request. Past performance is not a guide to future performance.

The value of investments and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested.



BNY MELLON  
ASSET MANAGEMENT

## FACTSHEET FOR RETAIL INVESTORS

As at 30 November 2011

### RISK AND RETURN RATING



### Typical investor profile

These investors seek an income and/or capital growth from their investment and is able to accept a moderate level of risk for the potential of higher returns. They recognise that their capital is at risk and that its value may fluctuate. Medium risk & return funds can be an ideal core component of a diversified portfolio.

You should read the simplified prospectus in full to understand the features and risks associated with this fund. Information on the risks and returns associated with this investment can be found within this document or you can visit our website. For further information please visit our website [www.bnymellonam.co.uk](http://www.bnymellonam.co.uk)

Managed by

**NEWTON**  
The Power of Ideas

For further information please speak with a financial adviser, alternatively you can contact us directly:

Tel: 0800 614 330 Email: [clientservices@bnymellon.com](mailto:clientservices@bnymellon.com)

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## Outlook

Against the backdrop of the weak performance of most asset classes over the quarter, including a broad decline in company share prices which led to significant losses in a number of sectors (industrials, financials, and oil and gas, for example), pressure is mounting on policymakers to act to stabilise financial markets and national economies.

The massive indebtedness of many of the world's major economies, including the US, UK, and countries within the Eurozone, leaves them in a particularly vulnerable position. We believe that state intervention, in the form of quantitative easing (essentially the buying-back of government debt by the governments themselves) for example, will remain a key theme guiding economic activity. A worsening in the European sovereign debt crisis would, in our view, increase the likelihood of governments intervening to stimulate their economies, as would any major change in the outlook for inflation.

There is some cause for optimism, however. The slowdown in global economic growth has reduced the rapid rise of energy, oil and other commodity prices, helping ease inflation concerns. Western governments returning to more typical interest rate policies (having held them at very low levels for an extended period of time), should, in time, contribute to an improving outlook for global growth.

## Fund manager

Iain Stewart



Iain joined Newton in 1985 and is a senior member of our Strategy Team with particular responsibility for co-ordinating the development of our global investment themes. Iain also manages multi-asset

and global equity mandates for pension fund clients.

## Alternate

James Harries

## Investment manager

Newton Investment Management: Newton follows a distinct global thematic investment approach and conducts extensive proprietary research.

## BOND SECTOR ALLOCATION (%)

Industrial	71.50
Telecoms / Utilities	22.40
Financial	6.10

## CREDIT QUALITY (%)

A	11.90
BBB	1.60
BB	28.70
B	55.30
CCC & Below	2.50

## EQUITY INDUSTRY ALLOCATION (%)

Mining	8.76
Pharmaceuticals & Biotechnology	8.13
Oil & Gas Producers	6.96
Mobile Telecommunications	4.16
Chemicals	3.79
Tobacco	3.17
Fixed Line Telecommunications	3.03
Food & Drug Retailers	2.41
Gas, Water & Multiutilities	2.22
Health Care Equipment & Services	1.87
Beverages	1.00
Media	0.91
Electricity	0.91
Real Estate Investment Trusts	0.90
Aerospace & Defense	0.81

## TOP TEN HOLDINGS (%)

ETFs Physical Gold 0% Secured Note (USD)	3.37
Norway (Kingdom Of) 4.5% Bds 22/05/2019	3.07
Glaxosmithkline Plc	2.95
Newcrest Mining Ltd	2.82
Bayer AG	2.81
USA Treasury Bonds 2.5% Tii 15/01/2029	2.31
Barrick Gold Corp	2.24
Reynolds American Inc	2.02
Total SA Eur2.5	1.88
Yamana Gold Inc	1.85

Portfolio holdings are subject to change at any time without notice, are for information purposes only and should not be construed as investment recommendations.

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### IMPORTANT INFORMATION ABOUT THIS FUND

You should read the simplified prospectus in full to understand the features and risks associated with this Fund. Further information is available via our website at [www.bnymellonam.co.uk](http://www.bnymellonam.co.uk)

### FUND SPECIFIC INFORMATION

From 1 July 2009 the Newton Absolute Intrepid Fund was renamed Newton Real Return Fund. From 31 March 2004, the Newton Real Return Fund has been managed using a global multi-asset structure aimed at generating superior returns in absolute terms. It is now placed in the Absolute Return sector and all index returns shown are for the LIBOR GBP 1 Month. On 30 July 2004, the Newton Intrepid Fund was renamed Newton Absolute Intrepid.

### RISKS WHICH MAY AFFECT THIS INVESTMENT

- This Fund can invest in overseas securities which may also generate profits overseas and pay dividends in foreign currencies, which means the Fund is exposed to changes in currency rates. Changes in the rates of exchange may affect the value of investments.
- The Fund may invest in securities that are not traded regularly and so may not be readily converted into cash meaning these securities may be subject to more fluctuations in price.
- The Fund may invest in emerging markets. These markets have additional risks due to less developed market practices.
- The Fund may hold fixed interest securities, which are particularly affected by trends in interest rates and inflation. This may affect the capital value of your investment.
- The Fund may hold sub-investment grade bonds that typically have a low credit rating and carry a high degree of default risk, which can affect the capital value of your investment.
- In addition to EPM, the Fund uses derivatives in pursuit of its investment objectives. Using derivatives involves a higher level of risk. A small movement in the price of an underlying security may result in a disproportionately large movement in the price of the derivative.
- The Fund takes its charges from the capital of the fund. Investors should be aware that there is potential for future capital erosion if insufficient capital growth is achieved by the Fund to cover the charges. Capital erosion may result in the amount of income that can be drawn declining over time.
- The Fund may use derivatives for efficient portfolio management (EPM) purposes. EPM restricts the use of derivatives for the reduction of risk, the reduction of cost and the generation of additional capital or income with no or an acceptable low level of risk.

All these factors may affect the performance of the Fund. You should read the Simplified Prospectus in full to understand the features and risks associated with this Fund.

### GLOSSARY

- **Asset/security** - Investments such as shares, bonds and derivatives are also known as securities.
- **Performance Reference** - A performance reference index is a way of expressing the performance of a specific financial market, such as a stock market, and may be suitable for assessing the performance of the fund over a given period of time.
- **Collective investment schemes** - An arrangement that enables a number of investors to pool their capital together and to participate in (and share the costs of) a wider range of investments than would be possible for most individual investors. Collective investment schemes include Unit Trusts or Open Ended Investment Companies (such as BNY Mellon Investment Funds).
- **Dividend** - The distribution of part of a company's earnings to shareholders, usually twice a year in the form of a main dividend and an interim dividend.
- **Dividend income/equity income** - The income earned through an investment in company shares.
- **Historic yield** - Historic yield figures are calculated on the basis of dividing the total dividends paid by the fund over the last 12 months by the fund's current price. Historic yields are shown on a net basis, do not include the impact of any initial charge and investors may be subject to tax on distributions. Historic yields are not indicative of future yields.
- **Net asset value (NAV)** - The market value of assets less the value of any liabilities.
- **Risk and Return rating** - Our funds are categorised on a six point scale from "Capital Preservation" to "High Risk and Return". The higher the category in which the fund is placed, the greater the potential for returns to be significantly higher or lower than expected.

This fund is a Sub-Fund of BNY Mellon Investment Funds.

### Investment objective

The objective of the Sub-Fund is to achieve significant real rates of return in sterling terms predominantly from a portfolio of UK and international securities. The Sub-Fund may also invest in deposits, money market instruments, derivative instruments, forward transactions and collective investment schemes.

### Performance aim

The Fund aims to deliver a performance of cash (LIBOR) + 4% p.a. over 3 to 5 years before fees are deducted. There is no guarantee that this performance will be achieved or that your capital will be maintained.

### Fund details

Total net assets (million)	£ 4,856.31
Historic yield (%)	3.39
Historic yield is not indicative of future yield	
IMA sector	Absolute Return
Performance reference	LIBOR GBP 1 Month
Domicile	UK
Fund type	ICVC
Fund manager	Iain Stewart
Alternate	James Harries
Base currency	GBP
Currencies available	GBP

### Share class details

Launch Date	27 Oct 2000
Min. investment	£ 1,000
Annual mgmt charge	1.50%
Max. initial charge	4.00%
ISIN	GB0001642635
Bloomberg	NEWINTALN
Sedol	0164263
Valoren	1162369
WKN	n/a
Registered for sale in:	UK, ES, AT, DE

### Key dates

Fund launch	01 Sep 1993
Close of financial year	30 Jun
Distributions	28 Feb, 30 Sep



Tax treatment will depend on the individual circumstances of clients and may be subject to change in the future.

For further information please speak with a financial adviser, alternatively you can contact us directly:

Tel: 0800 614 330 Email: [clientservices@bnymellon.com](mailto:clientservices@bnymellon.com)

# UNDERSTANDING YOUR FACTSHEET

These ratings are given to funds by various independent agencies that specialise in researching funds and rating them on their Investment style and investment process, compared to funds with similar objectives. They are not an indication that the fund will achieve positive returns and are not a recommendation to buy or sell.

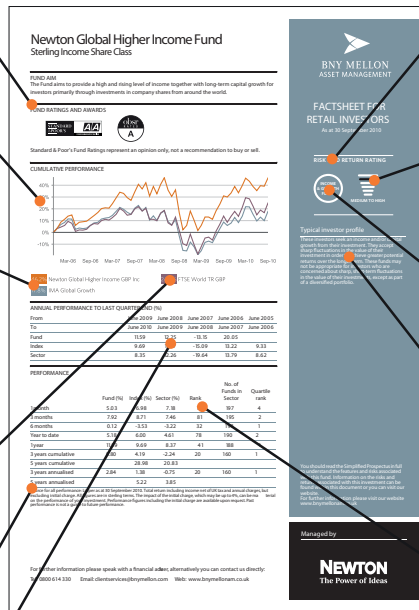
The line chart shows the fund's cumulative returns, against its benchmark and a relevant Investment Management Associations (IMA) sector average over 5 years. A cumulative return, expressed in percentage terms, is the change in value of a fund, benchmark or IMA sector average over a specific period of time - showing if the investment has gained or lost value over time.

There are many different funds on sale in the UK, all with differing characteristics and objectives. The IMA's sectors are designed to group together funds with similar characteristics and objectives to help investors and their advisers compare the historical performance of broadly similar funds, before looking at funds they may be considering purchasing in greater detail. Each IMA sector (as at 31/10/2010 there were 33 in total, collectively accounting for around 2,500 funds) has a clear definition, which sets out the criteria that must apply for a fund to be included in that sector.

An index is a way of expressing the performance of a specific financial market, such as a stock market, over a given period of time. For example, one of the best-known indices in the UK is the FTSE 100 Index, which shows the total share price performance of the 100 largest companies listed on the London Stock Exchange.

The 3 and 5 year annualised figures represent the cumulative return over three and five years expressed as an average annual return, in percentage terms.

These figures show the performance of the fund to the end of the last quarter year, compared with the performance of its benchmark and IMA sector average.



A fundamental concept in investing is the relationship between risk and return. The greater the amount of return an investor aims to achieve, the greater the potential risk. When we talk about risk in investments, we are talking about the chance that a fund may perform differently than expected. This includes the possibility of the fund falling in value. Further information on how to measure your appetite for risk can be found in the simplified prospectus which is available on the fund literature section on [www.bnymellonam.com](http://www.bnymellonam.com).

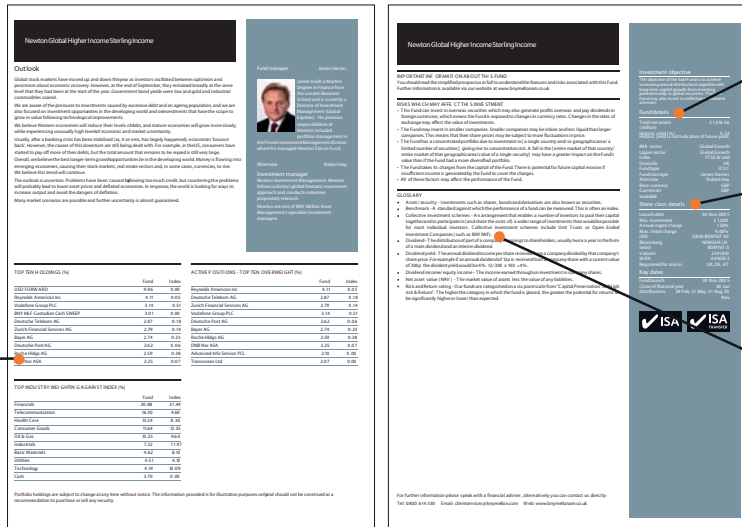
This risk and return image illustrates our view of the risk & return profiles of our funds. As an investor moves up the risk and return profile the potential positive returns increase, but so does the likelihood of potential negative returns. This is demonstrated with the higher the risk & return represented by the widest block.

We have grouped our funds according to their investment focus: growth, income or a combination of the two. A detailed explanation of these categories can be found in the funds simplified prospectus.

The risk and return ratings should be read in conjunction with the typical investor profile. All investors have specific, individual objectives and expectations. These illustrative profiles give our view of the type of investors who would typically choose this combination of fund focus and risk and return potential. It is designed to help you determine if the fund you are considering is potentially appropriate for you.

The ranking of a fund's performance relative to its IMA sector peer group. The funds are ranked in descending order with the best performing fund scoring at number one. The number of funds in the sector can vary over time as funds move in and out of the sector.

These tables show how much of the fund is invested in a stock, industry sector (such as telecoms) and/or country, compared to the index against which the fund is measured.



This section contains some key information about the fund.

Some stocks and certain mutual funds subdivide their shares into classes or groups, such as sterling income or institutional, to designate their special characteristics.

This section contains explanations of investment terms used within the factsheet.

## This is a financial promotion and is not intended as investment advice. The information provided within is for use by retail investors.

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