



## US DOLLAR BOND FUND

### OBJECTIVE

To maximise total return through income and capital gains by investing in medium to high grade US dollar denominated debt securities with a short to medium term maturity profile.

### INVESTMENT POLICY

The Fund will target a weighted average duration of 2.5 years and will enhance returns through sector and credit diversification.

### INVESTMENT PROCESS

The primary considerations for our fixed income investment choices are liquidity and safety of principal. Our philosophy is to focus on all elements of yield enhancement in order to incrementally outperform the benchmark on a consistent basis.

### FUND REVIEW

The Class A shares of the Fund produced a monthly return of 0.16%, net of fees, in November. This was exactly equal to the 0.16% return of our 1-5 Year Merrill Lynch Index, which does not have fees associated with it. Calendar year to date, the Fund has returned 4.09% versus the Index at 1.99%.

The 5 year US Treasury yield ended November at 0.62%, which was sharply lower than the end of October, while credit markets again performed well. The so-called "Fiscal Cliff" is centre-stage for politicians in the US, as time is running out to agree a deal. Our baseline view remains clear; any kind of "cliff" is not palatable to either side of the aisle and that at least temporary delays to full implementation of automatic spending cuts to defense and other discretionary spending must be pushed through. Growth in the US simply must not be allowed to suffer materially at this point in the cycle. Low growth and high unemployment are already a concern for the Fed, which has continued apace its policy of massive intervention in rates markets with little support from the fiscal side of the equation.

We remain underweight duration and the credit quality of the portfolio was broadly unchanged over the month. The Fund received a large subscription at the end of the month and its cash position is high, but should fall in the month of December as we add to positions. The S&P credit score was 15.9 at the end of November, versus a maximum allowable score of 25 for an AA-rated Fund.

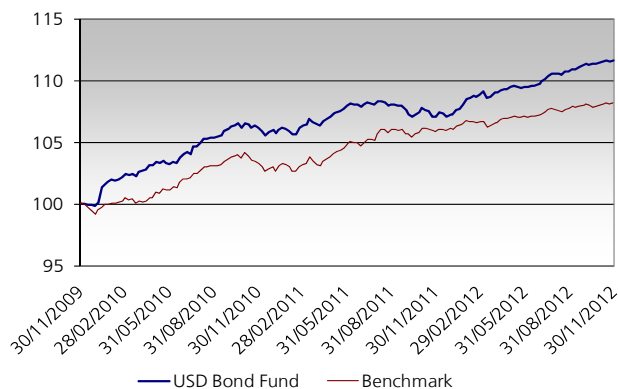
### GENERAL INFORMATION

Currency: USD	Fiscal Year End: 30 June
Valuation: Wednesday	Min. Investment: USD 10,000
Dealings: Thursday	Total Expense Ratio: 0.84% Class A, 0.63% Class B 0.35% Class C
Front End Fee: None	
Units Available: Income Distribution (Reinvestment Option)	Size of Fund (millions): USD 102.33 NAV per share (30.11.2012): USD 10.538
Identifier: BUTUSBI BH	

### Contact Information

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### CHART MONTHLY



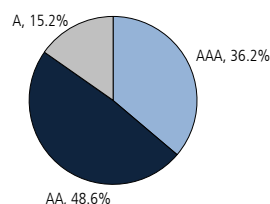
### AVERAGE ANNUAL COMPOUND RETURNS

1 Year	3 Years	5 Years	7 Years	10 Years
4.26%	3.74%	3.66%	4.00%	3.65%

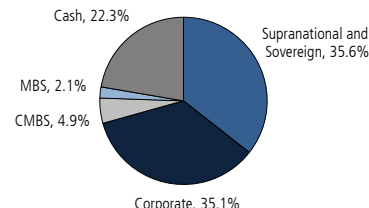
### AVERAGE DURATION AND CREDIT RATING

Duration	1.95 years
Credit Rating	S&P AA-f
Volatility	S2

### CREDIT RATINGS



### SECTOR BREAKDOWN



### TOP 5 HOLDINGS

Name	Coupon	Maturity Date	Rating	% of Fund
1. Freddie Mac	5.50%	23 Aug 2017	AA+	3.4%
2. National Australia Bk	2.75%	28 Sep 2015	AA-	2.9%
3. Wachovia CMBS 2003-C9 B	5.109%	15 Nov 2013	AAA	2.3%
4. Met Life Global	3.125%	11 Jan 2016	AA-	2.2%
5. CFF Covered Bond	5.625%	19 Jun 2017	AAA	2.2%



www.butterfieldgroup.com