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Investec Funds Series iii A UK based Investment Company

Semi-Annual short report | For the period ended 31 August 2013

Out of the Ordinary®

Investec
Asset Management

Contents

Investec Funds Series iii

Short report for the period ended 31 August 2013

Introduction

Our commitment to you

Our objective is to deliver superior returns from distinctive funds that satisfy a range of investment objectives and always to provide 'out of the ordinary' service. We know that we cannot guarantee results. What we can promise is that we will give our very best every step of the way.

Semi-Annual short report

The short report for the Investec Funds Series iii is sent to you twice a year in April and October. A longer version, the long form Report and Accounts, is also produced and is available upon request. Both the short and the long reports are also available on our website www.investecassetmanagement.com.

This short report contains key information on each fund in turn. This includes a description of the fund's investment objective and policy, a record of its performance over the reporting period and how it is being invested and managed. We also outline the risk and reward profile, costs that have been incurred and an outlook for the asset class or market of each fund. We hope that you find the report interesting and helpful.

Up to date fund prices along with our fund charting tool are available online at www.investecassetmanagement.com.

If you hold shares in any of the sub-funds in Investec Funds Series i, Investec Funds Series ii or Investec Funds Series iv, the next short reports will be sent to you towards the end of the months stated below:

Investec Funds Series i November 2013	Investec Funds Series iv January 2014	Investec Funds Series ii February 2014
Cautious Managed Fund	Capital Accumulator Fund	American Fund
Diversified Income Fund[1]	Diversified Growth Fund[2]	Asia ex Japan Fund
Enhanced Natural Resources Fund	Emerging Markets Blended Debt Fund	Global Energy Fund
Managed Growth Fund	Emerging Markets Equity Fund	Global Free Enterprise Fund
Strategic Bond Fund	Global Franchise Fund	Monthly High Income Fund
UK Alpha Fund	Global Special Situations Fund	
UK Blue Chip Fund	Multi-Asset Protector Fund	
UK Smaller Companies Fund	Multi-Asset Protector Fund 2	
UK Special Situations Fund	Target Return Fund	
	Short Dated Bond Fund	

Please do not hesitate to call us on **020 7597 1900** if you have any questions.

Telephone calls may be recorded for training and quality assurance purposes.

The value of investments can fall as well as rise and you may get back less than you invested.

[1]Previously known as the Managed Distribution Fund
[2]Previously known as the Balanced Managed Fund

Performance overview

	6 months to 30.08.13	5 years to 30.08.13	Rolling 12 month performance 31.08.12 to 30.08.13	31.08.11 to 31.08.12	31.08.10 to 31.08.11	31.08.09 to 31.08.10	29.08.08 to 31.08.09
Fund versus *IMA sector*							
Emerging Markets Local Currency Debt Fund[1]	-15.8	36.1	-5.7	-0.3	3.9	20.2	15.9
IMA Global Bonds	*-4.3*	*34.2*	*1.6*	*4.2*	*1.8*	*11.4*	*11.9*
Global Bond Fund[1]	-5.9	43.5	-2.8	1.1	1.7	13.2	26.9
IMA Global Bonds	*-4.3*	*34.2*	*1.6*	*4.2*	*1.8*	*11.4*	*11.9*
Global Dynamic Fund[2]	2.9	47.1	22.2	7.3	13.8	5.0	-6.1
IMA Global	*3.3*	*34.8*	*19.6*	*6.3*	*6.7*	*6.6*	*-6.8*
Global Equity Fund[2]	3.3	41.5	20.6	8.5	10.6	6.2	-7.9
IMA Global	*3.3*	*34.8*	*19.6*	*6.3*	*6.7*	*6.6*	*-6.8*
Global Gold Fund[3]	-21.2	-3.5	-28.2	-24.8	18.0	43.6	5.6
Performance comparison indices							
Barclays Capital Global Aggregate (pre 01.05.11 Citigroup WGBI)	-4.2	43.8	-0.9	4.0	2.0	11.2	23.0
HSBC Global Gold CR	-27.0	-12.9	-37.9	-24.4	9.9	43.0	17.9
JP Morgan GBI-EM Global Diversified	-13.5	51.8	-2.8	1.5	7.8	23.7	15.4
MSCI All Countries World Net Return (MSCI World NR pre 01.01.11)	2.1	38.2	18.6	8.9	7.3	7.7	-7.4

All figures shown are percentages for the stated period.

Past performance should not be taken as a guide to the future and there is no guarantee that this investment will make profits. Returns will vary with market action, fee levels and taxes and in certain market conditions losses may be exaggerated.

Source: Lipper, total return, net of UK basic rate tax, no initial charges, net of fees in sterling.

[1]'A' net income shares.

[2]'A' accumulation shares.

[3]The Fund is in the IMA Specialist sector but the constituent funds in this sector are considered to be too diverse for a meaningful comparison to be made.

The performance of the other sub-fund 'A', 'I', 'R' or 'S' share classes would be similar to that of the above share classes but will differ according to the tax and management fee charged.

Index shown for performance comparison only, total return, shown as net where applicable. The HSBC Global Gold Index CR is capital return only.

Emerging Markets Local Currency Debt Fund

Summary of the Fund's investment objective and policy

The Fund aims to grow the value of your investment over the long term. The Fund invests primarily in bonds (contracts to repay borrowed money which typically pay interest at fixed times) and in related derivatives (financial contracts whose value is linked to the price of an underlying asset). These derivatives may be used for investment purposes. The bonds are issued by governments, institutions or companies in emerging markets (countries that are in economic terms less developed than the major Western countries). These bonds are predominantly issued in the currency of the issuing country.

The Investment Manager is free to choose how the Fund is invested. However, the JPMorgan GBI-EM Global Diversified Index is currently taken into account when the Fund's investments are selected.

Full details on this Fund's investment objective and policy can be found in the Prospectus.

Fund facts

Semi-Annual/Annual accounting dates	Income payment dates
31 August, 28/29 February	30 April, 31 July, 31 October, 31 January

Share class	Ongoing charges as per Key Investor Information Document (%) 2013	2012
‘A’ Class - net accumulation*	1.70	1.66
‘A’ Class - gross accumulation*	1.70	1.66
‘A’ Class - gross accumulation (USD)*	1.70	1.66
‘A’ Class - net income*	1.70	1.66
‘A’ Class - gross income*	1.70	1.66
‘I’ Class - net accumulation*	0.95	0.91
‘I’ Class - gross accumulation*	0.95	0.91
‘I’ Class - gross accumulation (USD)*	0.95	0.91
‘I’ Class - net income*	0.95	0.91
‘R’ Class - net accumulation**	1.21	n/a
‘R’ Class - net income**	1.21	n/a
‘S’ Class - gross accumulation*	0.20	0.20
‘S’ Class - gross income*	0.20	0.21

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund and is based on the expenses of the Fund's Annual Report and Accounts.

*The OCF shown here is an estimate of the charges, as there was a small change in the level of the costs since the annual accounts were published.

**The OCF shown here is an estimate of the charges, as the share class was only recently launched.

The Fund's Annual Report and Accounts for each financial year will include details on the exact charges made.

For more information about charges, please see section 7 of the Investec Fund Series iii Prospectus.

Summary

Distributions

Share class	Distributions as at 31.08.13	Distributions as at 31.08.12
‘A’ Class - net accumulation	4.39p	4.82p
‘A’ Class - gross accumulation	5.85p	6.39p
‘A’ Class - gross accumulation (USD)	9.00c	10.04c
‘A’ Class - net income	3.04p	3.52p
‘A’ Class - gross income	3.82p	4.43p
‘I’ Class - net accumulation[1]	2.53p	1.79p
‘I’ Class - gross accumulation	6.04p	6.62p
‘I’ Class - gross accumulation (USD)	9.16c	10.27c
‘I’ Class - net income	2.46p	2.83p
‘R’ Class - net accumulation[‡] [4]	2.30p	-
‘R’ Class - net income[‡] [4]	2.26p	-
‘S’ Class - gross accumulation	5.61p	6.08p
‘S’ Class - gross income[2]	2.89p	0.64p

[1]Launched on 08 May 2012
[2]Launched on 31 July 2012

Performance

Share class	Net Asset Value as at 31.08.13	Net Asset Value as at 28.02.13
‘A’ Class - net accumulation	170.91p	202.85p
‘A’ Class - gross accumulation	184.45p	217.65p
‘A’ Class - gross accumulation (USD)	286.14c	330.87c
‘A’ Class - net income	116.70p	141.87p
‘A’ Class - gross income	117.46p	142.80p
‘I’ Class - net accumulation	96.11p	113.65p
‘I’ Class - gross accumulation	190.61p	224.44p
‘I’ Class - gross accumulation (USD)	295.62c	340.50c
‘I’ Class - net income	94.63p	114.61p
‘R’ Class - net accumulation[‡]	90.26p	106.86p
‘R’ Class - net income[‡]	86.98p	105.47p
‘S’ Class - gross accumulation	177.42p	207.78p
‘S’ Class - gross income	89.49p	107.97p

p=pence, c=cents (USD)
[‡]Share class launched during the reporting period

Share price range

Emerging Markets Local Currency Debt Fund ‘A’ Class (Net accumulation shares)

Calendar year	2013[†]	2012	2011
Highest price	206.35	190.92	187.73
Lowest price	170.69	171.19	168.01
Net revenue per accumulation share	7.09	9.53	9.19
	2010	2009	2008
Highest price	184.89	159.04	137.46
Lowest price	153.96	121.83	100.75
Net revenue per accumulation share	9.88	9.97	10.83

Emerging Markets Local Currency Debt Fund ‘A’ Class (Gross accumulation shares)

Calendar year	2013[†]	2012	2011
Highest price	221.50	204.33	197.05
Lowest price	184.29	180.78	177.10
Gross revenue per accumulation share	9.47	12.64	11.99
	2010	2009	2008
Highest price	192.34	162.33	138.46
Lowest price	158.47	123.08	101.09
Gross revenue per accumulation share	12.78	12.96	12.40

Emerging Markets Local Currency Debt Fund 'A' Class (Gross USD accumulation shares)*5

Calendar year	2013†	2012	2011
Highest price	341.40	329.54	-
Lowest price	285.17	280.60	-
Gross revenue per accumulation share	14.51	15.12	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Gross revenue per accumulation share	-	-	-

Emerging Markets Local Currency Debt Fund 'A' Class (Net income shares)

Calendar year	2013†	2012	2011
Highest price	145.20	139.39	143.90
Lowest price	118.07	126.07	127.06
Net revenue per income share	4.96	6.97	7.16
	2010	2009	2008
Highest price	147.20	133.28	123.37
Lowest price	128.34	106.67	91.58
Net revenue per income share	7.95	8.58	10.54

Emerging Markets Local Currency Debt Fund 'A' Class (Gross income shares)

Calendar year	2013†	2012	2011
Highest price	146.55	140.76	145.09
Lowest price	119.14	126.94	128.20
Gross revenue per income share	6.24	8.79	8.95
	2010	2009	2008
Highest price	148.78	135.28	123.68
Lowest price	129.48	106.91	91.84
Gross revenue per income share	10.12	10.75	11.92

Emerging Markets Local Currency Debt Fund 'I' Class (Net accumulation shares)4

Calendar year	2013†	2012	2011
Highest price	115.64	106.82	-
Lowest price	96.04	96.25	-
Net revenue per accumulation share	4.06	3.11	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per accumulation share	-	-	-

Emerging Markets Local Currency Debt Fund 'I' Class (Gross accumulation shares)

Calendar year	2013†	2012	2011
Highest price	227.98	209.99	200.48
Lowest price	190.43	184.65	180.73
Gross revenue per accumulation share	9.76	13.01	12.19
	2010	2009	2008
Highest price	194.86	163.69	139.07
Lowest price	160.05	123.74	101.37
Gross revenue per accumulation share	12.85	12.90	13.29

Emerging Markets Local Currency Debt Fund 'I' Class (Gross USD accumulation shares)*5

Calendar year	2013†	2012	2011
Highest price	351.89	338.74	-
Lowest price	294.60	286.60	-
Gross revenue per accumulation share	14.82	15.48	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Gross revenue per accumulation share	-	-	-

Emerging Markets Local Currency Debt Fund 'I' Class (Net income shares)3

Calendar year	2013†	2012	2011
Highest price	117.27	111.82	114.81
Lowest price	95.68	101.26	101.54
Net revenue per income share	4.00	5.61	5.74
	2010	2009	2008
Highest price	116.91	103.33	-
Lowest price	101.59	99.28	-
Net revenue per income share	6.20	0.31	-

Emerging Markets Local Currency Debt Fund 'R' Class (Net accumulation shares)7

Calendar year	2013†	2012	2011
Highest price	108.72	-	-
Lowest price	90.17	-	-
Net revenue per accumulation share	3.69	-	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per accumulation share	-	-	-

Emerging Markets Local Currency Debt Fund 'R' Class (Net income shares)7

Calendar year	2013†	2012	2011
Highest price	107.88	-	-
Lowest price	87.96	-	-
Net revenue per income share	3.65	-	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per income share	-	-	-

Emerging Markets Local Currency Debt Fund 'S' Class (Gross accumulation shares)1

Calendar year	2013†	2012	2011
Highest price	211.59	194.57	183.56
Lowest price	177.24	169.66	165.92
Gross revenue per accumulation share	9.06	11.98	11.16
	2010	2009	2008
Highest price	177.31	147.35	124.17
Lowest price	144.53	110.68	90.38
Gross revenue per accumulation share	11.70	11.54	9.33

Emerging Markets Local Currency Debt Fund (continued)

Emerging Markets Local Currency Debt Fund 'S' Class (Gross income shares)[2,6]

Calendar year	2013†	2012	2011
Highest price	110.79	102.82	-
Lowest price	90.76	98.61	-
Gross revenue per income share	4.72	2.24	-
	2010	2009	2008
Highest price	-	144.04	141.47
Lowest price	-	122.61	104.43
Gross revenue per income share	-	3.22	4.31

High and low prices are quoted at mid valuation.
*Share class numbers quoted in US cents
†Up to 31 August 2013

[1] Launched on 29 February 2008

[2] Closed on 27 April 2009

[3] Launched on 9 November 2009

[4] Launched on 2 May 2012

[5] Launched on 8 May 2012

[6] Re-launched on 31 July 2012

[7] Launched on 2 January 2013

Performance record

For the six months ending 31 August 2013, the value of the 'A' shares of the Fund fell 15.8%*. Over the same period, the JP Morgan GBI-EM Global Diversified Index fell 13.5% while the IMA Global Bonds** sector fell 4.3%.**

The total revenue distribution for the period in relation to 'A' net income shares was 3.04 pence per share. This compares to a total of 3.52 pence per share paid for the corresponding period in 2012.

Emerging market debt endured a difficult six months. The period under review started off deceivingly 'quiet', aside from a few niggling concerns about the euro zone following an inconclusive election in Italy and Cyprus reaching the brink of bankruptcy. However, the last three months were marked by extreme fluctuations in prices.

The key driver of this see-saw ride was the suggestion by the US Federal Reserve (Fed) that it may begin to slow down, or 'taper', the pace of its bond buying programme (originally initiated to help stimulate the economy), if the labour market continues to improve in line with forecast projections. The mere suggestion of winding down the programme by Fed chairman, Ben Bernanke, was a catalyst for a severe market sell-off as investors grew increasingly concerned that it would erode demand for emerging market assets as global liquidity dries up. Yields on US Treasuries climbed sharply with local currency emerging market debt yields following suit. Emerging market currencies also suffered, generally depreciating against a strengthening dollar. Negative sentiment towards the asset class was further compounded by concerns that China could be caught in a credit crunch of its own with the Shanghai interbank offered rate (Shibor) spiking briefly before the People's Bank of China quickly stepped in to provide support.

Economic data over the period was mixed. There was evidence of a broadening recovery in the US, while Europe seemed to be gradually lifting itself out of the doldrums with data from the euro zone gradually improving over the period. Data from emerging markets was less inspiring. China's second quarter GDP slowed to 7.5%, while manufacturing purchasing managers' indices also generally fell over the period. Inflationary pressures remained contained over the period as the impact of weaker currencies takes time to feed through, while commodity prices generally remained subdued over the period following stronger harvests globally.

With regard to what helped and what hurt relative performance over the period, the currency component of the portfolio generally detracted from relative returns over the period. Our underweight position in the Israeli shekel and overweight position in the Brazilian real were the main detractors. The Brazilian real was hurt by market concerns over the country's ability to attract flows to finance its current account deficit, after many investors began to withdraw their funds from emerging markets, believing that the Fed would imminently start to wind down its bond buying programme. This was partly offset by our overweight position in the Nigerian naira – one of the best performing emerging market currencies over the period. More positively, our slight underweight position in emerging market currencies contributed to returns as currencies generally sold-off over the period.

Within bonds, our slight overweight duration position (sensitivity to interest rates) from June hurt relative returns as emerging market bonds sold-off on Fed tapering fears. However, country selection added to returns with positive contributions from our overweight position in Israel and underweight position in Indonesia. Our underweight position in Poland detracted from returns. Curve and issue selection also contributed positively to returns thanks to our positioning in Chile.

Significant purchases (2% of Net Asset Value and above or minimum five holdings) during the period comprised:

Mexican Bonos 8% 19/12/2013, Hungary Government 5.5% 20/12/2018, Mexican Bonos 8.5% 18/11/2038, Thailand Government 3.875% 13/06/2019, South Africa Government 10.5% 21/12/2026

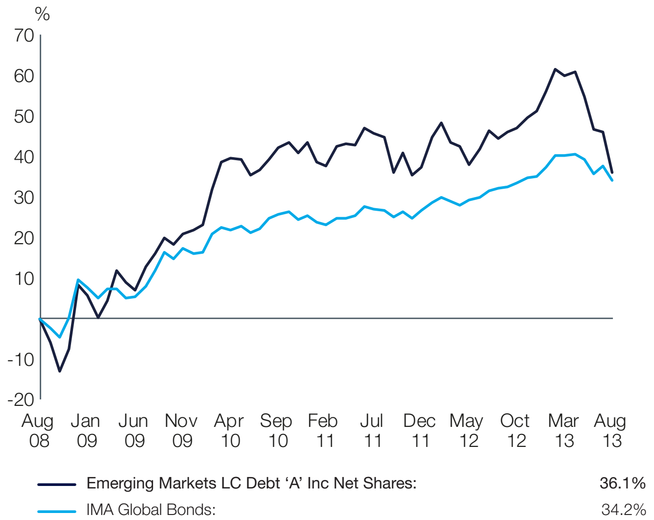
Significant sales (2% of Net Asset Value and above or a minimum of 5 holdings) during the period comprised:

Malaysia Government 3.418% 15/08/2022, Turkey Government 9% 05/03/2014, Brazil Notas do Tesouro Nacional 10% 01/01/2014, Russian Federal 7.6% 14/04/2021, Mexican Bonos 7.25% 15/12/2016, South Africa Government 8% 21/12/2018, Mexican Bonos 8% 19/12/2013

*Source: Lipper, total return, net of UK basic rate tax, no initial charge, net of fees in sterling.

**Index and IMA sector shown for performance comparison purposes only.

5 year performance graph (%)



Past performance will not necessarily be repeated.
Source: Lipper, 29.08.08 to 30.08.13, total return net of UK basic tax rate, no initial charges, net of fees, in sterling.
IMA sector shown for performance comparison only.

Portfolio analysis

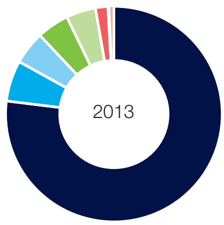
Top 10 holdings (%)

Security	31.08.13
Brazil Notas do Tesouro Nacional 10% 01/01/2021	5.4
Turkey Government 9% 08/03/2017	3.5
Turkey Government 9% 05/03/2014	3.3
Russian Federal 7.6% 14/04/2021	2.8
Investec Global Strategy Emerging Markets Corporate Debt Fund†	2.6
Russian Federal 7.4% 14/06/2017	2.4
Malaysia Government 4.378% 29/11/2019	2.2
Investec Global Strategy Emerging Markets Blended Debt Fund†	2.1
Russian Federal 8.15% 03/02/2027	2.0
Hungary Government 5.5% 20/12/2018	2.0

Security	28.02.13
Brazil Notas do Tesouro Nacional 10% 01/01/2021	5.4
Turkey Government 9% 05/03/2014	5.2
Russian Federal 7.6% 14/04/2021	3.9
Malaysia Government 3.418% 15/08/2022	3.0
Brazil Notas do Tesouro Nacional 10% 01/01/2014	2.8
Turkey Government 9% 08/03/2017	2.4
Malaysia Government 4.378% 29/11/2019	2.4
South Africa Government 8% 21/12/2018	2.1
Investec Global Strategy Emerging Markets Corporate Debt Fund†	2.0
Russian Federal 7.4% 14/06/2017	2.0

†A related party to the Fund

Investments (%)



	31.08.13	28.02.13
Government bonds	78.2	81.9
Net other assets	6.2	4.1
Collective Investment Schemes	5.0	4.2
Derivatives	4.9	5.0
Certificate of Deposits	4.5	2.3
Corporate bonds	1.9	2.4
Collateral Cash	0.1	-
Forward foreign exchange contracts	(0.8)	0.1

Outlook

August was another turbulent month for risk assets as investors, spooked by the political uncertainty in the Middle East and ongoing speculation over Fed policy, continued to withdraw funds from emerging markets. Tapering of bond buying by the Fed will most likely commence this September, but we believe this is already largely priced into markets. Importantly, we would emphasise that tapering is not tightening (i.e. increasing interest rates). We believe that actual tightening is still two years away, as US unemployment will take time to reach its target level (which the Fed might still adjust lower). With US growth recovering, we expect yields on US Treasury bonds to rise gradually. However, with 10-year US Treasuries already yielding around 2.8%, we believe a further sharp sell-off in the bond market, in the short term, is unlikely.

A strengthening US economy, alongside better or stabilising economic activity in other global regions, should help emerging markets – which are sensitive to the US and Chinese economies recover from the current cyclical slowdown. We are seeing a gradual improvement in emerging market trade balances which should support emerging market currencies that currently offer an attractive yield pick up over the US dollar. Consequently, we hold a modest overweight position in emerging market currencies, while acknowledging that further fluctuations in price could materialise. Following significant recent currency weakness, our view is that emerging market central banks would prefer firmer currencies and are starting to take measures to prevent further weakness. That said, there will be differences across individual emerging markets.

With lower interest rate risk and a nominal yield of around 6.9% providing a healthy buffer to protect against potential falls, we believe the recent sell-off makes local currency debt attractive again in valuation terms. Local currency bonds have gone from expensive to relatively fairly valued. We expect that the yield on the index will remain within the 6.25% to 7.25% range over the next six to 12 months as inflationary pressures remain subdued and any monetary tightening is likely to be modest. Consequently, we have moved to an overweight duration position.

The opinions expressed herein are as at September 2013.

Emerging Markets Local Currency Debt Fund (continued)

Risk and Reward profile*

Lower risk
Potentially lower rewards

Higher risk
Potentially higher rewards

1 2 3 4 **5** 6 7

This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the middle of the Risk and Reward Indicator scale. This is because it invests in bonds whose returns tend to fluctuate more than those of cash funds but less than those of funds which invest in the shares of companies.

The following risks may not be fully captured by the Risk and Reward Indicator:

- The value of bonds tends to decrease when interest rates and/or inflation rises.
- There is a risk that the issuers of bonds may not be able to repay the money they have borrowed nor make any interest payments. This risk is greater than average where the Fund invests in a bond with a below investment grade credit rating (ratings based on the ability of the issuers of bonds to repay borrowed money).
- Some of the countries in which the Fund invests have less developed political, economic and legal systems. These markets carry a higher than average risk of investment and the Fund may have problems or delays in getting its investments back.
- The Fund's expenses are charged to the capital account of the Fund rather than to income accounts, which has the effect of increasing the Fund's income automatically reflected in the value of your shares (which may be taxable) whilst reducing its capital to an equivalent extent.

The Risk and Reward profile is taken from the Key Investor Information Document.

The full list of the Fund's risks are contained in Appendix VII of the Investec Funds Series iii Prospectus.

*Please note that the Risk and Reward profile section is based on sterling 'A' class income shares.

Report and Accounts

Please contact Investec Fund Managers Limited for long form report and accounts of the OEIC.

Other information

After consultation with the Depositary and in accordance with the requirements of Section 4.3 of the COLL, shareholders were given notice of the following:

- On 31 January 2013 notice of the clarification of Emerging Markets Local Currency Debt Fund investment objectives, effective April 2013.
- On 31 January 2013 notice that the ACD may redeem shareholdings below £20 in value (or an equivalent amount in the currency of the share class and not denominated in sterling) and pay the proceeds to a registered charity of its choice.
- On 31 July 2013 of the introduction of the ability to smooth income payments of the Emerging Markets Local Currency Debt Fund at the ACD's discretion, effective 4 October 2013.
- On 31 July 2013 of the removal of publication of fund share prices from the Financial Times, effective 1 December 2013.

There have been no fundamental changes to the Company or the Fund that required shareholder approval or any other significant changes to the operation of the Company or Fund requiring pre-notification.

Share class conversion

For share class conversions within the same Fund it may be necessary, at the discretion of the ACD and only when it is in the interests of shareholders for accounting purposes to do so, defer the completion of such conversions to a subsequent valuation point or ultimately to the valuation point immediately following the end of the relevant Fund's accounting period. If such a deferral is required, the ACD will notify the Shareholder requesting the conversion as soon as practicable and will discuss with the Shareholder the timing for the completion of the conversion.

Reduction of the General Administration Charge (GAC)

The GAC was reduced from 0.09% to 0.08%, effective 1 April 2013.

More information about the activities and performance of the Fund for this and previous periods can be obtained from the ACD.

Global Bond Fund

Summary of the Fund's investment objective and policy

The Fund aims to provide an income and grow the value of your investment over the long term.

The Fund invests around the world in bonds (contracts to repay borrowed money which typically pay interest at fixed times) and related derivatives (financial contracts whose value is linked to the price of an underlying asset). These derivatives may be used for investment purposes. The bonds held are issued by governments, institutions and companies and are primarily of investment grade (high quality) as rated by the credit rating agencies (companies that rate the ability of the issuers of bonds to repay borrowed money).

The Investment Manager is free to choose how the Fund is invested within the limits of its investment policy. However, the Barclays Aggregate Global Bond Index is currently taken into account when the Fund's investments are selected.

Full details on this Fund's investment objective and policy can be found in the Prospectus.

Fund facts

Semi-Annual/Annual accounting dates	Income payment dates
31 August, 28/29 February	30 April, 31 October

Share class	Ongoing charges as per Key Investor Information Document (%) 2013	2012
'A' Class - net accumulation	1.11	1.11
'A' Class - net income	1.11	1.11
'A' Class - net income (USD)	1.11	1.11
'A' Class - gross income	1.11	1.11
'I' Class - net accumulation	0.61	0.61
'I' Class - net income	0.61	0.61
'I' Class - gross income	0.61	0.61
'R' Class - net accumulation**	0.85	n/a
'S' Class - net income	0.11	0.11
'S' Class - gross income	0.11	0.11

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund and is based on the expenses of the Fund's Annual Report and Accounts.

**The OCF shown here is an estimate of the charges, as the share class was only recently launched.

The Fund's Annual Report and Accounts for each financial year will include details on the exact charges made.

For more information about charges, please see section 7 of the Investec Fund Series iii Prospectus.

Summary

Distributions

Share class	Distributions as at 31.08.13	Distributions as at 31.08.12
'A' Class - net accumulation	0.55p	0.92p
'A' Class - net income	0.44p	0.73p
'A' Class - net income (USD)	0.68c	1.21c
'A' Class - gross income	0.55p	0.93p
'I' Class - net accumulation	0.67p	0.71p
'I' Class - net income	6.55p	9.08p
'I' Class - gross income	8.47p	12.39p
'R' Class - net accumulation‡	0.68p	-
'S' Class - net income	0.75p	1.09p
'S' Class - gross income	1.04p	1.42p

‡Share class launched during the reporting period

Performance

Share class	Net Asset Value as at 31.08.13	Net Asset Value as at 28.02.13
'A' Class - net accumulation	113.68p	120.82p
'A' Class - net income	91.74p	97.96p
'A' Class - net income (USD)	142.21c	148.81c
'A' Class - gross income	91.63p	97.84p
'I' Class - net accumulation	100.15p	106.24p
'I' Class - net income	954.70p	1,019.48p
'I' Class - gross income	978.90p	1,045.33p
'R' Class - net accumulation	99.49p	105.60p
'S' Class - net income	89.88p	95.90p
'S' Class - gross income	91.69p	97.92p

p=pence, c=cent (USD)

Share price range

Global Bond Fund 'A' Class (Net accumulation shares)[1]

Calendar year	2013†	2012	2011
Highest price	121.97	119.93	119.68
Lowest price	112.97	113.65	110.13
Net revenue per accumulation share	1.49	1.87	2.38
	2010	2009	2008
Highest price	117.18	108.58	-
Lowest price	104.28	92.52	-
Net revenue per accumulation share	2.57	0.90	-

Global Bond Fund 'A' Class (Net income shares)

Calendar year	2013†	2012	2011
Highest price	99.48	98.83	99.27
Lowest price	91.61	93.65	92.62
Net revenue per income share	1.19	1.54	2.01
	2010	2009	2008
Highest price	99.38	94.30	91.74
Lowest price	90.43	81.30	65.30
Net revenue per income share	2.19	2.45	2.08

Global Bond Fund 'A' Class (Net USD income shares)*[3]

Calendar year	2013†	2012	2011
Highest price	152.45	154.27	-
Lowest price	142.80	149.14	-
Net revenue per income share	1.85	1.21	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per income share	-	-	-

Global Bond Fund 'A' Class (Gross income shares)

Calendar year	2013†	2012	2011
Highest price	99.44	98.84	99.15
Lowest price	91.59	93.58	92.52
Gross revenue per income share	1.51	1.95	2.50
	2010	2009	2008
Highest price	99.33	94.53	91.91
Lowest price	90.58	81.43	65.45
Gross revenue per income share	2.74	3.09	2.65

Global Bond Fund 'I' Class (Net accumulation shares)[2]

Calendar year	2013†	2012	2011
Highest price	107.23	105.10	-
Lowest price	99.52	100.00	-
Net revenue per accumulation share	1.73	0.71	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per accumulation share	-	-	-

Global Bond Fund 'I' Class (Net income shares)

Calendar year	2013†	2012	2011
Highest price	1,037.73	1,031.04	1,034.21
Lowest price	955.12	976.15	964.56
Net revenue per income share	15.89	19.85	24.77
	2010	2009	2008
Highest price	1035.60	989.70	962.87
Lowest price	937.87	856.08	670.22
Net revenue per income share	24.88	39.33	25.77

Global Bond Fund 'I' Class (Gross income shares)

Calendar year	2013†	2012	2011
Highest price	1,065.05	1,057.87	1,059.62
Lowest price	981.02	1,000.64	988.46
Gross revenue per income share	21.24	25.85	32.06
	2010	2009	2008
Highest price	1,062.19	1,005.15	963.89
Lowest price	967.09	853.52	686.09
Gross revenue per income share	30.30	22.11	31.95

Global Bond Fund 'R' Class (Net accumulation shares)[4]

Calendar year	2013†	2012	2011
Highest price	106.56	-	-
Lowest price	98.85	-	-
Net revenue per accumulation share	1.78	-	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per accumulation share	-	-	-

Global Bond Fund 'S' Class (Net income shares)

Calendar year	2013†	2012	2011
Highest price	97.63	96.92	97.18
Lowest price	89.94	91.78	90.63
Net revenue per income share	1.81	2.21	2.58
	2010	2009	2008
Highest price	99.09	94.56	91.95
Lowest price	90.67	81.26	65.37
Net revenue per income share	2.60	2.85	2.51

Global Bond Fund 'S' Class (Gross income shares)

Calendar year	2013†	2012	2011
Highest price	100.00	99.28	99.28
Lowest price	92.12	93.81	92.58
Gross revenue per income share	2.47	2.93	3.45
	2010	2009	2008
Highest price	99.54	94.93	92.25
Lowest price	90.90	81.56	65.61
Gross revenue per income share	3.43	3.65	3.20

High and low prices are quoted at mid valuation.
*Share class numbers quoted in US cents
†Up to 31 August 2013

[1]Launched on 27 April 2009
[2]Launched on 2 May 2012
[3]Launched on 8 May 2012
[4]Launched on 2 January 2013

Performance record

For the six months ending 31 August 2013, the value of the 'A' shares of the Fund fell 5.9%*. Over the same period the Barclays Capital Global Aggregate Index fell 4.2% and IMA Global Bonds sector fell 4.3%.**

The total income distribution for the period in relation to 'A' net income shares was 0.44 pence per share. This compares to a total of 0.73 pence per share paid for the corresponding period in 2012.

The past six months saw signs of sustained recovery in key developed economies: US economic growth strengthened, with improvements in the manufacturing and housing sectors, as well as the labour market, while economic performance in the UK and Japan was relatively strong. Further, the euro zone appears to have finally left recession – mainly thanks to growth in France and Germany.

The upturn in the US economy, has led to market expectations that the US Federal Reserve (Fed) may begin to gradually reduce, or 'taper', the pace of its bond buying programme (originally initiated to help stimulate the economy) as early as this September. The prospect of tapering impacted global markets throughout the period, as investors started to price in gradual tightening of interest rates. Bond yields moved aggressively higher in May, and for the rest of the summer central banks on both sides of the Atlantic tried to calm markets by providing forward guidance on the path of interest rates. However, markets are still expecting rate rises to happen sooner than the Fed or Bank of England forecast. US long-term interest rates hit recent highs during August.

On the back of tapering speculation, yields on 'safe haven' sovereign debt and corporate bonds drifted higher throughout the summer.

The threat of tapering also contributed to a torrid period for emerging markets. However, the asset class was also dragged lower by a host of other concerns – from the pace of Chinese growth to unrest in the Middle East.

Commodity prices have generally remained under pressure, mainly owing to the slowing Chinese economy and strong global harvests. This has contributed to inflation-linked bonds underperforming conventional bonds over the period.

In currencies, the US dollar and sterling were the main beneficiaries of the flight from emerging markets.

It has been a challenging period for bonds. The main detractor from performance was the Fund's interest rate positioning. Currency decisions and emerging market exposure also detracted from overall performance. Credit exposure was neutral.

Significant purchases (2% of Net Asset Value and above or minimum 5 holdings) during the period:

Sweden Government 3.5% 01/06/2022, Singapore Government 0.5% 01/04/2018, United States Treasury 2.625% 31/12/2014, Israel Government 4.25% 31/03/2023, Singapore Government 3% 01/09/2024

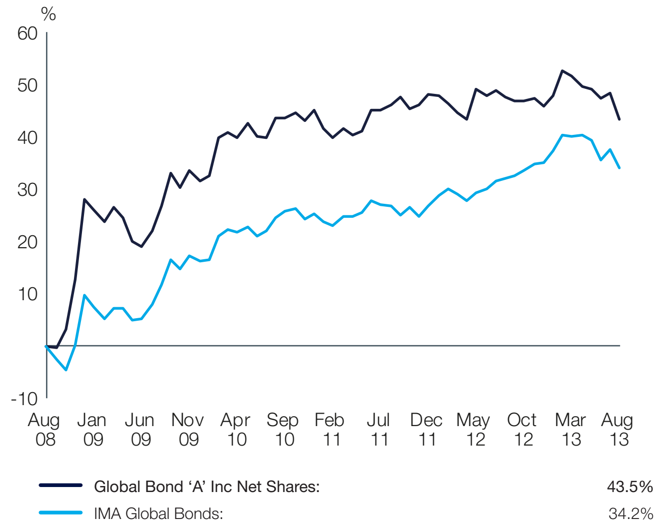
Significant sales (2% of Net Asset Value and above or minimum 5 holdings) during the period:

Canadian Government 5.25% 01/06/2013, Singapore Government 0.5% 01/04/2018, Bundesrepublik Deustschland Bundesobligation Inflation Linked 2.25% 15/04/2013, New Zealand Government 5.5% 15/04/2023, Israel Government 4.25% 31/03/2023

*Source: Lipper, total return, net of UK basic rate tax, no initial charge, net of fees in sterling.

**Index and IMA sector shown for performance comparison purposes only.

5 year performance graph (%)



Past performance will not necessarily be repeated.
Source: Lipper, 29.08.08 to 30.08.13, total return net of UK basic tax rate, no initial charges, net of fees, in sterling.
IMA sector shown for performance comparison purposes only.

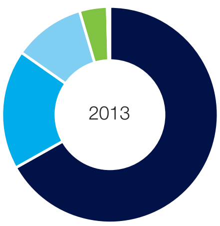
Portfolio analysis

Top 10 holdings (%)

Security	31.08.13
Bundesobligation 1.25% 14/10/2016	8.3
United States Treasury 4.625% 15/02/2040	5.0
United States Treasury 2.625% 31/12/2014	4.6
Sweden Government 3.5% 01/06/2022	4.3
Bundesrepublik Deutschland 6.25% 04/01/2024	4.1
Province of Ontario Canada 4% 02/06/2021	3.9
United States Treasury 3.125% 15/05/2019	3.9
United States Treasury 1.25% 31/08/2015	3.7
United States Treasury 4.25% 15/11/2017	3.7
United States Treasury 2.125% 15/08/2021	3.6

Security	28.02.13
Bundesobligation 1.25% 14/10/2016	8.3
United States Treasury 4.625% 15/02/2040	5.7
Canadian Government 5.25% 01/06/2013	4.7
Bundesrepublik Deutschland 6.25% 04/01/2024	4.3
United States Treasury 3.125% 15/05/2019	4.1
United States Treasury 2.125% 15/08/2021	3.9
United States Treasury 4.25% 15/11/2017	3.8
United States Treasury 1.25% 31/08/2015	3.8
Province of Ontario Canada 4% 02/06/2021	3.5
United States Treasury 4.25% 15/11/2014	3.4

Investments (%)



	31.08.13	28.02.13
Government bonds	66.8	72.3
Corporate bonds	17.9	17.7
Net other assets	10.7	5.9
Collective investment schemes	4.2	5.0
Forward foreign exchange contracts	0.3	(1.0)
Cash collateral	0.1	0.1

Outlook

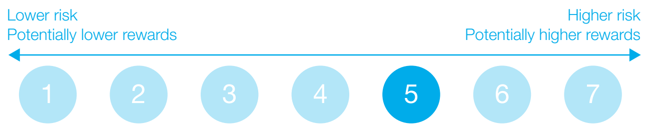
Bond markets are likely to remain under pressure until market participants see clarity over the pace at which the Fed winds down its bond buying programme. Increasingly, however, it is shorter maturities that are under pressure, with the monetary policy outlook becoming more balanced. We expect 10-year yields to drift up towards 3% to 3.5%. Rises beyond this would probably require inflation expectations to increase, which does not seem likely at present. With well capitalised banks, a resurgent energy sector and an improving fiscal position, the US dollar should be well supported in the medium term.

The euro zone still faces formidable challenges, but recent data along with the likelihood of more upbeat forecasts, suggest the European Central Bank is unlikely to reduce interest rates further. This is now reflected in longer-dated bonds, as yields shifted higher over the month. Yields on shorter-dated bonds, however, remain historically low, with the overnight rate effectively zero. This is likely to keep the euro constrained.

Japanese government bonds look vulnerable to a sell-off, but have been solidly supported by the Bank of Japan's (BoJ) monetary stimulus. If the BoJ is successful in achieving its 2% inflation goal, then nominal yields are far too low. If, on the other hand, the government's macroeconomic policy fails, then questions will be raised about the long term solvency of Japan. This makes the yen an interesting currency; we believe it is cheap, its economic fundamentals are improving and it is oversold.

The opinions expressed herein are as at September 2013.

Risk and Reward profile*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears in the middle of the Risk and Reward Indicator scale. This is because it invests in currencies and bonds whose returns tend to fluctuate more than those of cash funds but less than those of funds which invest in the shares of companies.

The following risks may not be fully captured by the Risk and Reward Indicator:

- The value of bonds tends to decrease when interest rates and/or inflation rises.
- There is a risk that the issuers of bonds may not be able to repay the money they have borrowed nor make any interest payments. This risk is greater than average where the Fund invests in a bond with a below investment grade credit rating.
- Some of the countries in which the Fund invests have less developed political, economic and legal systems. These markets carry a higher than average risk of investment and the Fund may have problems or delays in getting its investments back.
- The Fund may invest in derivatives the prices of which can fluctuate widely. However, it is not intended that this will produce Fund returns that fluctuate more widely or increase the level of risk in the Fund.

The Risk and Reward profile is taken from the Key Investor Information Document.

The full list of the Fund's risks are contained in Appendix VII of the Investec Funds Series iii Prospectus.

*Please note that the Risk and Reward profile section is based on sterling 'A' class income shares.

Report and Accounts

Please contact Investec Fund Managers Limited for long form report and accounts of the OEIC.

Other information

After consultation with the Depositary and in accordance with the requirements of Section 4.3 of the COLL, shareholders were given notice of the following:

- On 31 January 2013 notice that the ACD may redeem shareholdings below £20 in value (or an equivalent amount in the currency of the share class and not denominated in sterling) and pay the proceeds to a registered charity of its choice.
- On 31 July 2013 of the introduction of the ability to smooth income payments of the Global Bond Fund as the ACD's discretion, effective 4 October 2013.
- On 31 July 2013 of the removal of publication of fund share prices from the Financial Times, effective 1 December 2013.

There have been no fundamental changes to the Company or the Fund that required shareholder approval or any other significant changes to the operation of the Company or Fund requiring pre-notification.

Share class conversion

For share class conversions within the same Fund it may be necessary, at the discretion of the ACD and only when it is in the interests of shareholders for accounting purposes to do so, defer the completion of such conversions to a subsequent valuation point or ultimately to the valuation point immediately following the end of the relevant Fund's accounting period. If such a deferral is required, the ACD will notify the Shareholder requesting the conversion as soon as practicable and will discuss with the Shareholder the timing for the completion of the conversion.

Reduction of the General Administration Charge (GAC)

The GAC was reduced from 0.09% to 0.08%, effective 1 April 2013.

More information about the activities and performance of the Fund for this and previous periods can be obtained from the ACD.

Global Dynamic Fund

Summary of the Fund's investment objective and policy

The Fund aims to grow the value of your investment over the long term.

The Fund invests around the world primarily in a relatively small selection of company shares and in related derivatives (financial contracts whose value is linked to the price of an underlying asset).

The Investment Manager is free to choose how the Fund is invested and does not manage it with reference to an index.

Full details on this Fund's investment objective and policy can be found in the Prospectus.

Fund facts

Semi-Annual/Annual accounting dates	Income payment dates
31 August, 28/29 February	30 April

Share class	Ongoing charges as per Key Investor Information Document (%) 2013	2012
'A' Class - accumulation	1.63	1.63
'A' Class - accumulation USD	1.63	1.63
'I' Class - accumulation	0.88	0.88
'R' Class - accumulation**	1.12	n/a
'S' Class - accumulation	0.13	0.13

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund and is based on the expenses of the Fund's Annual Report and Accounts.

**The OCF shown here is an estimate of the charges, as the share class was only recently launched.

The Fund's Annual Report and Accounts for each financial year will include details on the exact charges made.

For more information about charges, please see section 7 of the Investec Fund Series iii Prospectus.

Summary

Distributions

Share class	Distributions as at 31.08.13	Distributions as at 31.08.12
'A' Class - accumulation	-	-
'A' Class - accumulation USD	-	-
'I' Class - accumulation	-	-
'R' Class - accumulation	-	-
'S' Class - accumulation	-	-

Performance

Share class	Net Asset Value as at 31.08.13	Net Asset Value as at 28.02.13
'A' Class - accumulation	92.71p	90.15p
'A' Class - accumulation USD	144.09c	137.00c
'I' Class - accumulation	151.42p	146.34p
'R' Class - accumulation	114.57p	110.91p
'S' Class - accumulation	158.74p	152.89p

p=pence, c=cents (USD)

Share price range

Global Dynamic Fund 'A' Class (Net accumulation shares)[1]

Calendar year	2013†	2012	2011
Highest price	98.35	80.60	82.53
Lowest price	81.34	70.83	63.02
Net revenue per accumulation share	0.55	0.27	-
	2010	2009	2008
Highest price	76.80	66.23	74.58
Lowest price	61.32	44.28	43.26
Net revenue per accumulation share	0.50	1.13	-

Global Dynamic Fund 'A' Class (Net USD accumulation shares)*[3]

Calendar year	2013†	2012	2011
Highest price	151.58	131.41	-
Lowest price	132.60	110.42	-
Net revenue per accumulation share	0.88	-	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per accumulation share	-	-	-

Global Dynamic Fund 'I' Class (Net accumulation shares)[2]

Calendar year	2013†	2012	2011
Highest price	160.50	130.65	132.28
Lowest price	131.89	114.30	101.19
Net revenue per accumulation share	1.88	1.27	0.55
	2010	2009	2008
Highest price	122.74	105.27	110.03
Lowest price	97.76	71.66	69.89
Net revenue per accumulation share	0.59	-	-

Global Dynamic Fund 'R' Class (Net accumulation shares)[4]

Calendar year	2013†	2012	2011
Highest price	121.51	-	-
Lowest price	100.00	-	-
Net revenue per accumulation share	1.26	-	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per accumulation share	-	-	-

Global Dynamic Fund 'S' Class (Net accumulation shares)[2]

Calendar year	2013†	2012	2011
Highest price	168.16	136.30	136.42
Lowest price	137.63	118.72	104.61
Net revenue per accumulation share	2.93	2.28	1.70
	2010	2009	2008
Highest price	126.06	107.10	110.21
Lowest price	99.94	72.33	70.39
Net revenue per accumulation share	1.53	1.85	-

High and low prices are quoted at mid valuation.
*Share class numbers quoted in US cents

†Up to 31 August 2013
[1]From 1 February 2008 (previously known as Global Technology Fund)
[2]Launched on 3 March 2008
[3]Launched on 8 May 2012
[4]Launched on 2 January 2013

Performance record

For the six months ending 31 August 2013, the value of the 'A' shares of the Fund returned 2.9%*. Over the same period the MSCI All Countries World Net Return Index returned 2.1% and IMA Global sector returned 3.3%.**

The consumers sector made the largest contribution to performance over the period, primarily due to stock selection. A number of our holdings within the healthcare equipment & services and pharmaceuticals biotechnology & life sciences sectors performed well. Pharmaceutical companies Mylan and Valeant Pharmaceutical International were among the best performing stocks in the Fund, making good gains over the period. Valeant Pharmaceutical International, based in Canada benefited from its acquisition of eyecare company Baush and Lomb which was completed in August, adding to its strong track record of successfully integrating acquired companies in a more efficient, decentralised structure with a low tax rate. Global health services company, Cigna Corporation also performed strongly on the back of better-than-expected earnings growth while the company's growth strategy continues to give Cigna an edge over its competitors. US-based pharmaceutical company, AmerisourceBergen also added to returns over the period after a good run boosted its stock valuation. We sold the stock over the period.

There was also a positive contribution from the financials sector over the period, with gains in the diversified financials and real estate sectors more than offsetting the negative contribution from bank holdings. Brazilian bank, Itau Unibanco, detracted from returns as performance was negatively impacted by civil unrest in the country. Meanwhile Thai commercial bank, Bangkok Bank underperformed as downward revisions to the country's GDP outlook prompted a reduction in corporate loan growth expectations.

On the positive side, global insurance provider MetLife was one of the standout performers over the period with fears about shareholder returns eased by the decision to raise the company's dividend during the second quarter. Rising long-term market interest rates also helped to support investment returns for US life insurers. Equally, US ratings agency Moody's posted impressive returns over the period, underscoring the company's sound business model while changing regulatory standards continue to increase demand for risk management tools by banks and insurers.

In technology the gains within the software and services sector more than offset the negative contribution from the semiconductors and semiconductor equipment sector. This was partly due to our holding in Latin American e-commerce and online auction website, MercadoLibre which posted better-than-expected results over the period and also partly due to the good returns made on our holding of Amadeus IT. The information technology (IT) solutions provider for the travel and tourism industry has profited from expanding into new markets such as airport, hotel and rail IT. We sold MercadoLibre after it moved above our original target price.

Elsewhere, the telecommunications & utilities sector underperformed. The worst performing stock over the period was Brazilian utility, Companhia de Saneamento Basico do Estado de Sao Paulo. Civil unrest in the country has led to political pressure on regulated utility companies to waive or resist passing on potential tariff increases, which has raised uncertainty about pricing power and weighed on the company's stock valuations. Telecommunications company, Vodafone Group also dragged on performance. This was somewhat offset by the positive contribution from Tokyo-based fixed line and mobile businesses operator, KDDI which profited from significant operational improvements and a solid capital structure.

Significant purchases (2% of Net Asset Value and above or minimum 5 holdings) during the period comprised:

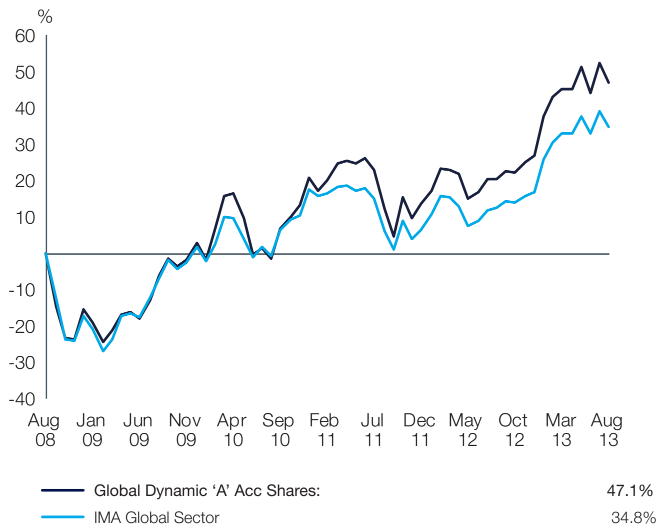
Itau Unibanco, Mylan, Taiwan Semiconductor Manufacturing, DNB, Publicis

Significant sales (2% of Net Asset Value and above or minimum 5 holdings) during the period comprised:

MercadoLibre, AmerisourceBergen, Credit Saison, UnitedHealth, Henry Schein

*Source: Lipper, total return, net of UK basic rate tax, no initial charge, net of fees in sterling.
**Index and IMA sector shown for performance comparison purposes only.

5 year performance (%)



Past performance will not necessarily be repeated.
Source: Lipper, 29.08.08 to 30.08.13, total return net of UK basic tax rate, no initial charges, net of fees, in sterling.
IMA sector shown for performance comparison purposes only.

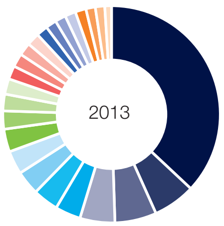
Portfolio analysis

Top 10 holdings (%)

Security	31.08.13
JPMorgan Chase	2.1
Fiserv	2.1
CBS	2.1
LyondellBasell Industries	2.0
Dun & Bradstreet	2.0
Cigna	2.0
Hutchison Whampoa	2.0
Cie Financiere Richemont	2.0
Goldman Sachs	1.9
Molson Coors Brewing	1.9

Security	28.02.13
HeidelbergCement	2.0
Bangkok Bank	2.0
Weir	2.0
CBS	2.0
Cia de Saneamento Basico do Estado de Sao Paulo	2.0
JPMorgan Chase	2.0
AmerisourceBergen	1.9
Valeant Pharmaceuticals	1.9
AIA Group	1.9
Nissan Motor	1.9

Geographical split (%)



	31.08.13	28.02.13
United States	37.0	35.1
Germany	6.3	5.5
United Kingdom	6.2	3.6
Japan	5.2	5.4
Hong Kong	3.8	3.7
Switzerland	3.8	5.3
France	3.6	1.7
Norway	3.5	1.8
Australia	3.4	3.6
China	2.7	3.3
Brazil	2.5	2.0
Net other assets	2.3	4.5
Netherlands	2.0	1.7
Spain	2.0	1.8
Israel	1.9	1.8
Canada	1.9	1.9
Taiwan	1.7	-
South Korea	1.6	1.8
Belgium	1.6	1.7
Italy	1.6	-
Sweden	1.6	1.8
Mexico	1.4	1.9
Thailand	1.4	2.0
Cayman Islands	1.0	0.8
Argentina	-	1.7
South Africa	-	1.6
Russia	-	1.6
India	-	1.6
Luxembourg	-	0.8

Outlook

Market commentators remain fully focused on the consequences of the US Federal Reserve's possible reduction of its bond buying programme (introduced to help stimulate the economy), and the effects of higher interest rates on emerging markets. Against this backdrop it is worth taking a step back to look at global corporate operating performance. The second-quarter earnings season showed initial signs of improving demand, with better-than-expected performance from the majority of companies that have so far reported results.

However, the trend is not widespread and has yet to be seen in the emerging market countries, though the rate of decline in earnings expectations in this area has slowed. As a result, we are seeing a majority of upgrades to earnings estimates for 2013. This represents a change. Since the global financial crisis, corporate earnings have mainly been driven by cost-cutting measures to balance a constrained revenue environment. More typically, companies respond to a better sales environment by increasing spending rather than cutting costs. With corporate balance sheets weighed down with return-suppressing cash piles, higher spending through new plant and machinery or acquisitions should see return on equity pushed higher as surplus cash is drained.

We believe the nature of market cycles should mean that, at some point, enthusiasm could become excessive. However, this seems some distance away as capital markets have not fully normalised and risk appetite remains broadly subdued.

We continue to take the view that global markets offer value, particularly certain emerging markets, Europe and the typically less defensive sectors such as resources and financials. We consider improving corporate operating performance to be the results catalyst for investors.

The outlook statement reflects the views of the output from our 4Factor process and is therefore similar to that of the Investec Global Equity Fund.

The opinions expressed herein are as at September 2013.

Risk and Reward profile*

Lower risk
Potentially lower rewards

Higher risk
Potentially higher rewards

1 2 3 4 5 **6** 7

This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears at the higher end of the Risk and Reward Indicator scale. This is because it invests in the shares of companies whose values tend to fluctuate more widely.

The following risks may not be fully captured by the Risk and Reward Indicator:

- Some of the countries in which the Fund invests have less developed political, economic and legal systems. These markets carry a higher than average risk of investment and the Fund may have problems or delays in getting its investments back.
- The Fund invests in a smaller than average number of holdings relative to a typical fund. This may lead to the Fund's returns fluctuating more widely than those of other more broadly invested funds.
- Changes between the values of different international currencies may adversely affect the value of the Fund's investments and any related income.

The Risk and Reward profile is taken from the Key Investor Information Document.

The full list of the Fund's risks are contained in Appendix VII of the Investec Funds Series iii Prospectus.

*Please note that the Risk and Reward profile section is based on sterling 'A' class accumulation shares.

Report and Accounts

Please contact Investec Fund Managers Limited for long form report and accounts of the OEIC.

Other information

After consultation with the Depositary and in accordance with the requirements of Section 4.3 of the COLL, shareholders were given notice of the following:

- On 31 January 2013 notice that the ACD may redeem shareholdings below £20 in value (or an equivalent amount in the currency of the share class and not denominated in sterling) and pay the proceeds to a registered charity of its choice.
- On 31 July 2013 of the removal of publication of fund share prices from the Financial Times, effective 1 December 2013.

There have been no fundamental changes to the Company or the Fund that required shareholder approval or any other significant changes to the operation of the Company or Fund requiring pre-notification.

Share class conversion

For share class conversions within the same Fund it may be necessary, at the discretion of the ACD and only when it is in the interests of shareholders for accounting purposes to do so, defer the completion of such conversions to a subsequent valuation point or ultimately to the valuation point immediately following the end of the relevant Fund's accounting period. If such a deferral is required, the ACD will notify the Shareholder requesting the conversion as soon as practicable and will discuss with the Shareholder the timing for the completion of the conversion.

Reduction of the General Administration Charge (GAC)

The GAC was reduced from 0.09% to 0.08%, effective 1 April 2013.

More information about the activities and performance of the Fund for this and previous periods can be obtained from the ACD.

Global Equity Fund

MORNINGSTAR obsr Bronze

Summary of the Fund's investment objective and policy

The Fund aims to grow the value of your investment over the long term.

The Fund invests primarily in the shares of companies in the larger, more liquid (easier to deal in) markets of the USA, continental Europe, UK and Japan, and in related derivatives (financial contracts whose value is linked to the price of an underlying asset).

The Investment Manager is free to choose how the Fund is invested. However, the MSCI All Countries World Net Return Index is currently taken into account when the Fund's investments are selected.

Full details on this Fund's investment objective and policy can be found in the Prospectus.

Fund facts

Semi-Annual/Annual accounting dates	Income payment dates
31 August, 28/29 February	30 April

Share class	Ongoing charges as per Key Investor Information Document (%) 2013	2012
'A' Class - accumulation	1.64	1.64
'A' Class - accumulation USD	1.64	1.64
'I' Class - accumulation	0.89	0.89
'I' Class - accumulation (USD)**	0.87	n/a
'R' Class - accumulation**	1.14	n/a
'S' Class - income	0.14	0.14
'S' Class - accumulation	0.14	0.14

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund and is based on the expenses of the Fund's Annual Report and Accounts.

**The OCF shown here is an estimate of the charges, as the share class was only recently launched.

The Fund's Annual Report and Accounts for each financial year will include details on the exact charges made.

For more information about charges, please see section 7 of the Investec Fund Series iii Prospectus.

Summary

Distributions

Share class	Distributions as at 31.08.13	Distributions as at 31.08.12
'A' Class - accumulation	-	-
'A' Class - accumulation (USD)	-	-
'I' Class - accumulation	-	-
'I' Class - accumulation (USD)	-	-
'R' Class - accumulation	-	-
'S' Class - income	-	-
'S' Class - accumulation	-	-

Performance

Share class	Net Asset Value as at 31.08.13	Net Asset Value as at 28.02.13
'A' Class - accumulation	97.04p	94.02p
'A' Class - accumulation (USD)	150.62c	142.93c
'I' Class - accumulation	1,337.78p	1,290.16p
'I' Class - accumulation (USD)‡	98.43c	-
'R' Class - accumulation	115.37p	111.43p
'S' Class - accumulation	102.42p	98.42p
'S' Class - income	95.59p	91.87p

p=pence, c=cent (USD)

‡ Launched on 30 July 2013

Share price range

Global Equity Fund 'A' Class (Net accumulation shares)

Calendar year	2013†	2012	2011
Highest price	102.72	84.99	86.17
Lowest price	84.44	74.80	67.15
Net revenue per accumulation share	0.39	0.30	0.10
	2010	2009	2008
Highest price	81.76	70.56	79.31
Lowest price	65.80	47.58	47.71
Net revenue per accumulation share	0.39	0.45	-

Global Equity Fund 'A' Class (Net USD accumulation shares)*2

Calendar year	2013†	2012	2011
Highest price	156.14	136.60	-
Lowest price	137.68	116.69	-
Net revenue per accumulation share	0.70	-	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per accumulation share	-	-	-

Global Equity Fund 'I' Class (Net accumulation shares)

Calendar year	2013†	2012	2011
Highest price	1,414.07	1,157.09	1,167.02
Lowest price	1,157.21	1,019.80	911.13
Net revenue per accumulation share	14.57	11.89	6.05
	2010	2009	2008
Highest price	1,103.66	950.93	1,059.29
Lowest price	886.08	637.31	639.44
Net revenue per accumulation share	8.62	11.52	6.35

Global Equity Fund 'I' Class (Net USD accumulation shares)[4]

Calendar year	2013†	2012	2011
Highest price	102.01	-	-
Lowest price	97.88	-	-
Net revenue per accumulation share	-	-	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per accumulation share	-	-	-

Global Equity Fund 'R' Class (Net accumulation shares)[3]

Calendar year	2013†	2012	2011
Highest price	122.07	-	-
Lowest price	100.00	-	-
Net revenue per accumulation share	1.95	-	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per accumulation share	-	-	-

Global Equity Fund 'S' Class (Net accumulation shares)[1]

Calendar year	2013†	2012	2011
Highest price	108.23	87.64	87.93
Lowest price	88.18	77.35	68.78
Net revenue per accumulation share	1.75	1.50	1.21
	2010	2009	2008
Highest price	82.76	70.66	-
Lowest price	66.13	53.32	-
Net revenue per accumulation share	1.14	-	-

Global Equity Fund 'S' Class (Net income shares)

Calendar year	2013†	2012	2011
Highest price	101.01	83.29	85.05
Lowest price	83.77	73.51	66.53
Net revenue per income share	1.64	1.45	1.21
	2010	2009	2008
Highest price	81.30	70.57	96.32
Lowest price	72.28	47.01	56.99
Net revenue per income share	1.16	1.41	1.11

High and low prices are quoted at mid valuation.
*Share class numbers quoted in US cents

†Up to 31 August 2013
[1]Launched on 9 November 2009
[2]Launched on 8 May 2012
[3]Launched on 2 January 2013
[4]Launched on 30 July 2013

Performance record

For the six months ending 31 August 2013, the value of the 'A' shares of the Fund returned 3.3%*. Over the same period the MSCI All Countries World Net Return Index returned 2.1% and IMA Global sector returned 3.3%.**

The consumers sector made the largest contribution to performance over the period, primarily due to stock selection. A number of our holdings within the healthcare equipment & services and household and personal products sectors performed well. In particular, US skincare group, Nu Skin Enterprises posted impressive returns as the company continued to deliver strong results driven by improving growth in the Chinese market. Pharmaceutical companies Jazz Pharmaceuticals and Valeant Pharmaceutical International made good gains over the period. Valeant, based in Canada benefited from its acquisition of eyecare company Baush and Lomb which was completed in August, adding to its strong track record of successfully integrating acquired companies in a more efficient, decentralised structure with a low tax rate. Global health services company, Cigna Corporation also performed strongly on the back of better-than-expected earnings growth while the company's growth strategy continues to give Cigna an edge over its competitors.

There was also a positive contribution from the financials sector over the period with gains in the diversified financials and insurance sectors more than offsetting the negative contribution from bank holdings. Brazilian banks Itau Unibanco and Banco do Brasil both detracted from returns with stock performance negatively impacted by civil unrest in the country. On the positive side, ING Groep's returns were boosted by improving margins and the successful initial public offering in shares of its US business, while rising long-term market interest rates helped to support investment returns in the company's life insurance business. By the same logic, US life insurer Lincoln National also performed well. Meanwhile, the outperformance of US ratings agency Moody's over the period underscored the company's sound business model, while changing regulatory standards favours demand for risk management tools by banks and insurers.

The services sector was the largest detractor from returns with retail, media and automobile stocks broadly underperforming. ValueClick, a US-based online advertiser came under pressure after second-quarter earnings disappointed market expectations. The poor results prompted downgrades to the company's outlook. Within the automobiles sector, holding Chinese state-owned auto manufacturer, Dongfeng Motor Group and not holding Japanese automaker, Toyota Motor detracted from performance.

Elsewhere, the telecommunications & utilities sector underperformed. The worst performing stock over the period was Brazilian utility, Companhia de Saneamento Basico do Estado de Sao Paulo. Civil unrest in the country has led to political pressure on regulated utility companies to waive or resist passing on potential tariff increases, which has raised uncertainty about pricing power and weighed on the company's stock valuations. Telecommunications companies, Telefonica Brazil and Vodafone Group also dragged on performance. This was somewhat offset by the positive contribution from Tokyo-based fixed line and mobile businesses operator, KDDI which profited from significant operational improvements and a solid capital structure.

Significant purchases (2% of Net Asset Value and above or minimum 5 holdings) during the period comprised:

Sumitomo Mitsui Financial, Allianz, Itau Unibanco, St Jude Medical, Dongfeng Motor

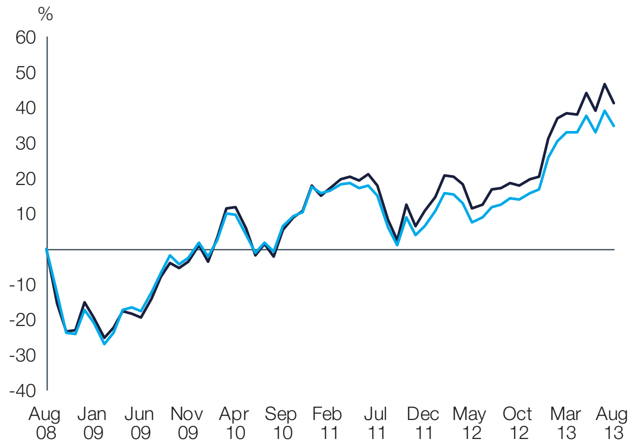
Significant sales (2% of Net Asset Value and above or minimum 5 holdings) during the period comprised:

Oracle, Diageo, Capital One Financial, Total, Standard Chartered

*Source: Lipper, total return, net of UK basic rate tax, no initial charge, net of fees in sterling.

**Index and IMA sector shown for performance comparison purposes only.

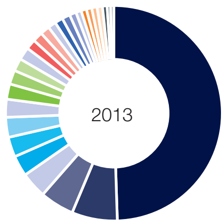
5 year performance graph (%)



Global Equity Fund 'A' Acc Shares:	41.5%
IMA Global Sector:	34.8%

Past performance will not necessarily be repeated.
Source: Lipper, 29.08.08 to 30.08.13, total return net of UK basic tax rate, no initial charges, net of fees, in sterling.
IMA sector shown for performance comparison purposes only.

Geographical split (%)



	31.08.13	28.02.13
United States	49.5	50.0
Japan	6.8	4.3
Switzerland	5.1	5.3
Germany	3.9	3.3
China	3.1	2.6
Netherlands	3.0	1.8
Hong Kong	3.0	3.1
France	2.7	3.7
Norway	2.3	2.3
South Korea	2.1	2.0
Australia	1.9	1.9
Brazil	1.9	2.0
Ireland	1.5	-
United Kingdom	1.5	4.2
Russia	1.4	2.2
Israel	1.2	1.3
Taiwan	1.2	0.8
Bermuda	1.2	1.4
Canada	1.0	0.7
Belgium	0.8	0.9
Sweden	0.8	0.9
Jersey	0.8	0.7
Malaysia	0.8	0.8
Net other assets	0.8	0.2
Spain	0.7	0.6
Italy	0.5	-
Austria	0.5	0.4
South Africa	-	1.0
Thailand	-	0.7
Singapore	-	0.5
India	-	0.4

Portfolio analysis

Top 10 holdings (%)

Security	31.08.13
Chevron	1.8
JPMorgan Chase	1.6
Pfizer	1.5
Occidental Petroleum	1.5
Microsoft	1.4
Nestlé	1.3
Citigroup	1.3
Novartis	1.3
ING	1.3
Verizon Communications	1.2

Security	28.02.13
Chevron	1.8
JPMorgan Chase	1.6
Pfizer	1.6
Samsung Electronics	1.5
Oracle	1.5
Nestlé	1.5
Occidental Petroleum	1.5
Citigroup	1.4
Valero Energy	1.4
Verizon Communications	1.3

Outlook

Market commentators remain fully focused on the consequences of the US Federal Reserve's possible reduction of its bond buying programme (introduced to help stimulate the economy), and the effects of higher interest rates on emerging markets. Against this backdrop it is worth taking a step back to look at global corporate operating performance. The second-quarter earnings season showed initial signs of improving demand, with better-than-expected performance from the majority of companies that have so far reported results.

However, the trend is not widespread and has yet to be seen in the emerging market countries, though the rate of decline in earnings expectations in this area has slowed. As a result, we are seeing a majority of upgrades to earnings estimates for 2013. This represents a change. Since the global financial crisis, corporate earnings have mainly been driven by cost-cutting measures to balance a constrained revenue environment. More typically, companies respond to a better sales environment by increasing spending rather than cutting costs. With corporate balance sheets weighed down with return-suppressing cash piles, higher spending through new plant and machinery or acquisitions should see return on equity pushed higher as surplus cash is drained.

We believe the nature of market cycles should mean that, at some point, enthusiasm could become excessive. However, this seems some distance away as capital markets have not fully normalised and risk appetite remains broadly subdued.

We continue to take the view that global markets offer value, particularly certain emerging markets, Europe and the typically less defensive sectors such as resources and financials. We consider improving corporate operating performance to be the results catalyst for investors.

The outlook statement reflects the views of the output from our 4Factor process and is therefore similar to that of the Investec Global Dynamic Fund.

The opinions expressed herein are as at September 2013.

Risk and Reward profile*

Lower risk
Potentially lower rewards

Higher risk
Potentially higher rewards

1 2 3 4 5 6 7

This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears at the higher end of the Risk and Reward Indicator scale. This is because it invests in the shares of companies whose values tend to fluctuate more widely.

The following risks may not be fully captured by the Risk and Reward Indicator:

- Changes between the values of different international currencies may adversely affect the value of the Fund's investments and any related income.

The Risk and Reward profile is taken from the Key Investor Information Document.

The full list of the Fund's risks are contained in Appendix VII of the Investec Funds Series iii Prospectus.

*Please note that the Risk and Reward profile section is based on sterling 'A' class accumulation shares.

Report and Accounts

Please contact Investec Fund Managers Limited for long form report and accounts of the OEIC.

Other information

After consultation with the Depositary and in accordance with the requirements of Section 4.3 of the COLL, shareholders were given notice of the following:

- On 31 January 2013 notice that the ACD may redeem shareholdings below £20 in value (or an equivalent amount in the currency of the share class and not denominated in sterling) and pay the proceeds to a registered charity of its choice.
- On 31 July 2013 of the removal of publication of fund share prices from the Financial Times, effective 1 December 2013.

Changes during the accounting period:

- Global Equity, I Accumulation Net, USD share class was launched on 30 July 2013.

There have been no fundamental changes to the Company or the Fund that required shareholder approval or any other significant changes to the operation of the Company or Fund requiring pre-notification.

Share class conversion

For share class conversions within the same Fund it may be necessary, at the discretion of the ACD and only when it is in the interests of shareholders for accounting purposes to do so, defer the completion of such conversions to a subsequent valuation point or ultimately to the valuation point immediately following the end of the relevant Fund's accounting period. If such a deferral is required, the ACD will notify the Shareholder requesting the conversion as soon as practicable and will discuss with the Shareholder the timing for the completion of the conversion.

Reduction of the General Administration Charge (GAC)

The GAC was reduced from 0.09% to 0.08%, effective 1 April 2013.

More information about the activities and performance of the Fund for this and previous periods can be obtained from the ACD.

Global Gold Fund

Summary of the Fund's investment objective and policy

The Fund aims to grow the value of your investment over the long term.

The Fund invests around the world primarily in the shares of companies involved in gold mining and in related derivatives (financial contracts whose value is linked to the price of an underlying asset).

The Fund may also invest up to one-third of its value in the shares of companies involved in the mining of other precious metals, minerals and non-precious metals.

The Investment Manager is free to choose how the Fund is invested and does not manage it with reference to an index.

Full details on this Fund's investment objective and policy can be found in the Prospectus.

Fund facts

Semi-Annual/Annual accounting dates	Income payment dates
31 August, 28/29 February	30 April

Share class	Ongoing charges as per Key Investor Information Document (%) 2013	2012
'A' Class - accumulation*	1.62	1.61
'A' Class - accumulation USD*	1.62	1.61
'I' Class - accumulation*	0.87	0.86
'R' Class - accumulation**	1.12	n/a
'S' Class - accumulation*	0.12	0.11

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund and is based on the expenses of the Fund's Annual Report and Accounts.

*The OCF shown here is an estimate of the charges, as there was a small change in the level of the costs since the annual accounts were published.

**The OCF shown here is an estimate of the charges, as the share class was only recently launched.

The Fund's Annual Report and Accounts for each financial year will include details on the exact charges made.

For more information about charges, please see section 7 of the Investec Fund Series iii Prospectus.

Summary

Distributions

Share class	Distributions as at 31.08.13	Distributions as at 31.08.12
'A' Class - accumulation	-	-
'A' Class - accumulation USD	-	-
'I' Class - accumulation	-	-
'R' Class - accumulation	-	-
'S' Class - accumulation	-	-

Performance

Share class	Net Asset Value as at 31.08.13	Net Asset Value as at 28.02.13
'A' Class - accumulation	120.85p	153.41p
'A' Class - accumulation USD	187.26c	233.05c
'I' Class - accumulation	113.73p	143.83p
'R' Class - accumulation	71.43p	90.32p
'S' Class - accumulation	119.98p	151.19p

p=pence, c=cents (USD)

Share price range

Global Gold Fund 'A' Class (Net accumulation shares)

Calendar year	2013†	2012	2011
Highest price	172.07	213.10	239.36
Lowest price	96.76	142.89	184.90
Net revenue per accumulation share	-	-	-
	2010	2009	2008
Highest price	244.51	172.99	165.13
Lowest price	140.97	96.70	62.38
Net revenue per accumulation share	-	-	-

Global Gold Fund 'A' Class (Net USD accumulation shares)*[1]

Calendar year	2013†	2012†	2011
Highest price	276.97	313.45	-
Lowest price	147.83	227.37	-
Net revenue per accumulation share	-	-	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per accumulation share	-	-	-

Global Gold Fund 'I' Class (Net accumulation shares)

Calendar year	2013†	2012	2011
Highest price	161.21	198.20	220.92
Lowest price	90.93	133.19	171.82
Net revenue per accumulation share	0.14	-	-
	2010	2009	2008
Highest price	225.58	158.81	150.24
Lowest price	129.53	88.37	56.95
Net revenue per accumulation share	-	-	-

Global Gold Fund 'R' Class (Net accumulation shares)[2]

Calendar year	2013†	2012	2011
Highest price	101.24	-	-
Lowest price	57.07	-	-
Net revenue per accumulation share	-	-	-
	2010	2009	2008
Highest price	-	-	-
Lowest price	-	-	-
Net revenue per accumulation share	-	-	-

Global Gold Fund 'S' Class (Net accumulation shares)

Calendar year	2013†	2012	2011
Highest price	169.34	206.68	229.26
Lowest price	95.79	139.19	179.00
Net revenue per accumulation share	1.41	1.45	0.78
	2010	2009	2008
Highest price	233.05	162.40	151.19
Lowest price	132.69	89.61	57.63
Net revenue per accumulation share	-	-	-

High and low prices are quoted at mid valuation.
*Share class numbers quoted in US cents

†Up to 31 August 2013
[1]Launched on 8 May 2012
[2]Launched on 2 January 2013

Performance record

TheFor the six months ending 31 August 2013, the 'A' shares of the Fund fell by 21.2%*. Over the same period, the HSBC Global Gold CR Index fell by 27.0%**.

Gold suffered a protracted period of weakness in 2013. A heavy sell-off in gold and silver occurred in April 2013, largely driven by macro hedge funds betting against gold prices and large gold exchange-traded commodities (ETC) liquidations. These falls triggered further automatic sales (a measure employed to control risk), when gold prices fell below pre-determined levels, which had a compounding effect on price at a time when central banks and other buyers were absent from the market. Gold then suffered a second sell-off in June following the hawkish tone of the US Federal Open Market Committee (FOMC) meeting as speculation increased that quantitative easing (which had helped support the gold price) will be reduced.

Consumer demand for gold remained strong, even in India which has introduced measures to curb demand for gold, such as raising the import duty to 10% and introducing quotas on importers. Similarly negative sentiment, which drove gold down, was reversed ahead of the September FOMC meeting and as a potential military strike in Syria drove investors to the 'safe haven' status of gold. Outflows from gold ETCs slowed in July and August to 62.8 million ounces, after falling 25% from peak levels in December 2012. US Commodity Futures Trading Commission (CFTC) data showed after hitting a five-year low in July, prices displayed signs of recovery.

During this time of falling gold prices, gold producers' operating margins were squeezed and the significant increase in their costs of production over the past decade caused operating losses and asset values to be reduced. Focus is now on cost reduction measures such as reducing components of general and administrative expenses, high grading the portfolio (focusing output and capital flow on the more efficient, lower cost production options) and reducing excess employees and contractors. This is occurring at a time of inflated energy prices, which account for approximately 50% of costs. Higher costs have forced companies with high levels of debt to either improve costs or shut down operations.

Significant purchases (2% of Net Asset Value and above or minimum 5 holdings) during the period comprised:

Agnico Eagle Mines, Barrick Gold, Silver Wheaton, Koza Altin, Polymetal International.

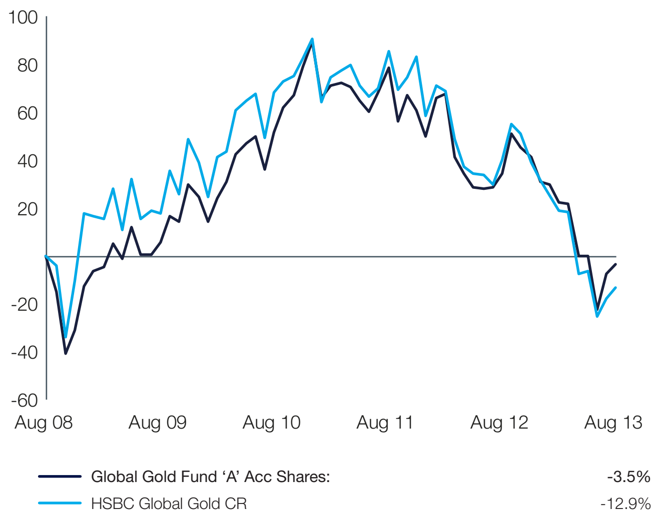
Significant sales (2% of Net Asset Value and above or minimum 5 holdings) during the period comprised:

Barrick Gold, Yamana Gold, Goldcorp, Silver Wheaton, Newmont Mining, Newcrest Mining, AngloGold Ashanti.

During the period, our underweight position in Barrick Gold, Newcrest Mining, Anglogold Ashanti and Goldfields was beneficial relative to the index as these equities suffered due to their high cost operations. Sector heavyweight Barrick Gold was especially hard hit as it ceased an expansion which would have replenished its falling reserve profile and as it became a vehicle through which investors could bet against the sector, given its ample liquidity. Our selective exposure to companies with strong margins and their ability to trim capital expenditure contributed to performance relative to the index. Holdings in Randgold Resources, Franco-Nevada, Polymetal International, Pan African Resources and New Gold were all positive contributors. Relative outperformance also came from our gold, platinum and palladium ETC positions which suffered less than equities at lower volatility (fluctuations in value). Palladium outperformed its precious metal peers over the period as Russian exports declined, South African supply remained vulnerable to industrial unrest and signs of a pickup in US and Chinese automobile demand emerged.

*Source: Lipper, total return, net of UK basic tax rate, no initial charge, net of fees in sterling.
**Index shown for performance comparison purposes only. The Fund is in the IMA Specialist sector but the constituent funds in this sector are considered to be too diverse for a meaningful comparison to be made.

5 year performance graph (%)



Past performance will not necessarily be repeated.
Source: Lipper, 31.08.08 to 31.08.13. Total return net of UK basic rate tax, no initial charges, net of fees, in sterling.
Index is shown for performance comparison purposes only.

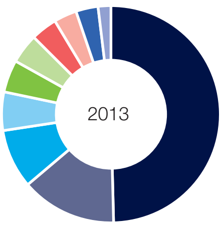
Portfolio analysis

Top 10 holdings (%)

Security	31.08.13
Randgold Resources	9.5
Goldcorp	9.3
New Gold	7.7
Yamana Gold	6.5
Franco-Nevada	4.8
Barrick Gold	4.6
NewGold Issuer	4.6
Source Physical Markets Gold P-ETC	4.5
Eldorado Gold	4.5
Fresnillo	4.4

Security	28.02.13
Yamana Gold	10.0
Goldcorp	9.7
Randgold Resources	7.8
New Gold	7.1
Franco-Nevada	5.2
Barrick Gold	4.9
Eldorado Gold	4.4
Source Physical Markets Gold P-ETC	4.0
NewGold Issuer	3.8
Fresnillo	3.6

Geographical split (%)



	31.08.13	28.02.13
Canada	49.6	51.7
Jersey	14.2	11.6
Ireland	8.8	6.5
South Africa	5.7	7.9
Net other assets	4.8	2.8
Mexico	4.4	3.6
Australia	3.9	5.7
United Kingdom	3.4	3.2
Russia	3.3	2.1
Turkey	1.9	-
China	-	2.5
United States	-	2.4

Outlook

In the first five months of the reporting period, gold endured a period of sustained weakness largely on the back of heavy outflows from global gold ETCs. Moreover, while Chinese physical demand for gold has held up, India's Reserve Bank acted to curb demand through higher import duties and sales restrictions. After rallying to highs of $1,794 per ounce (oz) earlier in the year, the gold price has been on a steady downward trajectory. However, towards the end of the period we witnessed somewhat of a turnaround as the escalation of the Syrian conflict and threat of Western intervention led gold to regain its appeal as a 'safe haven' asset, closing the period at $1,395/oz.

On a broader view, it appears gold is no longer trading as a currency, but rather as a regular commodity from a supply and demand perspective. It is clearly in oversupply as investment selling cannot be absorbed by physical buying from consumers or central banks. This trend is likely to persist until a large central bank steps in and makes a meaningful purchase or economic data out of the US disappoints. We believe the latter is likely over the next six to twelve months, as fiscal tightening takes hold and the transition to a slower rate of monetary easing proves a drag on underlying economic activity.

The opinions expressed herein are as at September 2013.

Risk and Reward profile*

Lower risk
Potentially lower rewards

Higher risk
Potentially higher rewards

1 2 3 4 5 6 **7**

This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears at the higher end of the Risk and Reward Indicator scale. This is because it invests in the shares of companies whose values tend to fluctuate more widely.

The following risks may not be fully captured by the Risk and Reward Indicator:

- The Fund invests in a narrow range of investments and specialised sectors. This may lead to its returns fluctuating more widely than those of more broadly invested funds. It may also mean that there are times when the value of the Fund decreases even while more broadly invested funds are growing.
- It may not be possible to sell smaller company shares as easily as those of larger companies. This could mean that their value fluctuates more widely and that the price obtained for these investments when they are sold is less than expected.

The Risk and Reward profile is taken from the Key Investor Information Document.

The full list of the Fund's risks are contained in Appendix VII of the Investec Funds Series iii Prospectus.

* Please note that the Risk and Reward profile section is based on sterling 'A' class accumulation shares.

Report and Accounts

Please contact Investec Fund Managers Limited for long form report and accounts of the OEIC.

Other information

After consultation with the Depositary and in accordance with the requirements of Section 4.3 of the COLL, shareholders were given notice of the following:

- On 31 January 2013 notice that the ACD may redeem shareholdings below £20 in value (or an equivalent amount in the currency of the share class and not denominated in sterling) and pay the proceeds to a registered charity of its choice.
- On 31 July 2013 of the removal of publication of fund share prices from the Financial Times, effective 1 December 2013.

There have been no fundamental changes to the Company or the Fund that required shareholder approval or any other significant changes to the operation of the Company or Fund requiring pre-notification.

Share class conversion

For share class conversions within the same Fund it may be necessary, at the discretion of the ACD and only when it is in the interests of shareholders for accounting purposes to do so, defer the completion of such conversions to a subsequent valuation point or ultimately to the valuation point immediately following the end of the relevant Fund's accounting period. If such a deferral is required, the ACD will notify the Shareholder requesting the conversion as soon as practicable and will discuss with the Shareholder the timing for the completion of the conversion.

Reduction of the General Administration Charge (GAC)

The GAC was reduced from 0.09% to 0.08%, effective 1 April 2013.

More information about the activities and performance of the Fund for this and previous periods can be obtained from the ACD.

Other information

ISA status

During the period under review, all of the shares of the funds met the requirements for eligibility to be held in a stocks and shares ISA as determined by the regulations which govern ISAs.

Investec Fund Managers Limited offer the 'A' shares of the funds through its own ISA plan.

Distributions

Where a distribution is to be paid, it has been calculated as at 31 August 2013 and will be distributed to shareholders, where applicable, on 31 October 2013.

For accumulation shares payments are deemed to be paid on 31 October 2013.

Ratings

Provided as at 31.08.13. Fund ratings may be provided by independent rating agencies based on a range of investment criteria. For a full description of the ratings please see www.investecassetmanagement.com/ratings.

Telephone calls

Telephone calls may be recorded for training and quality assurance purposes.

Registration in overseas markets

	Chile	Peru	Switzerland	UK
Emerging Markets Local Currency Debt Fund	✓	✓	✓	✓
Global Bond Fund			✓	✓
Global Dynamic Fund			✓	✓
Global Equity Fund			✓	✓
Global Gold Fund			✓	✓

Notes: Chile and Peru to be distributed to AFP (Pension Funds) only.

The Company's Prospectus, Key Investor Information Documents, Instrument of Incorporation, annual and semi annual accounts may be obtained, free of charge, from Investec Fund Managers Limited or, in Switzerland, from the Swiss Representative and Paying Agent, RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Badenerstrasse 567, PO Box 101, CH-8066 Zurich.

A copy of the full portfolio changes during the period under review is available free of charge from the Swiss Representative.

Authorised Corporate Director (ACD)

Investec Fund Managers Limited

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Freephone	0800 389 2299
Email	enquiries@investecmail.com
Indicator	online valuation service www.investecassetmanagement.com
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Investment Advisor

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Fund Administrator

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Independent Auditors

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Issued by Investec Fund Managers Limited, October 2013.
Authorised and regulated by the Financial Conduct Authority.

15005 - 09/13

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Asset Management