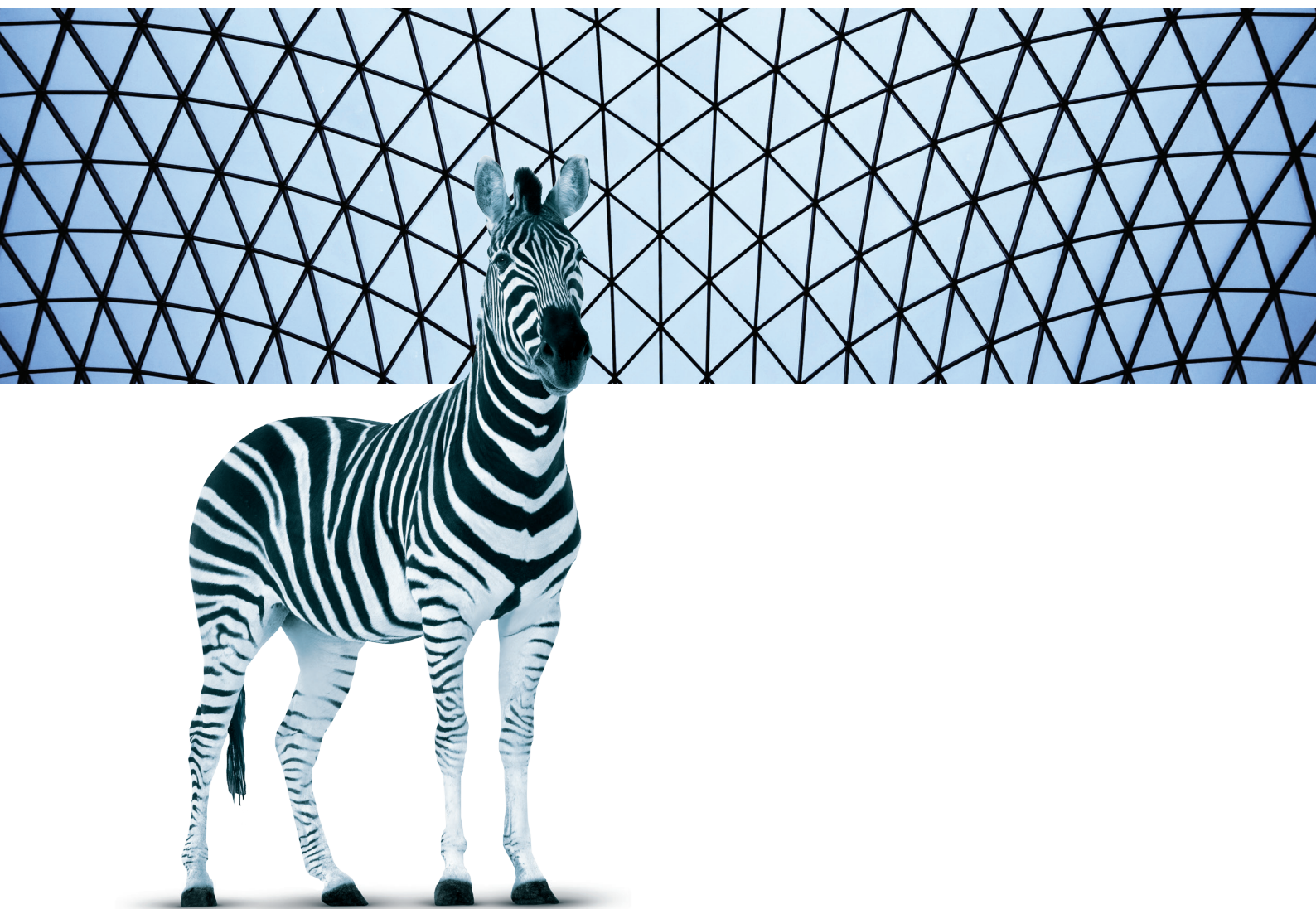


Investec Funds Series i *A UK based Investment Company*

Annual short report | For the period ended 30 September 2013



Out of the Ordinary®

 **Investec**
Asset Management

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Investec Funds Series i

Short report for the year ended 30 September 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.

Annual short report

The short report for Investec Funds Series i is sent to you twice a year in May and November. 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 individual fund. 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 are available online at www.investecassetmanagement.com

If you hold shares in any of the sub-funds in Investec Funds Series ii, Investec Funds Series iii 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 ii February 2014

American Fund
Asia ex Japan Fund
Global Energy Fund
Global Free Enterprise Fund
Monthly High Income Fund

Investec Funds Series iii April 2014

Emerging Markets Local Currency Debt Fund
Global Bond Fund
Global Dynamic Fund
Global Equity Fund
Global Gold Fund

Investec Funds Series iv January 2014

Capital Accumulator Fund
Diversified Growth Fund
Emerging Markets Blended Debt Fund
Emerging Markets Equity Fund
Global Franchise Fund
Global Special Situations Fund
Multi-Asset Protector Fund
Multi-Asset Protector Fund 2
Short Dated Bond Fund
Target Return 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.

Performance overview

		Rolling 12 month performance				
	5 years to 30.09.13	30.09.12 to 30.09.13	30.09.11 to 30.09.12	30.09.10 to 30.09.11	30.09.09 to 30.09.10	30.09.08 to 30.09.09
Fund versus IMA sector						
Cautious Managed Fund ²	60.9	10.3	9.3	2.0	6.4	23.0
Diversified Income Fund ²	38.0	5.1	6.7	2.2	5.8	13.8
<i>IMA Mixed Investment 20-60% Shares</i>	<i>34.3</i>	<i>8.5</i>	<i>9.1</i>	<i>-1.8</i>	<i>7.5</i>	<i>7.5</i>
Enhanced Natural Resources Fund ²	33.1	-7.2	0.7	-5.8	13.2	33.5
Managed Growth Fund ²	68.9	25.0	8.6	-1.5	15.7	9.2
<i>IMA Flexible Investment</i>	<i>45.9</i>	<i>14.2</i>	<i>10.8</i>	<i>-3.6</i>	<i>9.1</i>	<i>9.7</i>
Strategic Bond Fund ¹	31.1	-2.1	8.4	-3.3	9.4	16.7
<i>IMA £ Strategic Bond</i>	<i>39.8</i>	<i>4.3</i>	<i>12.4</i>	<i>-2.1</i>	<i>11.0</i>	<i>9.6</i>
UK Alpha Fund ²	94.5	33.0	22.8	-10.1	12.7	17.6
UK Blue Chip Fund ²	71.5	22.1	18.5	-6.7	12.9	12.5
UK Special Situations Fund ²	102.7	23.0	19.0	-0.1	4.4	32.8
<i>IMA UK All Companies</i>	<i>70.6</i>	<i>22.5</i>	<i>17.4</i>	<i>-5.3</i>	<i>11.9</i>	<i>12.0</i>
UK Smaller Companies Fund ²	182.5	31.3	22.8	8.7	21.8	32.3
<i>IMA UK Smaller Companies</i>	<i>111.1</i>	<i>30.7</i>	<i>17.2</i>	<i>3.0</i>	<i>16.1</i>	<i>15.2</i>
Performance comparison indices						
FTSE All-Share	66.2	18.9	17.2	-4.4	12.5	10.8
FTSE APCIMS Growth	54.0	14.9	14.6	-2.4	10.4	8.5
FTSE Equity Investment Instruments	64.9	19.3	11.8	-2.1	16.0	8.8
BofA Merrill Lynch Sterling Broad Market	41.0	-1.1	10.3	6.1	9.3	11.6
Cautious Managed composite: 50% FTSE All-Share and 50% BofA Merrill Lynch Sterling Broad Market	55.7	8.6	14.0	1.0	11.3	11.8
Diversified Income composite: 33% FTSE All-Share, 33% BofA European Currency non-financial High Yield Constrained Sterling Hedged, 17% JP Morgan EMBI Global Diversified TR, 17% JP Morgan GBI-EM Global Diversified ⁴	72.2	8.4	17.7	-1.7	15.1	19.3
MSCI ACW Select Natural Resources ³	31.5	-0.3	11.2	-6.5	11.2	14.1
Numis Smaller Companies plus AIM (excluding Investment Trusts) ⁵	101.2	39.1	21.4	-4.5	-0.6	25.5

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, data is not audited. 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 charge, net of fees in sterling. Index shown for performance comparison purposes only.

¹'A' net income shares. ²'A' net accumulation shares.

³MSCI ACW Select Natural Resources Capped Index and prior to 1 April 2013 50% MSCI ACW Energy NDR and 50% MSCI ACW Materials NDR

⁴Prior to 03.09.12 was 33% FTSE All-Share, 33% Merrill Lynch Sterling Broad Market, 33% Merrill Lynch European Currency High Yield Sterling Hedged.

⁵Prior to 01.07.13 was FTSE Small Cap ex-IT

The performance of the funds 'A', 'B', 'I', 'R' or 'S' share classes would be similar to that of the above share classes but will differ according to the tax and fees charged.

Cautious Managed 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 seeks to invest conservatively in a broad range of shares of companies (up to 60% of the Fund's value at any time) and bonds (contracts to repay borrowed money which typically pay interest at fixed times) issued by governments, institutions or companies around the world.

The bonds invested in will predominantly be 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) but may also be below investment grade.

The Fund may use derivatives (financial contracts whose value is linked to the price of an underlying asset) with the aim of either reducing the risks or costs of managing the Fund or to increase its value or income in a way which is consistent with the Fund's risk level (i.e. not for speculative purposes).

The Investment Manager is free to choose how the Fund is invested and will not track 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 March, 30 September	31 May, 31 August, 30 November, 28/29 February

Ongoing charges as per the Key Investor Information Document (%)

Share class	2013	2012
'A' Class – accumulation	1.60	1.60
'A' Class – income	1.60	1.60
'I' Class – accumulation	0.85	0.85
'I' Class – income	0.85	0.85
'R' Class – accumulation**	1.10	-
'S' Class – accumulation	0.10	0.10

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 i Prospectus.

Summary

Distributions

Share class	Distributions as at 30.09.13	Distributions as at 30.09.12
'A' Class – accumulation	1.80	4.04
'A' Class – income	1.20	2.72
'I' Class – accumulation	1.91	2.58
'I' Class – income**	1.39	0.83
'R' Class – accumulation*	0.81	n/a
'S' Class – accumulation	2.71	3.31

*Share class was launched 2 January 2013

**Share class was launched 2 May 2012

Performance

Share class	Net Asset Value per share as at 30.09.13	Net Asset Value per share 30.09.12
'A' Class – accumulation	362.61	328.76
'A' Class – income	241.70	220.25
'I' Class – accumulation	156.55	140.94
'I' Class – income	111.11	101.24
'R' Class – accumulation	107.04	-
'S' Class – accumulation	150.99	135.07

Share price range

Cautious Managed Fund 'A' Class (Net accumulation shares)[†]

Calendar year	2013 [†]	2012	2011
Highest Price	371.36	337.82	323.19
Lowest Price	340.04	309.87	296.88
Net revenue per accumulation share	1.35	3.70	4.36

	2010	2009	2008
Highest Price	315.21	283.39	252.94
Lowest Price	274.28	204.73	193.89
Net revenue per accumulation share	4.41	6.47	6.18

Cautious Managed Fund 'A' Class (Net income shares)[†]

Calendar year	2013 [†]	2012	2011
Highest Price	247.86	226.32	220.83
Lowest Price	227.51	209.78	202.30
Net revenue per income share	0.90	2.44	3.04

	2010	2009	2008
Highest Price	216.74	198.67	185.77
Lowest Price	191.10	146.38	139.22
Net revenue per income share	3.06	4.65	4.45

Cautious Managed Fund 'I' Class (Net accumulation shares)^{†(1)}

Calendar year	2013 [†]	2012	2011
Highest Price	159.95	145.09	137.51
Lowest Price	146.05	132.22	126.37
Net revenue per accumulation share	1.46	2.49	2.65
	2010	2009	2008
Highest Price	133.59	119.45	103.73
Lowest Price	115.74	86.02	81.40
Net revenue per accumulation share	2.46	2.97	2.46

Cautious Managed Fund 'I' Class (Net income shares)⁽²⁾

Calendar year	2013 [†]	2012	2011
Highest Price	114.08	104.23	-
Lowest Price	104.59	96.43	-
Net revenue per income share	1.05	1.16	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per income share	-	-	-

Cautious Managed Fund 'R' Class (Net accumulation shares)⁽³⁾

Calendar year	2013 [†]	2012	2011
Highest Price	109.43	-	-
Lowest Price	100.00	-	-
Net revenue per accumulation share	0.81	-	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

Cautious Managed Fund 'S' Class (Net accumulation shares)[†]

Calendar year	2013 [†]	2012 [†]	2011
Highest Price	153.88	139.23	130.84
Lowest Price	140.17	126.17	120.31
Net revenue per accumulation share	2.07	3.23	3.29
	2010	2009	2008
Highest Price	126.72	112.63	98.90
Lowest Price	109.20	80.91	76.45
Net revenue per accumulation share	3.02	3.30	3.19

[†]Up to 30 September 2013

[†]Net revenue per share has been restated to reflect the cumulative distribution XD during the calendar year.

(1) Launched 1 March 2008

(2) Launched 2 May 2012

(3) Launched 2 January 2013

Performance record

For the 12 months ending 30 September 2013 the 'A' share class of the Fund returned 10.3%*. Over the same period, a composite index (50% FTSE All-Share and 50% BofA Merrill Lynch Sterling Broad Market) returned 8.6%**; while the IMA Mixed Investment 20-60% Shares Sector returned 8.5%**.

The total income distributions for the year in relation to 'A' income shares were 1.20 pence per share. This compares to a total of 2.72 pence per share paid for the corresponding year in 2012. Generally this fall in the level of income over the period is because equity investments purchased for the Fund, either in the case of the reinvestment of proceeds from the sales of previously held equities, or from investments made from new flows into the Fund, have been made into lower yielding equity investments. The same applies to the Fund's bond investments; the proceeds from maturing bonds and bonds sold and the investment of new flows were generally reinvested in lower-yielding bonds.

The asset allocation of the portfolio has moved to a significantly more cautious position over the year. Major changes to the Fund's holdings included increasing our exposure to gold bullion (via an exchange-traded fund), a reduction in UK equities, as well as adding to our existing holdings in index-linked UK government bonds.

In particular, the weakness in the gold price (traditionally viewed as a so-called 'safe haven' asset) and full pricing of US equities seemed to imply investors were largely confident that significant progress had been made since the global financial crisis, in turn supporting an optimistic outlook for global economic growth and equity markets alike. In our view, however, historically high stock valuations actually increased the vulnerability of equity markets and subsequently ignored the slowing growth in earnings for many US companies. This suggested that a lot of the 'good news' was already reflected by market pricing and motivated our decision to hedge against any possible downside by selling futures contracts in the S&P 500 Index.

Over the period, our exposure to gold bullion was increased (via an exchange-traded fund) to complement our gold mining shares, whose performance continued to disappoint. We believe gold is a useful asset class to hold to protect the Fund against any loss of confidence in global central banks. Arguably, it is an asset class in which gains are uncertain, but one which we think is currently crucial in ensuring a diversified portfolio.

Cautious Managed Fund (continued)

The equity portfolio continued to grow strongly and this allowed us to both reduce and sell some holdings which had performed well. In our view, the valuation of building merchant, Travis Perkins better reflected the improvement in the UK economy, particularly the residential building and repair market. Similarly, C&C Group, an alcoholic drinks manufacturer, marketer and distributor, boosted investor sentiment after the company increased its exposure to the US cider market. Subsequently, we felt the valuation ignored a strong increase in the company's US profitability and therefore made the decision to sell the shares on the rationale that industry competition could squeeze its profit growth. Our existing Japanese bank holdings readjusted to higher valuations as investor optimism about the prospects for the domestic economy and the banking industry rose, prompting our decision to sell.

The Fund maintained its exposure to Norwegian government bonds through the purchase of a short-dated government bond. Norway's financial position remains superior to most countries and therefore appeals as a reasonable so-called 'safe haven' for investors.

The price of index-linked bonds fell as investors began to discount the prospective withdrawal of central bank support from the bond market. Higher yields tend to appeal to investors eager to protect themselves from the effects of inflation over the longer term, as well as in the event that further evidence of deflation comes to light in the short term. As yields became more attractive, we increased our holdings of both US and UK government index-linked bonds.

Finally, we continued to reduce the exposure to corporate bonds. We believe that given current low absolute yields (and hence higher values), corporate bonds could find themselves in a vulnerable position if government bond yields should reverse. Corporate bonds tend to carry a higher risk of default and, typically, a higher yield and therefore any shift back into 'safer' government bonds would leave investors questioning the reward of holding riskier and less-liquid assets.

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

United Kingdom Treasury 2.25% 07/03/2014, United Kingdom Treasury 4.5% 07/03/2013, Source Physical Markets Gold P-ETC, Norway Government 5% 15/05/2015, United States Treasury Inflation Indexed 1.75% 15/01/2028, United Kingdom Treasury Inflation Linked 1.25% 22/11/2027, United Kingdom Treasury Inflation Linked 0.125% 22/03/2029

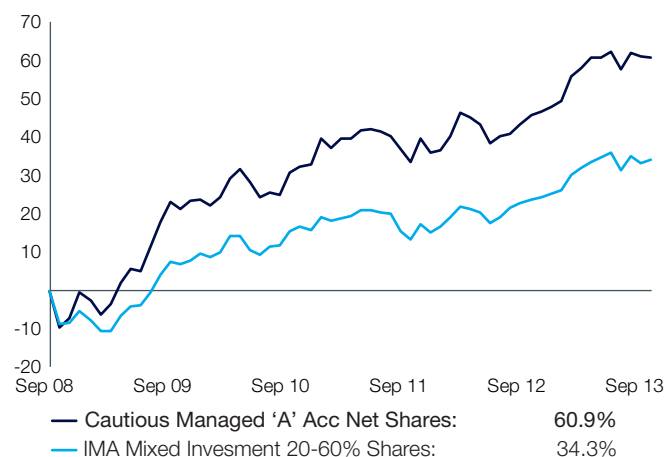
Significant sales (2% of Net Asset Value and above or minimum of five holdings) during the year comprised:

United Kingdom Treasury 4.5% 07/03/2013, United Kingdom Treasury Inflation Linked 2.5% 16/08/2013, United Kingdom Treasury 2.25% 07/03/2014, Norway Government 6.5% 15/05/2013, United States Treasury Inflation Indexed 0.625% 15/04/2013, Travis Perkins

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

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

5 year performance graph (%)



Past performance will not necessarily be repeated.

Source: Lipper, 30.09.08 to 30.09.13, total return, net of UK basic tax, no initial charge, net of fees in sterling.

IMA sector shown for performance comparison only.

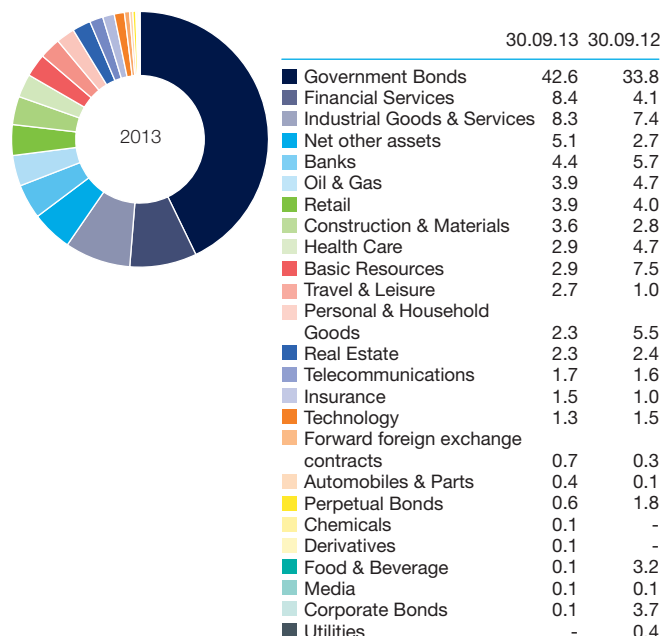
Portfolio analysis

Top 10 holdings (%)

Security	30.09.13
United Kingdom Treasury Inflation Linked 2.25% 03/07/2014	14.1
Norway Government 5% 15/05/2015	8.4
United Kingdom Treasury Inflation Linked 0.125% 29/09/2049	4.8
United Kingdom Treasury Inflation Linked 1.25% 22/11/2027	4.8
Source Physical Markets Gold P-ETC	4.8
United States Treasury Inflation Indexed 1.75% 15/01/2028	4.5
Grafton	3.3
United States Treasury Inflation Indexed 1.25% 15/04/2014	3.1
United Kingdom Treasury Inflation Linked 1.25% 22/11/2017	3.0
Signet Jewelers	2.5

Security	30.09.12
United Kingdom Treasury Inflation Linked 2.5% 16/08/2013	6.4
Norway Government 6.5% 15/05/2013	5.4
Norway Government 5% 15/05/2015	5.1
United States Treasury Inflation Indexed 1.25% 15/04/2014	3.7
United Kingdom Treasury Inflation Linked 1.25% 22/11/2017	3.6
United Kingdom Treasury Inflation Linked 0.125% 22/03/2029	3.3
Signet Jewelers	3.1
HSBC	2.8
GlaxoSmithKline	2.7
Royal Dutch Shell 'B' Shares	2.7

Sector split (%)



Outlook

Fears about the prospective slowing of the US Federal Reserve's (Fed) bond-buying programme (introduced to stimulate the economy) unnerved investors during the summer months. Conversely, with the Fed linking its decision to the US economic recovery this encouraged investors to refocus on economic fundamentals – signs of strength in the economy was of greater concern than weakness, as weakness would more likely support a continuation of current accommodative monetary policy.

Consequently this leaves us with a scenario where investors appear to fear a significant change in central bank policy, but also fear selling prematurely.

We take a more cautious view, believing that either the eventual withdrawal of expansionary policies could prove to be much more disruptive than many investors anticipate or continuation of current policy will simply make the execution of an exit strategy down the line harder to manage. While we acknowledge it may be too early to move towards an even more cautious portfolio, we would rather position the Fund ahead of any increase in market fluctuations.

The opinions expressed herein are as at October 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 towards the middle of the Risk and Reward Indicator scale. This is because, although it invests in the shares of companies whose values have typically tended to fluctuate widely, it also invests significantly in bonds which have not typically fluctuated as much.

The following risk 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.

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 i 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 the long form report and accounts of the OEIC.

Cautious Managed Fund (continued)

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.

Conversion to protected cell status

From 19 February 2013 the Company took on protected status following FCA approval to the conversion. This means that from this date, under English law, the Funds are segregated portfolios of assets and the assets of a Fund now belong exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

Other changes during the accounting year:

- Cautious Managed, R Accumulation Net, GBP share class was launched on 2 January 2013.

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

Change of registered office

On 8 October 2012 the registered office of each of the Company, the ACD and the Investment Manager to the Company changed from 2 Gresham Street, London EC2V 7QP to Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA.

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, to 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.

Diversified Income Fund

Summary of the Fund's investment objective and policy

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

The Fund attempts to reduce risk by investing around the world in a large range of bonds (contracts to repay borrowed money which typically pay interest at fixed times), shares of companies and related derivatives (financial contracts whose value is linked to the price of an underlying asset).

The Fund invests mostly in bonds. These may be issued by companies or governments, have varying life-spans and be of investment grade (high quality) or below investment grade 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 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 March, 30 September

31 May, 31 August,
30 November, 28/29 February

Share class	Ongoing charges as per the Key Investor Information Document (%)	
	2013	2012
'A' Class – net accumulation	1.61	1.61
'A' Class – net income	1.61	1.61
'I' Class – net accumulation	0.86	0.86
'I' Class – net income	0.86	0.86
'R' Class – net accumulation**	1.11	-
'R' Class – net income**	1.11	-

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 i Prospectus.

Summary

Distributions

Share class	Distributions as at 30.09.13	Distributions as at 30.09.12
'A' Class – net accumulation	11.07	6.80
'A' Class – net income	3.54	2.22
'I' Class – net accumulation	5.84	3.82
'I' Class – net income**	4.47	1.54
'R' Class – net accumulation*	3.33	n/a
'R' Class – net income*	3.28	n/a

*Share class was launched 2 January 2013

**Share class was launched 2 May 2012

Performance

Share class	Net Asset Value per share as at 30.09.13	Net Asset Value per share as at 30.09.12
'A' Class – net accumulation	256.55	243.85
'A' Class – net income	79.90	79.33
'I' Class – net accumulation	133.75	126.50
'I' Class – net income	101.85	100.27
'R' Class – net accumulation	102.51	-
'R' Class – net income	99.26	-

Share price range

Diversified Income Fund 'A' Class (Net accumulation shares)[†]

Calendar year	2013 [†]	2012 [†]	2011
Highest Price	273.48	251.16	238.41
Lowest Price	251.08	234.93	227.09
Net revenue per accumulation share	8.38	7.84	6.49
Calendar year	2010	2009	2008
Highest Price	231.16	216.08	205.97
Lowest Price	212.33	173.44	169.37
Net revenue per accumulation share	5.09	6.27	7.58

Diversified Income Fund 'A' Class (Net income shares)[†]

Calendar year	2013 [†]	2012	2011
Highest Price	86.97	81.72	81.28
Lowest Price	80.71	78.07	76.79
Net revenue per income share	2.67	2.58	2.16
Calendar year	2010	2009	2008
Highest Price	79.43	75.98	77.39
Lowest Price	73.89	62.62	61.79
Net revenue per income share	1.75	2.21	2.84

Diversified Income Fund (continued)

Diversified Income Fund 'I' Class (Net accumulation shares)^{(1)‡}

Calendar year	2013 [†]	2012	2011
Highest Price	142.53	130.46	122.64
Lowest Price	130.48	121.27	116.90
Net revenue per accumulation share	4.46	4.30	3.61
	2010	2009	2008
Highest Price	118.49	110.12	102.32
Lowest Price	108.29	88.44	86.17
Net revenue per accumulation share	2.67	3.79	2.88

Diversified Income Fund 'I' Class (Net income shares)⁽²⁾

Calendar year	2013 [†]	2012	2011
Highest Price	110.61	103.45	-
Lowest Price	102.31	98.71	-
Net revenue per income share	3.31	2.69	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per income share	-	-	-

Diversified Income Fund 'R' Class (Net accumulation shares)⁽³⁾

Calendar year	2013 [†]	2012	2011
Highest Price	109.09	-	-
Lowest Price	100.00	-	-
Net revenue per accumulation share	3.33	-	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

Diversified Income Fund 'R' Class (Net income shares)⁽³⁾

Calendar year	2013 [†]	2012	2011
Highest Price	107.83	-	-
Lowest Price	100.00	-	-
Net revenue per income share	3.28	-	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per income share	-	-	-

[†]Up to 30 September 2013

[‡]Net revenue per share has been restated to reflect the cumulative distribution XD during the calendar year.

(1) Launched 1 March 2008

(2) Launched 2 May 2012

(3) Launched 2 January 2013

Performance record

For the 12 months ending 30 September 2013 the 'A' share class of the Fund returned 5.1%*. Over the same period, a composite index (33% FTSE All-Share, 33% BofA European Currency non-financial High Yield Constrained Sterling Hedged, 17% JP Morgan EMBI Global Diversified TR, 17% JP Morgan GBI-EM Global Diversified) returned 8.4%*, while the IMA Mixed Investment 20-60% Shares Sector returned 8.5%**.

The total income distributions for the year in relation to 'A' income shares were 3.54 pence per share. This compares to a total of 2.22 pence per share paid for the corresponding year in 2012.

Asset allocation changes to the Fund were mostly modest – the bulk of adjustments took place within the three primary market exposures: emerging market debt, high yield bonds and equities. However, during the period under review, the most continuous adjustment occurred across emerging market debt, which started the period at above neutral, before being consistently trimmed down. Some of this was distributed towards far more defensive bonds: high quality corporate bond and sovereign names located within traditional developed markets.

The Fund's high-yield bond allocation was built up towards the end of 2012, but was progressively cut as spreads (the difference in yield between high-yield bonds and government bonds) tightened to fundamentally less attractive levels in the first part of the year. Some of this additional defensiveness was a little premature. However, with the sharp sell-off during August, it proved valuable.

The Fund's overall equity allocation was increased from September 2012, although not in a linear fashion. Nevertheless, with the outlook for developed market economies showing continued, albeit slow, improvement, the environment has been brightening. Indeed, combined with reasonable value for global equities, and in contrast to the more challenging outlooks for many other risk assets, this improvement has justified a lift in the Fund's equity exposure.

The Fund's interest rate exposure was notably lower at the end of the reporting period than at the start, having been gradually managed downwards. Increased defensiveness of the Fund saw duration (the sensitivity to changes in interest rates) head upwards, temporarily. However, in recognition that the lows across core market long-term bond yields had likely been achieved for this cycle, duration in the Fund was reduced more substantially and rapidly than before. Only towards the very end of the reporting period was this raised again, as the sell-off of core bond markets appeared overdone.

Currency exposures of the Fund saw some key adjustments. During the first half of the period, the Fund's natural bias towards sterling was tempered, given more attractive opportunities elsewhere – a good deal of this was directed towards the US dollar. However, over the second half of the period, exposure to sterling was increased as good data improved its attractiveness, while external developments detracted from the investment case for other currencies the Fund was holding. The bulk of currencies the Fund sold were from emerging markets.

Despite the Fund's strong performance between September 2012 and mid-May 2013, the subsequent sell-off of emerging market assets and other spread products, alongside a rise in core market bond yields, led to a fall over the remainder of May and June. Thereafter, continued fragility in emerging market assets, sideways moves in corporate bond spreads and mixed results for equities meant limited capital gains for the Fund, although the yield was reasonable and the bonds remained high quality.

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

South Africa Government Bond 13.5% 15/09/2015, Queensland Treasury 6% 21/02/2018, Queensland Treasury 3.5% 21/09/2017, South Africa Government Bond 10.5% 21/12/2026, Mexico Bonos 8% 19/12/2013

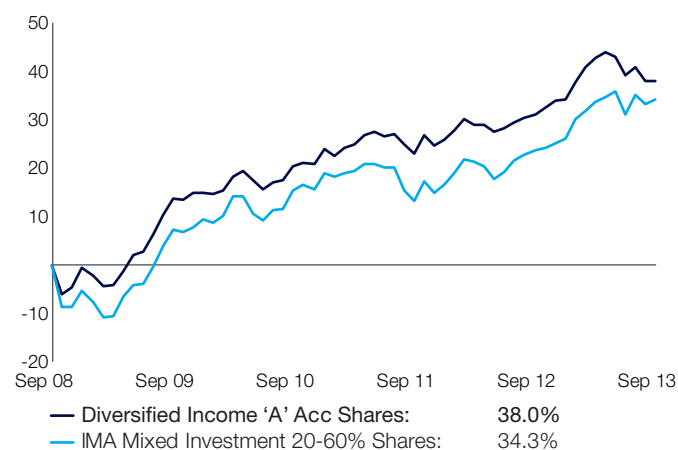
Significant sales (2% of Net Asset Value and above or minimum of five holdings) during the year comprised:

Investec Emerging Market Local Currency Debt Fund, Turkey Government Bond 0% 11/09/2013, South Africa Government Bond 10.5% 21/12/2026, South Africa Government Bond 13.5% 15/09/2015, Malaysia Government Bond 5.094% 30/04/2014

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

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

5 year performance graph (%)



Past performance will not necessarily be repeated.

Source: Lipper, 30.09.08 to 30.09.13, total return, net of UK basic tax, no initial charge, net of fees in sterling.

IMA sector shown for performance comparison only.

Portfolio analysis

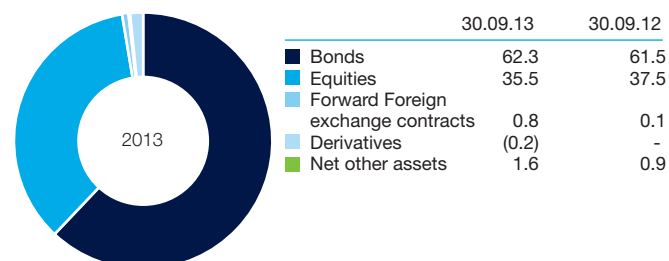
Top 10 holdings (%)

Security	30.09.13
Aberforth Smaller Companies Trust	2.8
Queensland Treasury 6% 21/02/2018	2.0
F&C Commercial Property Trust	1.9
GlaxoSmithKline	1.3
Royal Dutch Shell 'B' Shares	1.2
Nestle	1.2
Vodafone	1.2
HSBC	1.1
Reckitt Benckiser	1.1
BT	1.0

Security	30.09.12
Investec Emerging Market Local Currency Debt £ Fund†	3.8
Aberforth Smaller Companies Trust	2.2
HSBC	2.0
F&C Commercial Property Trust	2.0
Royal Dutch Shell 'B' Shares	1.9
Turkey Government Bond 0% 11/09/2013	1.7
GlaxoSmithKline	1.6
Unilever	1.4
Malaysia Government Bond 5.094% 30/04/2014	1.3
Mexican Bonos 9% 20/06/2013	1.3

†A related party to the Fund

Asset class split (%)



Diversified Income Fund (continued)

Outlook

Growth in the developed market economies is expected to accelerate modestly – lower inflation, reduced headwinds from fiscal austerity, easier credit conditions and the continued, cumulative effects of past stimulus are all expected to drive slightly faster economic growth. This is expected to provide a more supportive environment for pro-cyclical developed market assets, as well as encourage a return to ‘normal’ of monetary policy – starting in the US.

While the transition has proven harder than expected, quantitative easing is moving towards a path of tapering and then complete removal. While rate increases are very unlikely in 2014, the fluctuations of longer-dated interest rates in the US is expected to climb in the months ahead. This is expected to have consequences for interest rate markets elsewhere, as well as other asset markets – in particular, the US dollar.

Outside of the fragile developed market recovery, led by the US, the outlook for the other major engines of global growth is less encouraging. Most importantly, the Chinese economy is at the beginning of a medium-term rebalancing away from net exports and fixed investment. Indeed, emerging market exporters and commodity prices already appear to be adjusting to softer, less resource-intensive Chinese demand. This will require greater differentiation across individual markets. A deeper slowdown may result in trauma to many emerging markets and the increased threat of competitive devaluations, alongside rising economic volatility (wide fluctuations in value).

We believe equities are likely to outperform bonds over the medium-term. Global equities are reasonable value in aggregate and continue to offer high risk premiums (excess return above expected risk-free returns) relative to bonds. The improving cyclical environment should also be supportive of earnings upgrades in the months ahead. Alongside generally healthy corporate balance sheets, relative to the past few years, and an expectation that monetary policy will remain more accommodative than not, the outlook for global equities is set for modest improvement.

Much of these macroeconomic positives are fully priced into global corporate bond spreads. Indeed, current valuations price in fairly strong equity markets, continued low market fluctuations and low, single-digit high yield defaults (where companies are unable to make the required payments on their debt obligations). This is a reasonable scenario, although there are no substantial buffers against downside surprises to any of these macroeconomic supportive factors. The outlook for corporate bonds remains troublesome, with low-risk premiums, and strong underlying positioning in the asset class, in the face of weakness, posing lingering risks.

Emerging market debt is much better value as a consequence of the sell-off experienced in mid-2013. This served to skim off much of the froth that had accumulated in this market in the previous quarters. In addition, current yield curves (yields for bonds with varying maturity dates) across much of emerging markets are now pricing adequately for higher inflation and some policy tightening. The shake-out has created opportunities, but has also emphasised the need to make good country selections within emerging markets, as this backbone of support becomes evident in periods of generalised market weakness.

In a world still undergoing deleveraging – with certain economies facing this as a recurring challenge – and a backdrop of low growth potential, the appeal of high quality income streams is not set to diminish. Combined with only a gradual normalisation of monetary policy, asset returns are set to remain low relative to the pre-financial crisis world. This suggests that caution against only reaching for yield, without regard to quality, will remain as significant in 2014 as it was in 2013.

The opinions expressed herein are as at October 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 towards the middle of the Risk and Reward Indicator scale. This is because, whilst it invests in the shares of companies whose values have typically tended to fluctuate widely in the past, it also invests significantly in bonds which have not typically fluctuated as much.

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

- 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.
- 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.
- 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 its income, 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 i 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 the 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:

- Notice was given on 31 July 2012 of changes to the charges taken from the Diversified Income Fund in that the level of charges, which were previously taken 50% from capital and 50% from income, were to be taken 100% from capital, effective on 1 October 2012. This notice also detailed that this change has the effect of increasing the level of income paid by the fund and constraining the funds capital performance to an equivalent extent.
- 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.

Conversion to protected cell status

From 19 February 2013 the Company took on protected status following FCA approval to the conversion. This means that from this date, under English law, the Funds are segregated portfolios of assets and the assets of a Fund now belong exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

Other changes during the accounting year:

- Diversified Income, R Accumulation Net, GBP share class was launched on 2 January 2013.
- Diversified Income, R Income Net, GBP share class was launched on 2 January 2013.

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

Change of registered office

On 8 October 2012 the registered office of each of the Company, the ACD and the Investment Manager to the Company changed from 2 Gresham Street, London EC2V 7QP to Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA.

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, to 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.

Enhanced Natural Resources 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 that are expected to benefit from an increase in the prices of commodities and natural resources, and in related derivatives (financial contracts whose value is linked to the price of an underlying asset). This includes companies involved in mining, extracting, producing, processing, transporting or other activity relating to commodities and natural resources. The derivatives may be used for investment purposes.

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

31 March, 30 September

Income payment dates

30 November

Ongoing charges as per the Key Investor Information Document (%)

Share class	2013	2012
'A' Class – accumulation	1.68	1.69
'B' Class – accumulation	2.18	2.19
'I' Class – accumulation	0.93	0.94
'R' Class – accumulation**	1.19	-

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 i Prospectus.

Summary

Distributions

Share class	Distributions as at 30.09.13	Distributions as at 30.09.12
'A' Class – accumulation	0.24	-
'B' Class – accumulation	-	-
'I' Class – accumulation	1.12	0.92
'R' Class – accumulation*	1.24	n/a

*Share class was launched 2 January 2013

Performance

Share class	Net Asset Value per share as at 30.09.13	Net Asset Value per share as at 30.09.12
'A' Class – accumulation	105.40	113.42
'B' Class – accumulation	100.81	109.02
'I' Class – accumulation	109.67	117.12
'R' Class – accumulation	94.23	-

Share price range

Enhanced Natural Resources Fund 'A' Class (Net accumulation shares)⁽¹⁾⁽²⁾

Calendar year	2013†	2012	2011
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

	2010	2009	2008
Highest Price	-	95.77	107.10
Lowest Price	-	77.60	65.12
Net revenue per accumulation share	-	-	0.05

Enhanced Natural Resources Fund 'A' Class (Net accumulation shares)⁽¹⁾⁽⁵⁾

Calendar year	2013†	2012	2011
Highest Price	118.10	126.06	136.98
Lowest Price	103.30	107.57	109.11
Net revenue per accumulation share	0.24	-	-

	2010	2009	2008
Highest Price	136.26	113.26	106.99
Lowest Price	109.04	77.77	65.22
Net revenue per accumulation share	-	0.02	0.19

Enhanced Natural Resources Fund 'B' Class (Net accumulation shares)⁽³⁾

Calendar year	2013†	2012	2011
Highest Price	113.27	121.56	135.48
Lowest Price	98.93	103.57	105.41
Net revenue per accumulation share	-	-	-

	2010	2009	2008
Highest Price	135.05	106.42	-
Lowest Price	102.43	100.00	-
Net revenue per accumulation share	-	-	-

Enhanced Natural Resources Fund 'I' Class (Net accumulation shares)⁽¹⁾

Calendar year	2013 ¹	2012	2011
Highest Price	122.36	129.59	139.86
Lowest Price	107.26	110.74	111.83
Net revenue per accumulation share	1.12	0.92	0.38
	2010	2009	2008
Highest Price	138.11	113.67	107.10
Lowest Price	109.77	77.80	65.21
Net revenue per accumulation share	-	0.47	0.35

Enhanced Natural Resources Fund 'R' Class (Net accumulation shares)⁽⁷⁾

Calendar year	2013 ¹	2012	2011
Highest Price	104.58	-	-
Lowest Price	92.25	-	-
Net revenue per accumulation share	1.24	-	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

Enhanced Natural Resources Fund 'S' Class (Net accumulation shares)⁽¹⁾⁽²⁾⁽⁴⁾⁽⁶⁾

Calendar year	2013 ¹	2012	2011
Highest Price	-	92.14	101.40
Lowest Price	-	84.64	79.27
Net revenue per accumulation share	-	-	0.86
	2010	2009	2008
Highest Price	-	97.45	107.18
Lowest Price	-	78.55	65.79
Net revenue per accumulation share	-	-	0.43

¹Up to 30 September 2013

(1) Launched 1 May 2008

(2) Closed 27 April 2009

(3) Launched 9 November 2009

(4) Launched 4 January 2011

(5) Change of 'P' shares to 'A' shares 1 April 2011

(6) Closed on 22 March 2012

(7) Launched 2 January 2013

Performance record

For the 12 months ending 30 September 2013 the 'A' Shares of the Fund fell by 7.2%.* The performance comparison index (MSCI ACW Select Natural Resources Capped Index and prior to 1 April 2013 50% MSCI ACW Energy NDR and 50% MSCI ACW Materials NDR) fell by 0.3% over the same period.**

The Fund underperformed the index over the period, due largely to market concerns over Chinese growth negatively impacting base metals and bulk commodity prices. During this volatile period, we sought to protect capital by focusing on companies with good cost control, strong balance sheets and,

most importantly, strong free cashflow generation. The Fund may also aim to protect against short-term price fluctuations through the use of contracts for difference (CFDs) and short exchange-traded commodities (ETCs).

The Fund's relatively low net exposure to the base metals and bulk mining sector was concentrated in the large diversified miner BHP Billiton. This was because of the company's ability to manage costs and also for its exposure to the energy sector. Iron ore companies continued to come under pressure following the lows of September 2012, and Northland Resources particularly detracted from performance due to capital expenditure issues. However, thanks to our short equity and commodity positions, the impact on the Fund's performance was limited. Our ability to benefit from sharp dips was especially profitable in the precious metals sector, with gold equities declining more than the metal price, as speculation that the US Federal Reserve (Fed) would begin to wind down its bond-buying programme reduced gold's so-called 'safe haven' appeal.

At the beginning of the period, grain prices were high due to the US drought in 2012, and this proved to be a headwind for the subsector over the year. Overall, our exposure to this subsector marginally detracted from performance, despite selective exposure to names such as Monsanto and equipment company AGCO proving profitable. We held short positions in potash companies in 2013 as we felt the sector was overvalued given the significant overcapacity in the market. The breakup of the Belarusian Potash Company saw a significant fall in the stock price of these companies and this positively contributed to the Fund's performance.

The oil price was robust over the period and the Fund's exposure to the energy subsector added to performance. Oil-levered exploration and production companies performed strongly as the market gained confidence in production numbers and also oil price resilience. Our positions in exploration and production companies Anadarko Petroleum, Marathon Oil, Noble Energy and SM Energy performed well due to their strong growth profiles and higher operating leverage. Our selective exposure to integrated names also added to performance. Suncor, one of the Fund's core holdings, performed well as investors started to appreciate the long-term visible production profile and free cash generation.

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

BHP Billiton, ETFs Daily Short WTI Crude Oil, ETFs Copper, ETFs Daily Short Nickel, Glencore Xstrata, Rio Tinto, Marathon Oil, Lundin Mining, Total, Vedanta Resources, First Quantum Minerals, Randgold Resources, Royal Dutch Shell 'B' Shares, Chevron, Occidental Petroleum, Xstrata, Statoil, BG, ETFs Zinc, Inpex

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

ETFs Daily Short WTI Crude Oil, Total, Rio Tinto, Teck Resources, Goldcorp, PureCircle, ETFs Short Nickel, Source Physical Markets Gold, ENI, ETFs Physical Platinum, Exxon Mobil, ETFs Soybeans, Occidental Petroleum, Southwestern

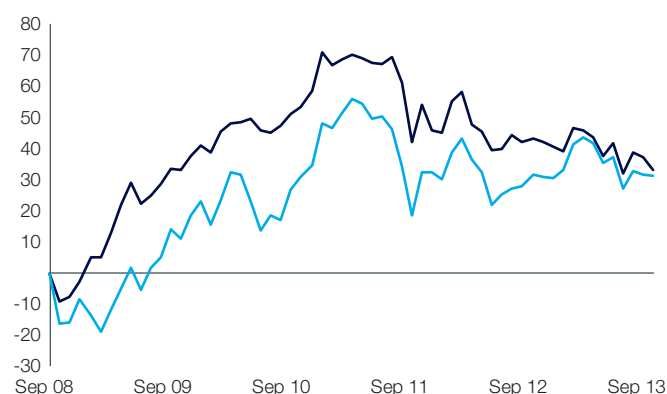
Enhanced Natural Resources Fund (continued)

Energy, Nexen, Royal Dutch Shell 'B' Shares, ETFs Copper, Chevron, Xstrata, BG, Mosaic

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

** 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 any meaningful comparison to be made.

5 year performance graph (%)



Past performance will not necessarily be repeated.

Source: Lipper, 30.09.08 to 30.09.13, total return, net of UK basic tax, no initial charge, net of fees in sterling.

Performance comparison index shown for performance comparison only.

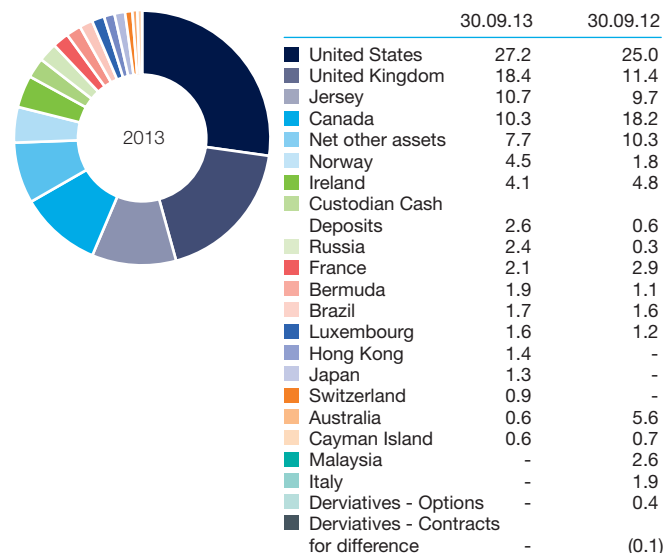
Portfolio analysis

Top 10 holdings (%)

Security	30.09.13
BHP Billiton	9.0
Suncor Energy	4.2
Physical Palladium Source P-ETC	4.1
Cheniere Energy - Short	-4.2
Marathon Oil	3.1
Anadarko Petroleum	2.9
Rio Tinto	2.8
United States Steel - Short	-3.1
Royal Dutch Shell 'B' Shares	2.3
ETFs Zinc	2.2

Security	30.09.12
Goldcorp	3.5
ETFs Physical Platinum	3.0
Total	2.9
PureCircle	2.6
Suncor Energy	2.6
Physical Palladium Source P-ETC	2.5
Rio Tinto	2.5
Exxon Mobil	2.4
ETFs Soybeans	2.3
Southwestern Energy	2.3

Geographical split (%)



Outlook

Commodities and resource equities have performed positively in recent months. This can be attributed to a number of factors: the Chinese government realigning the country's future growth to more sustainable levels; the postponement of the Fed tapering its bond-buying programme; and the agreement between the US and Russia on steps to remove Syria's chemical weapons. The re-emergence of market specific supply and demand fundamentals – such as supply and geopolitics in oil, copper restocking in China, stronger-than-expected demand for wheat, robust corn production in the US – have also been supportive for commodities. In our view, prices are more likely to be driven by these fundamentals for the remainder of 2013, especially for certain commodities where demand continues to exceed expectations. This is reflected in our investment process. Given that many commodities are still valued below 2012 prices, we believe there is potential growth for resource equities across our sector.

Chinese growth remained strong in the third quarter of 2013, prompting markets to consider revising growth forecasts upwards, to above 7.5%. Increased construction activity and investment in infrastructure helped boost growth. Commodities sensitive to growth, particularly base metals, benefited from rising manufacturing activity. However, the extent of the recovery is still in question, with markets needing further evidence of a sustained recovery. We believe this pace can be maintained, given the rise in iron ore, copper, oil and soybean imports over the three months to 30 August 2013.

New supplies of copper and iron ore, which are due next year, will likely add to price movements at different times. We believe platinum group metals are in prime position to gain from increased global industrial activity over the next 12 months, provided worker disputes in South Africa are resolved. Palladium, which is used in catalytic converters, remains our preferred metal as it is more closely linked to US and Chinese vehicle growth.

Global oil demand is growing faster than non-Opec supply, even with the US tight oil boom adding almost one million barrels per day (bl/d) of production in 2013 and weaker demand from emerging markets and Europe. This supply and demand imbalance is eroding Opec spare capacity at a time when Opec production is significantly threatened by geopolitical unrest. To put the recent supply disruptions into context, the combined impact of disruption in Libya, Iran, Nigeria, Yemen, Sudan, Syria and seasonal maintenance in Iraq and the North Sea has reduced global oil supply by about 4 mn bl/d over the past three years. Our supply and demand models point to a looming supply crunch. We continue to favour energy equities as our preferred exposure, which we believe will keep Brent crude oil prices at \$115 per barrel in 2014.

The opinions expressed herein are as at October 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 at the higher end of the Risk and Reward Indicator scale. This is because it invests in the shares of companies linked to commodities and natural resources whose values tend to fluctuate more widely.

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

- There is a risk that the party with which the Fund contracts for a derivative transaction fails to meet its obligations to the Fund. This could lead to losses being made by the Fund.
- 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.
- 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.

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 i 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 the 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.

Conversion to protected cell status

From 19 February 2013 the Company took on protected status following FCA approval to the conversion. This means that from this date, under English law, the Funds are segregated portfolios of assets and the assets of a Fund now belong exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

Other changes during the accounting year:

- Enhanced Natural Resources, R Accumulation Net, GBP share class was launched on 2 January 2013.

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

Change of registered office

On 8 October 2012 the registered office of each of the Company, the ACD and the Investment Manager to the Company changed from 2 Gresham Street, London EC2V 7QP to Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA.

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, to 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.

Managed Growth Fund

Summary of the Fund's investment objective and policy

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

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

The Fund may be up to 100% invested in other funds.

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

31 March, 30 September

Income payment dates

30 November

Ongoing charges as per the Key Investor Information Document (%)

Share class	2013	2012
'A' Class – accumulation	1.60	1.60
'I' Class – accumulation	0.85	0.86
'R' Class – accumulation**	1.10	-
'S' Class – accumulation	0.10	0.12

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 i Prospectus.

Summary

Distributions

Share class	Distributions as at 30.09.13	Distributions as at 30.09.12
'A' Class – accumulation	0.06	0.24
'I' Class – accumulation	1.00	0.99
'R' Class – accumulation*	0.51	n/a
'S' Class – accumulation	2.08	1.88

*Share class was launched 2 January 2013

Performance

Share class	Net Asset Value per share as at 30.09.13	Net Asset Value per share 30.09.12
'A' Class – accumulation	160.08	128.00
'I' Class – accumulation	138.42	109.85
'R' Class – accumulation	118.70	-
'S' Class – accumulation	148.13	116.68

Share price range

Managed Growth Fund 'A' Class (Net accumulation shares)

Calendar year	2013†	2012	2011
Highest Price	163.21	134.32	138.90
Lowest Price	135.35	117.51	113.82
Net revenue per accumulation share	0.06	0.24	-
Calendar year	2010	2009	2008
Highest Price	134.80	107.40	125.74
Lowest Price	102.96	65.78	71.26
Net revenue per accumulation share	-	0.62	-

Managed Growth Fund 'I' Class (Net accumulation shares)⁽¹⁾

Calendar year	2013†	2012	2011
Highest Price	141.09	115.48	118.10
Lowest Price	116.38	100.29	97.06
Net revenue per accumulation share	1.00	0.99	0.33
Calendar year	2010	2009	2008
Highest Price	114.24	90.46	105.05
Lowest Price	86.87	55.24	59.74
Net revenue per accumulation share	0.24	0.88	0.35

Managed Growth Fund 'R' Class (Net accumulation shares)⁽²⁾

Calendar year	2013†	2012	2011
Highest Price	121.01	-	-
Lowest Price	100.00	-	-
Net revenue per accumulation share	0.51	-	-
Calendar year	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

Managed Growth Fund 'S' Class (Net accumulation shares)

Calendar year	2013 ¹	2012	2011
Highest Price	150.96	122.89	124.31
Lowest Price	123.86	105.94	102.44
Net revenue per accumulation share	2.08	1.88	1.35
	2010	2009	2008
Highest Price	119.72	93.66	107.26
Lowest Price	90.23	56.85	61.33
Net revenue per accumulation share	1.22	1.58	1.28

¹Up to 30 September 2013

(1) Launched 1 March 2008

(2) Launched 2 January 2013

Performance record

For the 12 months ending 30 September 2013 the 'A' shares of the Fund returned 25.0%*. Over the same period the FTSE APCIMS (Association of Private Client Investment Managers and Stockbrokers) Growth Total Return Index returned 14.9% and the FTSE Equity Investment Instruments Index returned 19.3% while the IMA Flexible Investment Sector returned 14.2%**.

Performance in the period was helped by strength in smaller companies, Japan, healthcare and falling discounts to net asset value. Asia and emerging market exposure was a drag on performance for the first nine months of the period but recovered in the third quarter of 2013, while private equity enhanced performance in the first six months of the period, but was dull thereafter. Our Fund selection is not driven by discounts to net asset value – we are happy to own well-managed closed end funds on narrow discounts or even premiums***.

Fund inflows meant that most holdings were added to in the period, but there were three sales (European Investment Trust, Tau Capital and Arc Capital) and four new additions (Fidelity European Values Trust, Utilico Emerging Markets, Investec Global Free Enterprise and Biotechnology Growth Trust). Underlying portfolio turnover remained modest, and that is likely to continue.

The Fund's exposure continues to be between a core of liquid and high quality mainstream funds, and smaller holdings in regional and thematic funds with the greatest potential for performance. Approximately 14.3% of the Fund is invested in global funds, 41.6% in general regional funds, 17.3% in small cap regional funds and 23.7% in global sector funds. Cash comprises 3.1%. We seek to maintain broad diversified exposure to equity markets to deliver returns at least in line with global indices. We believe investment trusts remain an attractive means of assessing good managers in global equity markets, at reasonable cost, as well as offering upside if discounts fall. These holdings are complemented by, in our view, well-managed open-ended funds in selected areas with low costs.

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

Investec Global Free Enterprise Fund, Fidelity European Values Trust, Investec Global Energy Fund, Baillie Gifford Shin Nippon Investment Trust, Utilico Emerging Markets

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

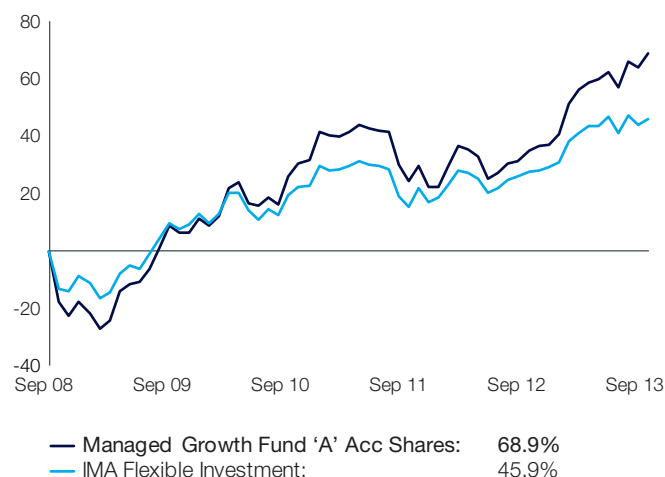
European Investment Trust, Atlantis Japan Growth Fund, Investec Global Gold Fund, Vietnam Opportunity, Jupiter European Opportunities Trust

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

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

*** Closed-ended funds typically trade on a stock exchange and may trade at either end of a premium or discount to the underlying value or net asset value of the fund.

5 year performance graph (%)



Past performance will not necessarily be repeated.

Source: Lipper, 30.09.08 to 30.09.13, total return net of UK basic tax, no initial charge, net of fees in sterling.

IMA sector shown for performance comparison only.

Managed Growth Fund (continued)

Portfolio analysis

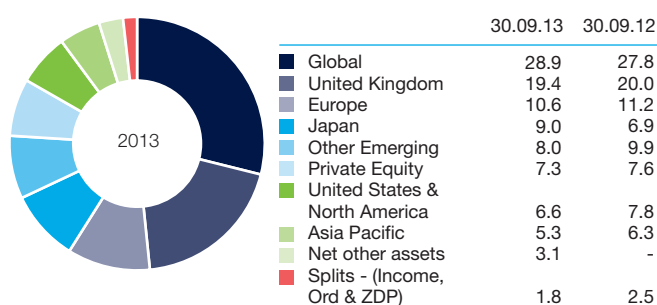
Top 10 holdings (%)

Security	30.09.13
Baillie Gifford Japan Trust	4.7
Jupiter European Opportunities Fund	4.4
JPMorgan Fleming European Smaller Companies Trust	3.9
Schroder UK Mid Cap & Small Cap Fund	3.8
Law Debenture Fund	3.6
Edinburgh Worldwide Investment Trust	3.6
Genesis Emerging Markets Fund	3.5
BlackRock Smaller Companies Trust	3.3
Schroder UK Growth Fund	3.2
Investec Global Free Enterprise Fund†	2.9
Security	30.09.12
Jupiter European Opportunities	5.1
Genesis Emerging Markets	4.7
Law Debenture	4.5
Schroder UK Mid Cap & Small Cap	3.6
Edinburgh Worldwide	3.6
Baillie Gifford Japan	3.6
JPMorgan Fleming European Smaller Companies	3.5
JPMorgan Fleming American	3.5
Aberdeen Asian Smaller Companies	3.4
Schroder UK Growth	3.1

†A related party to the Fund

Geographical split (%)

This shows the underlying asset exposure. All investments are sterling dominated.



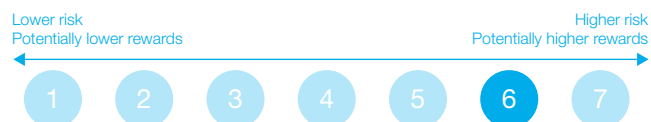
Outlook

The strength of sterling in the third quarter resulted in pedestrian equity returns, but the opportunities for adding value were excellent, while US dollar weakness in September helped to stabilise emerging markets. A series of macroeconomic and political concerns, alongside the fair valuation of equities and the steady downgrading of forecasts for corporate earnings, had pointed to dull market conditions until later in the year, with more risk of a setback than an advance. However, companies are continuing to return cash to investors, money is flowing into funds rather than out, and we believe equity markets look attractive on 2014 valuations. Yet again, traders who tried to fine tune market timing have lost out, while those who have followed Warren Buffett's maxim of "lethargy bordering on sloth" in asset allocation have been rewarded. We continue to be optimistic about equities in the final quarter and into next year in recognition of the long-term trend, rather than because of any conviction of short-term rises.

Overall, we expect positive returns in the final quarter and into 2014, driven largely by equity markets. Fluctuations in prices and setbacks are possible, but are more likely to provide buying opportunities than herald prolonged weakness.

The opinions expressed herein are as at October 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 towards the higher end of the Risk and Reward Indicator scale. This is because the values of the investment companies and funds in which it invests tend to fluctuate.

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

- The prices of investment trust shares that the Fund invests in can trade at a higher or lower level than their underlying value. This can lead to an increase in fluctuations in the value of the Fund which exceeds those of the underlying markets in which the investment trust invests. This may pose a greater risk to the value of the Fund.
- 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.

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 i 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 the 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.

Conversion to protected cell status

From 19 February 2013 the Company took on protected status following FCA approval to the conversion. This means that from this date, under English law, the Funds are segregated portfolios of assets and the assets of a Fund now belong exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

Other changes during the accounting year:

- Managed Growth, R Accumulation Net, GBP share class was launched on 2 January 2013.

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

Change of registered office

On 8 October 2012 the registered office of each of the Company, the ACD and the Investment Manager to the Company changed from 2 Gresham Street, London EC2V 7QP to Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA.

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, to 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.

Strategic Bond Fund



Summary of the Fund's investment objective and policy

The Fund aims to provide an income.

The Fund invests around the world primarily in bonds (contracts to repay borrowed money which typically pay interest at fixed times) issued by governments or companies.

The Fund may use derivatives (financial contracts whose value is linked to the price of an underlying asset) for investment purposes.

The bonds invested in will primarily be of investment grade (high quality) as rated by credit rating agencies (companies that rate the ability of the issuers of bonds to repay borrowed money) but may also be below investment grade.

The Fund is managed to minimise any currency risk (a form of risk that arises from the change in price of one currency against another) in sterling.

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

31 March, 30 September

Income payment dates

31 May, 31 August,
30 November, 28/29 February

Ongoing charges as per the Key Investor Information Document (%)

Share class	2013	2012
'A' Class – net accumulation	1.11	1.11
'A' Class – net income	1.11	1.11
'I' Class – net accumulation	0.60	0.61
'I' Class – net income	0.60	0.61
'R' Class – net accumulation**	0.85	-
'R' Class – net income**	0.85	-
'S' Class – gross accumulation	0.11	0.11
'S' Class – net 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 i Prospectus.

Summary

Distributions

Share class	Distributions as at 30.09.13	Distributions as at 30.09.12
'A' Class – net accumulation	7.56	6.01
'A' Class – net income	4.07	3.34
'I' Class – net accumulation**	3.38	1.33
'I' Class – net income	3.36	3.15
'R' Class – net accumulation*	2.48	n/a
'R' Class – net income*	2.41	n/a
'S' Class – gross accumulation	5.98	6.08
'S' Class – net income	3.35	3.54

*Share class was launched 2 January 2013

**Share class was launched 2 May 2012

Performance

Share class	Net Asset Value per share as at 30.09.13	Net Asset Value per share as at 30.09.12
'A' Class – net accumulation	225.40	230.19
'A' Class – net income	119.11	125.74
'I' Class – net accumulation	101.35	102.95
'I' Class – net income	98.18	103.12
'R' Class – net accumulation	97.73	-
'R' Class – net income	95.29	-
'S' Class – gross accumulation	144.41	144.80
'S' Class – net income	98.38	102.81

Share price range

Strategic Bond Fund 'A' Class (Net accumulation shares)[†]

Calendar year	2013 [†]	2012	2011
Highest Price	234.10	232.52	222.71
Lowest Price	223.54	219.31	212.83
Net revenue per accumulation share	5.78	6.21	6.40
Calendar year	2010	2009	2008
Highest Price	223.16	205.04	180.97
Lowest Price	205.09	167.67	161.13
Net revenue per accumulation share	7.82	8.61	7.54

Strategic Bond Fund 'A' Class (Net income shares)[†]

Calendar year	2013 [†]	2012	2011
Highest Price	125.78	127.09	127.02
Lowest Price	119.10	122.18	119.88
Net revenue per income share	3.10	3.43	3.61
Calendar year	2010	2009	2008
Highest Price	128.98	123.46	117.10
Lowest Price	121.12	104.38	101.97
Net revenue per income share	4.64	5.32	4.84

Strategic Bond Fund 'I' Class (Net accumulation shares)⁽²⁾

Calendar year	2013 ¹	2012	2011
Highest Price	105.04	104.03	-
Lowest Price	100.50	99.94	-
Net revenue per accumulation share	2.57	2.14	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

Strategic Bond Fund 'I' Class (Net income shares)[‡]

Calendar year	2013 ¹	2012	2011
Highest Price	103.45	104.30	104.19
Lowest Price	98.14	100.20	98.32
Net revenue per income share	2.56	3.12	3.38
	2010	2009	2008
Highest Price	105.78	101.99	97.79
Lowest Price	99.31	86.15	85.14
Net revenue per income share	4.12	4.51	4.53

Strategic Bond Fund 'R' Class (Net accumulation shares)⁽³⁾

Calendar year	2013 ¹	2012	2011
Highest Price	101.43	-	-
Lowest Price	96.99	-	-
Net revenue per accumulation share	2.48	-	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

Strategic Bond Fund 'R' Class (Net income shares)⁽³⁾

Calendar year	2013 ¹	2012	2011
Highest Price	100.50	-	-
Lowest Price	95.39	-	-
Net revenue per income share	2.41	-	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per income share	-	-	-

Strategic Bond Fund 'S' Class (Gross accumulation shares)⁽¹⁾

Calendar year	2013 ¹	2012	2011
Highest Price	148.92	146.59	136.81
Lowest Price	143.13	136.26	131.65
Gross revenue per accumulation share	4.58	5.94	6.33
	2010	2009	2008
Highest Price	135.88	122.98	-
Lowest Price	123.21	99.13	-
Gross revenue per accumulation share	7.02	6.71	-

Strategic Bond Fund 'S' Class (Net income shares)[‡]

Calendar year	2013 ¹	2012	2011
Highest Price	103.44	104.06	103.92
Lowest Price	98.26	99.89	98.02
Net revenue per income share	2.55	3.43	3.70
	2010	2009	2008
Highest Price	105.64	101.22	95.64
Lowest Price	99.13	85.48	83.27
Net revenue per income share	4.65	4.87	4.53

¹Up to 30 September 2013

[‡]Net revenue per share has been restated to reflect the cumulative distribution XD during the calendar year.

(1) Launched 30 January 2009

(2) Launched 2 May 2012

(3) Launched 2 January 2013

Performance record

For the 12 months ending 30 September 2013 the 'A' shares of the Fund fell 2.1%*. Over the same period the BofA Merrill Lynch Sterling Broad Market Index fell 1.1 % while the IMA Sterling Strategic Bond Sector returned 4.3%**.

The total income distributions for the year in relation to 'A' income shares were 4.07 pence per share. This compares to a total of 3.34 pence per share paid for the corresponding year in 2012.

The Fund has faced an unusual combination of market developments over the past year, most especially in the last two quarters leading up to the end of September. At that point, the falling price of core bonds (and rising yields) accompanied weakness across many risk assets, such as emerging markets, putting pressure on all fixed income assets.

Over the past year, the Fund's interest rate exposure was the largest detractor from performance. In absolute terms, the Fund's corporate bond exposure added to performance, although the last few months saw additional fluctuations in price, but limited capital gains, as the difference between the income return on Treasury securities and non-Treasury securities remained static. The Fund's emerging market debt holdings provided a strong source of positive performance at the end of 2012 and the beginning of 2013, but emerging market assets experienced substantial weakness mid-year, eroding these gains. Currency positions added to the Fund's performance, providing a useful source of diversification and a consistent source of positive returns, despite price fluctuations over the period across other investments and sources of risk.

The Fund faced significant weakness from bond yields. Core market long-dated interest rates broke out from their multi-month range-bound lows around May 2013. Fears about the prospective slowing of the US Federal Reserve's (Fed) bond-buying programme (introduced to stimulate the economy) unnerved investors during the summer months, contributing to weakness across global fixed income markets. The Fund's overall duration (sensitivity to changes in interest rates) exposure over the year was held below that of its performance comparison index and progressively reduced across much of the year. Improving macroeconomic data

Strategic Bond Fund (continued)

and policy signals, suggesting a reduced need for further central bank action to stimulate key economies, motivated this increased defensiveness towards interest rate risk. In addition, the Fund's allocation towards developed market inflation-linked bonds was reduced from already low levels, as risks associated with unrealistically low real yields continued to mount. As a result the Fund's performance across rates relative to the performance comparison index was substantially better, particularly evident when core interest rate markets experienced sustained weakness in early summer.

In global corporate bond markets, spreads (the difference in return between corporate bonds and government bonds) narrowed in September to the same or similar levels that were reached by the end of 2012. Thus, despite a particularly strong period for excess returns during April and May, the return contribution provided by corporate bonds over the review period was not particularly impressive. In the UK, corporate bonds performed somewhat better than many of its global or regional counterparts. The bulk of this outperformance was due to much higher spread duration (the sensitivity of the bond to danger in the spread) in the UK. The Fund remained fairly defensive over the review period, in both its sector and stock allocations, as these tended to be tilted towards what were deemed to be expensive levels.

The Fund's emerging market debt exposure fluctuated modestly over the period, although the defensiveness of the holding was increased. As a result, the damage from the sharp fall seen across emerging market assets around mid-2013 was relatively contained. However, the pace and excessive weakness of emerging markets did erode all the positive gains steadily accumulated in the months prior to the sharp correction.

The Fund's currency exposure was a valuable contributor to overall performance during the review period. Significantly, this performance was characterised not only by a few strategic currency biases, but by the aggregation of multiple, smaller trades, most of them relative value by nature and not particularly correlated to the performances of other risk assets.

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

Canadian Government 5.25% 01/06/2013, Province of Ontario Canada 4% 02/06/2021, United Kingdom Treasury 1.75% 07/09/2022, Sweden Government 3.5% 01/06/2022, Singapore Government 3% 09/01/2024, Johnson & Johnson 5.5% 06/11/2024, PepsiCo 2.5% 01/11/2022, HSBC 1.5% 15/05/2018, HSBC 5.1% 05/04/2021

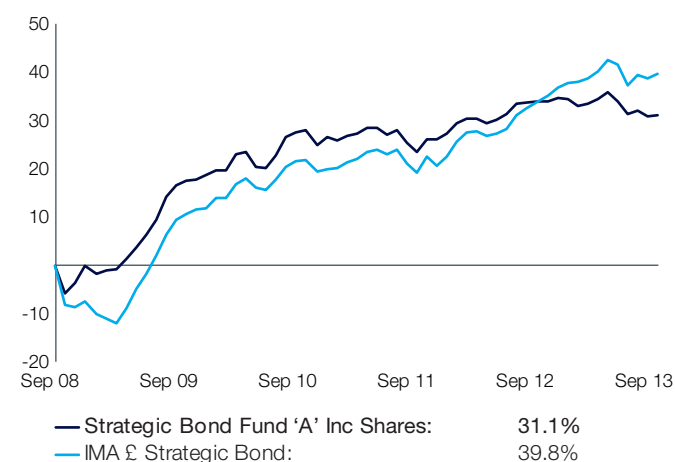
Significant sales (2% of Net Asset Value and above or a minimum of five holdings) during the year comprised:

United Kingdom Treasury 3.75% 22/07/2052, Canadian Government 1.5% 01/09/2017, Canadian Government 5.25% 01/06/2013, United States Treasury 2.125% 15/08/2021, Bundesobligation Inflation Linked Bond 2.25% 15/04/2013, Singapore Government 3% 09/01/2024, HSBC 1.5% 15/05/2018

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

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

5 year performance graph (%)



Past performance will not necessarily be repeated.

Source: Lipper, 30.09.08 to 30.09.13, total return, net of UK basic tax, no initial charge, net of fees in sterling.

IMA sector shown for performance comparison only.

Portfolio analysis

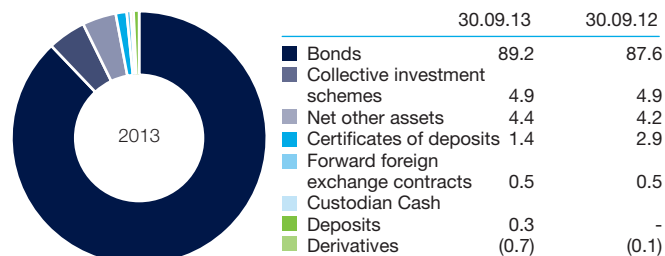
Top 10 holdings (%)

Security	30.09.13
United Kingdom Treasury 3.75% 22/07/2052	15.6
United Kingdom Treasury 1.75% 07/09/2022	10.3
Province of Ontario Canada 4% 02/06/2021	4.1
Investec Global Strategy Emerging Markets Local Currency Dynamic Debt £ Fund [†]	2.5
Investec Global Strategy Emerging Markets Local Currency Dynamic Debt \$ Fund [†]	2.5
United Kingdom Treasury Inflation Linked 2.5% 26/07/2016	1.6
Qatar Government 6.55% 09/04/2019	1.6
Sweden Government 3.5% 01/06/2022	1.4
Reed Elsevier 5.625% 20/10/2016	1.0
Volkswagen Financial Services 2% 23/10/2015	0.9

Security	30.09.12
United Kingdom Treasury 3.75% 22/07/2052	14.9
Citigroup Itraxx Cross-Over 5 Yrs Series 16 Risk 20/12/17	5.8
United Kingdom Treasury 1.75% 07/09/2022	4.5
Canadian Government 1.5% 01/09/2017	4.2
United States Treasury 2.125% 15/08/2021	3.3
Morgan Stanley Itraxx Cross-Over 5 Yrs Series 18 Risk 20/12/17	3.1
Investec Global Strategy Emerging Markets Local Currency Dynamic Debt £ Fund [†]	2.5
Investec Global Strategy Emerging Markets Local Currency Dynamic Debt \$ Fund [†]	2.5
Bundesobligation Inflation Linked Bond 2.25% 15/04/2013	2.1
Morgan Stanley Markit Itrax EUR Series 18 Risk 20/12/17	1.7

[†]A related party to the Fund

Asset class split (%)



Outlook

In the short-term, global fixed income markets are likely to remain largely vulnerable to the combination of fiscal and monetary policy in the US.

Yet, looking beyond the policy risks posed by the US, there are more hopeful developments surrounding the outlook for global growth, particularly the contribution from other developed markets. Leading economic indicators are consistent with a pick-up and low inflation and easier credit conditions provide support. This suggests a continued move towards a macroeconomic environment more supportive of growth-orientated assets. However, alongside this will be the need to scale-back excessively loose monetary policy – a process that contains its own set of risks, as the last few months have demonstrated.

Emerging markets and commodity asset prices still appear to be undergoing an adjustment process, aligning themselves to lower future growth, relative to the average seen in the past decade or so. A key part of this is the rebalancing that has started in China, but requires more meaningful shifts away from a reliance on exports and fixed investment. This poses risks to emerging market economies whose growth is particularly sensitive to activity in China, as well as those economies with heavy dependence on commodities.

When considering the outlook for global rates, recognising that the lows in government bond yields have likely been reached in this cycle is significant in guiding asset allocation in the months ahead. Yield curves for bonds with varying maturity dates now price in central bank policy decisions, but with the path of policy becoming less pre-committed and more data-dependent, this is likely to introduce greater price fluctuation. Within defensive bond markets, the preference lies towards markets like Sweden, Australia and Canada and away from Norway, Switzerland and Japan, based on relative fundamentals, together with what these imply for potential policy movements in the future.

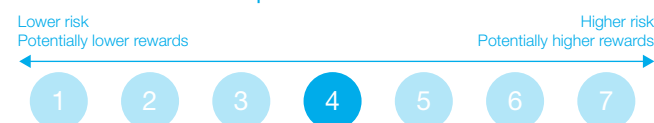
The outlook for emerging market debt has improved recently, primarily as the mid-year sell-off cleared out uncertainty that had accumulated in many of these markets. On value, these markets look much more attractive and the relative return between developed markets and emerging markets bonds looks much more reasonable. Overall, this supports a moderate allocation towards these markets, although being particularly careful in identifying the better-placed and more resilient markets will likely remain the differentiator in extracting value.

The investment case for global corporate bonds is less compelling. The market has priced in strong equity performances, default rates to remain around low single-digit levels and market volatility to remain unusually (by historical standards) low. While the macroeconomic backdrop is expected to provide support to this asset class in the months ahead, the asset class is not cheap.

The currency outlook is built around a view that anticipates US dollar strength over the medium- to longer-term. However, given the structural nature of such a view, Fund positioning in currency is unlikely to benefit from adopting a consistent and substantial US dollar bias. Instead, continuing to emphasise relative-value opportunities as they arise is likely to produce better risk-adjusted returns over the months ahead. In this sense, there is a shorter-term bias towards increased opportunities in emerging market currencies, which have seen substantial weakness in recent months – some justified, but others overdone.

The opinions expressed herein are as at October 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 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's expenses are charged to the capital account of the Fund rather than to its income, 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.

Strategic Bond Fund (continued)

- 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 i 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 the 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:

- Notice was given on 31 July 2012 of changes to the charges taken from the Strategic Bond Fund in that the level of charges, which were previously taken 0% from capital and 100% from income, were to be taken 100% from capital, effective on 1 October 2012. This notice also detailed that this change has the effect of increasing the level of income paid by the fund and constraining the funds capital performance to an equivalent extent.
- 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.

Conversion to protected cell status

From 19 February 2013 the Company took on protected status following FCA approval to the conversion. This means that from this date, under English law, the Funds are segregated portfolios of assets and the assets of a Fund now belong exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

Other changes during the accounting year:

- Strategic Bond, R Accumulation Net, GBP share class was launched on 2 January 2013.
- Strategic Bond, R Income Net, GBP share class was launched on 2 January 2013.

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

Change of registered office

On 8 October 2012 the registered office of each of the Company, the ACD and the Investment Manager to the Company changed from 2 Gresham Street, London EC2V 7QP to Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA.

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, to 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.

UK Alpha 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 the shares of UK companies or in related derivatives (financial contracts whose value is linked to the price of an underlying asset).

The Fund invests in a relatively small number of UK companies and seeks to invest in shares which offer good potential for growth and income.

The Investment Manager is free to choose how the Fund is invested and will not track 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 March, 30 September

30 November

Ongoing charges as per the
Key Investor Information Document (%)

Share class	2013	2012
'A' Class – accumulation	1.61	1.64
'I' Class – accumulation	0.86	0.89
'I' Class – income	0.86	0.88
'R' Class – accumulation**	1.13	-
'S' Class – accumulation	0.11	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 i Prospectus.

Summary

Distributions

Share class	Distributions as at 30.09.13	Distributions as at 30.09.12
'A' Class – accumulation	15.73	19.97
'I' Class – accumulation	2.24	0.93
'I' Class – income	4.06	4.27
'R' Class – accumulation*	1.69	n/a
'S' Class – accumulation	37.41	36.24

*Share class was launched 2 January 2013

Performance

Share class	Net Asset Value per share as at 30.09.13	Net Asset Value per share as at 30.09.12
'A' Class – accumulation	1,663.75	1,250.34
'I' Class – accumulation	137.12	102.30
'I' Class – income	246.49	186.84
'R' Class – accumulation	121.62	-
'S' Class – accumulation	1,645.62	1,218.35

Share price range

UK Alpha Fund 'A' Class (Net accumulation shares)

Calendar year	2013†	2012	2011
Highest Price	1,711.17	1,352.88	1,295.27
Lowest Price	1,372.37	1,100.95	984.71
Net revenue per accumulation share	15.73	19.97	12.79

	2010	2009	2008
Highest Price	1,227.67	1,049.31	1,238.30
Lowest Price	972.16	680.60	668.00
Net revenue per accumulation share	11.21	17.10	12.58

UK Alpha Fund 'I' Class (Net accumulation shares)⁽²⁾

Calendar year	2013†	2012	2011
Highest Price	140.99	110.85	-
Lowest Price	112.48	89.81	-
Net revenue per accumulation share	2.24	0.93	-

	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

UK Alpha Fund 'I' Class (Net income shares)

Calendar year	2013†	2012	2011
Highest Price	257.61	202.54	198.66
Lowest Price	205.53	167.85	149.47
Net revenue per income share	4.06	4.27	2.44

	2010	2009	2008
Highest Price	188.08	162.12	196.43
Lowest Price	150.95	107.07	104.72
Net revenue per income share	3.04	3.75	2.10

UK Alpha (continued)

UK Alpha Fund 'R' Class (Net accumulation shares)⁽³⁾

Calendar year	2013 ¹	2012	2011
Highest Price	125.07	-	-
Lowest Price	99.91	-	-
Net revenue per accumulation share	1.69	-	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

UK Alpha Fund 'S' Class (Net accumulation shares)⁽¹⁾

Calendar year	2013 ¹	2012	2011
Highest Price	1,691.62	1,322.66	1,232.20
Lowest Price	1,342.49	1,067.47	945.36
Net revenue per accumulation share	37.41	36.24	29.27
	2010	2009	2008
Highest Price	116.55	97.97	113.02
Lowest Price	91.61	62.86	61.36
Net revenue per accumulation share	2.53	2.68	2.67

¹Up to 30 September 2013

(1) Consolidation 18 July 2011

(2) Launched 2 May 2012

(3) Launched 2 January 2013

Performance record

For the 12 months ending 30 September 2013 the 'A' shares of the Fund returned 33.0%*. Over the same period the FTSE All-Share Index returned 18.9% while the IMA UK All Companies Sector returned 22.5%**.

The mid and smaller end of the UK equity market enjoyed much stronger returns over the period as equities found support from increased allocations by investors (reflected in industry fund flow statistics). The switch by investors from fixed income into equity has been dubbed by some as 'the great rotation' given the attractive valuations offered by equities, while bond yields generally hit lows during the period (yields move in the opposite direction from bond prices). Indeed the majority of the price swings in equity markets over the period can be attributed to gyrations in fixed income due to US Federal Reserve (Fed) policies. After the Fed expanded its bond buying programme in September 2012, yields on US government bonds moved to extremely low levels while US employment continued to improve. This led Fed chairman Ben Bernanke to comment in May 2013 that a winding down or 'tapering' of the bond buying programme may need to commence sooner than many had expected. The prospect of the withdrawal of the support provided to markets by this programme led to a sharp rise in bond yields. This particularly affected emerging markets, exacerbating recent underperformance.

The Fund saw UK cyclically exposed companies and globally oriented structural growth companies contributing strongly. Among the Fund's top performers over the period in the Fund was Sports Direct. The sports goods retailer has seen strong demand for high quality products at low prices. It has also seen good online growth, but without affecting performance at the stores. This is partly because rivals, such as JJB Sports, have gone out of business during the last year. The extra cashflow is being used for acquisitions so that Sports Direct can work to repeat its UK success in Europe. ITV has also performed very well. Confidence is increasing as UK GDP revives, and is resulting in an increased willingness by companies to advertise. As the provider of the biggest audiences in the UK, ITV stands to strongly benefit from any increase in advertising budgets.

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

HSBC, Vodafone, GlaxoSmithKline, Lloyds Banking, Rio Tinto, Shire, British American Tobacco, Burberry, Essar Energy, Reed Elsevier, TUI Travel, Signet Jewelers, Jupiter Fund Management, Compass, Resolution, HellermannTyton, Barclays, National Express, Prudential, Bovis Homes, London Stock Exchange, Old Mutual, Britvic, Filtrona, Close Brothers, Berkeley, Mitchells & Butlers, Soco International, Blinkx, Ashmore, Hays, Esure, Keller, WPP, Tyman

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

HSBC, British American Tobacco, BP, GlaxoSmithKline, Diageo, BHP Billiton, Rio Tinto, Ashtead, easyJet, Shire, BT, Intercontinental Hotels, Barclays, Weir Group, Vodafone, Experian, Standard Chartered, Soco International, UBM, TUI Travel, Catlin, Tyman, Senior, Esure, ITV, Old Mutual

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

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

5 year performance graph (%)



Past performance will not necessarily be repeated.

Source: Lipper, 30.09.08 to 30.09.13, total return, net of UK basic tax, no initial charges, net of fees in sterling.

IMA sector shown for performance comparison only.

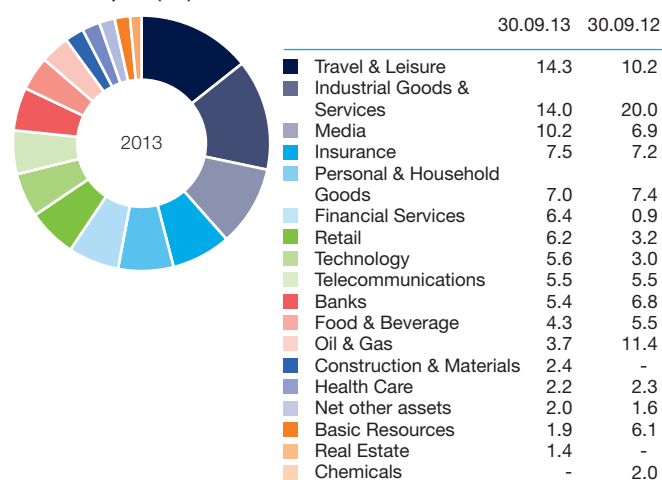
Portfolio analysis

Top 10 holdings (%)

Security	30.09.13
Vodafone	5.5
Prudential	4.3
Lloyds Banking	4.1
WPP	3.6
Burberry	2.9
Signet Jewelers	2.9
Compass	2.8
Babcock International	2.8
DS Smith	2.7
Reed Elsevier	2.6

Security	30.09.12
BP	6.7
Diageo	5.5
British American Tobacco	4.6
BHP Billiton	3.4
Ashtead	3.2
Prudential	3.2
Vodafone	3.2
HSBC	3.1
Babcock International	3.0
EasyJet	2.7

Sector split (%)



Outlook

After three years trading in a broad sideways range, UK equity markets, along with many others around the world, broke upwards delivering acceleration to the uptrend which commenced in June 2012. Indeed, certain broader markets, such as the FTSE 250 Index, have surged to new all-time highs as part of this move. The 'great rotation' can also be seen in significantly improved net flows directed towards equities, compared with the trend of the past five years, and it can be seen when observing the market reaction to macroeconomic newsflow. While many of the headlines about continued weakness in the European financial system, and the stop-start economic growth observed in the UK and US, have a sense of déjà vu about them, the market reaction has been significantly more resilient.

This resilience is warranted, in our view, when acknowledging that corporate profitability of UK-listed companies has proven to be remarkably robust, despite the fluctuations in headline macroeconomic developments. This meant that each stockmarket correction has pushed valuations lower, providing support for markets to trade within their broad range. This proven track record, and relatively cheap valuations compared to fixed income, has recently promoted the rerating of equities, which in our view is by no means over. The FTSE All-Share Index still offers strong value at a price earnings ratio of only 11.5x and 3.8% dividend yield (well above government bond yields).

Recently, macroeconomic data has become increasingly positive, with Continental Europe joining the US and UK with improved momentum. Indeed, certain indicators in the UK have surged to multi-year highs, providing further impetus to an improving economy. Even though the UK market's heavy exposure to global-leading businesses, enjoying very diverse earnings from around the globe, means that exposure to the UK economy is lower than first appears, it is encouraging to observe that the UK is, in any case, currently among the most attractive economic global profiles.

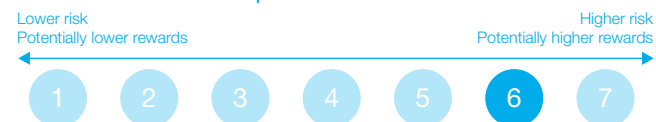
Against this improving backdrop we continue to see this environment as healthy for a focused stock picking approach. As such, we continue to focus on high quality, attractively-valued companies, where there is positive operating momentum. These stocks can be found across the market spectrum: from domestically-focused companies, where structural drivers are in place, to the global leaders that the UK market is fortunate to benefit from.

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

The opinions expressed herein are as at October 2013.

UK Alpha (continued)

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 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 risk may not be fully captured by the Risk and Reward Indicator:

- The investments of the Fund are primarily concentrated in one country. This may mean that there are times when the value of the Fund decreases even while more broadly invested funds are growing.

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 i 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 the 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.

Conversion to protected cell status

From 19 February 2013 the Company took on protected status following FCA approval to the conversion. This means that from this date, under English law, the Funds are segregated portfolios of assets and the assets of a Fund now belong exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

Other changes during the accounting year:

- UK Alpha, R Accumulation Net, GBP share class was launched on 2 January 2013.

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

Change of registered office

On 8 October 2012 the registered office of each of the Company, the ACD and the Investment Manager to the Company changed from 2 Gresham Street, London EC2V 7QP to Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA.

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, to 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.

UK Blue Chip 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 the shares of companies included in the FTSE 350 Index and in related derivatives (financial contracts whose value is linked to the price of an underlying asset). The FTSE 350 is made up of the largest 350 companies by capitalisation (number of shares in issue x share price) on the London Stock Exchange.

The Investment Manager is free to choose how the Fund is invested within the limits of its investment policy. However, the FTSE All Share Index is 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

31 March, 30 September

Income payment dates

30 November

Ongoing charges as per the Key Investor Information Document (%)

Share class	2013	2012
'A' Class – accumulation	1.60	1.60
'I' Class – accumulation	0.85	0.86
'I' Class – income	0.85	0.84
'R' Class – accumulation**	1.10	-
'S' Class – accumulation	0.10	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 i Prospectus.

Summary

Distributions

Share class	Distributions as at 30.09.13	Distributions as at 30.09.12
'A' Class – accumulation	11.94	12.12
'I' Class – accumulation	2.98	1.19
'I' Class – income	4.98	4.88
'R' Class – accumulation*	2.47	n/a
'S' Class – accumulation	4.65	4.28

*Share class was launched 2 January 2013

Performance

Share class	Net Asset Value per share as at 30.09.13	Net Asset Value per share as at 30.09.12
'A' Class – accumulation	702.30	575.43
'I' Class – accumulation	124.08	100.85
'I' Class – income	202.40	168.61
'R' Class – accumulation	114.78	-
'S' Class – accumulation	150.89	121.80

Share price range

UK Blue Chip Fund 'A' Class (Net accumulation shares)

Calendar year	2013†	2012	2011
Highest Price	723.44	608.63	590.11
Lowest Price	613.88	518.13	468.21
Net revenue per accumulation share	11.94	12.12	8.74
Calendar year	2010	2009	2008
Highest Price	570.85	483.38	553.59
Lowest Price	447.86	332.43	324.95
Net revenue per accumulation share	8.40	10.39	9.34

UK Blue Chip Fund 'I' Class (Net accumulation shares)⁽¹⁾

Calendar year	2013†	2012	2011
Highest Price	127.79	106.90	-
Lowest Price	107.86	90.65	-
Net revenue per accumulation share	2.98	1.19	-
Calendar year	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

UK Blue Chip Fund 'I' Class (Net income shares)

Calendar year	2013†	2012	2011
Highest Price	213.57	178.68	180.62
Lowest Price	180.27	155.83	140.12
Net revenue per income share	4.98	4.88	4.03
Calendar year	2010	2009	2008
Highest Price	174.50	149.16	179.43
Lowest Price	138.79	105.00	102.33
Net revenue per income share	0.54	4.32	4.44

UK Blue Chip Fund (continued)

UK Blue Chip Fund 'R' Class (Net accumulation shares)⁽²⁾

Calendar year	2013 ¹	2012	2011
Highest Price	118.23	-	-
Lowest Price	99.95	-	-
Net revenue per accumulation share	2.47	-	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

UK Blue Chip Fund 'S' Class (Net accumulation shares)

Calendar year	2013 ¹	2012	2011
Highest Price	155.37	129.25	121.94
Lowest Price	130.44	109.13	97.64
Net revenue per accumulation share	4.65	4.28	3.53
	2010	2009	2008
Highest Price	117.69	98.20	109.75
Lowest Price	91.68	66.71	64.86
Net revenue per accumulation share	3.21	3.24	3.11

¹Up to 30 September 2013

(1) Launched 2 May 2012

(2) Launched 2 January 2013

Performance record

For the 12 months ending 30 September 2013 the 'A' shares of the Fund returned 22.1%*. Over the same period the FTSE All-Share Index returned 18.9% while the IMA UK All Companies sector returned 22.5%**.

Markets performed strongly throughout the period under review, especially in 2013, once the negotiations about the US fiscal cliff had been resolved in the last days of 2012. As the UK economy improved, those companies that survived the downturn began to really prosper thanks to reduced levels of competition aligned with the recovery in demand. The Fund was heavily exposed to companies benefiting from this trend. Contributors to performance included ITV, which has benefited from a recovery in advertising, and airline easyJet, which has been helped by the woes of competitors. Other strong contributors in the services sector included the plant hire rental company Ashtead Group, where end demand has been strong, and retailer Sports Direct, which has seen strong growth in both its UK and European operations. Within the technology software sector, gaming software developer Playtech was the largest single contributor to Fund performance, while semi-conductor company CSR also saw strong uptake of its Bluetooth product.

There were some negative contributors, and we were disappointed by the failure of AZ Electronic Materials failure to achieve its growth forecasts. However, the biggest detractors tended to be stocks or in sectors in which we did not have holdings. In particular, not holding British Telecom and having an underweight position in domestic banks impacted relative performance.

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

Reed Elsevier, BAE Systems, Bovis Homes, Signet Jewelers, esure

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

Diageo, Experian, Aberdeen Asset Management, Aggreko, esure

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

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

5 year performance graph (%)



Past performance will not necessarily be repeated.

Source: Lipper, 30.09.08 to 30.09.13, total return, net of UK basic tax, no initial charges, net of fees in sterling.

IMA sector shown for performance comparison only.

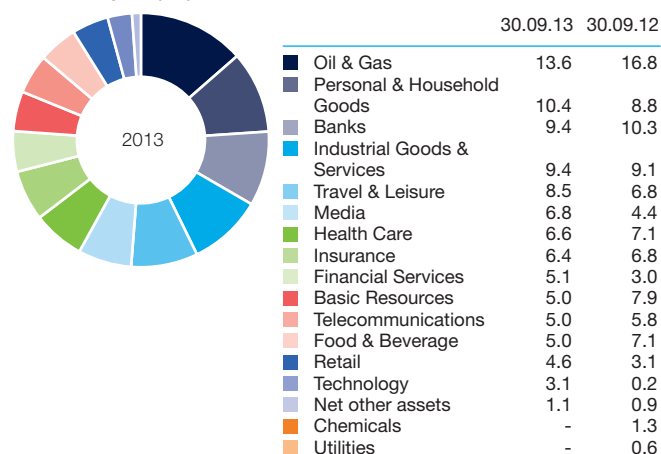
Portfolio analysis

Top 10 holdings (%)

Security	30.09.13
Royal Dutch Shell 'B' Shares	5.3
HSBC	5.1
Vodafone	5.0
British American Tobacco	4.9
BP	4.6
GlaxoSmithKline	3.4
Prudential	3.3
Unilever	3.0
WPP	2.7
Rio Tinto	2.3

Security	30.09.12
Royal Dutch Shell 'B' Shares	6.9
Vodafone	5.8
BP	5.7
HSBC	5.5
Diageo	4.1
British American Tobacco	3.9
GlaxoSmithKline	3.6
BHP Billiton	3.3
Standard Chartered	3.1
Unilever	3.0

Sector split (%)



Outlook

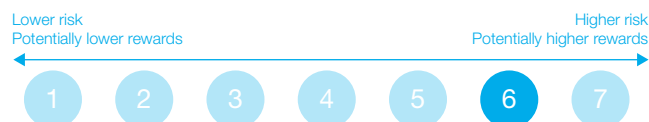
Despite new risks, such as emerging market currency devaluations, the Syrian conflict, and renewed US fiscal worries, markets have been strong this quarter. While this performance must merit some caution, we also believe it underlines the solid backing that markets still benefit from, including the ability of corporates to navigate the business environment and the valuation of equities relative to other asset classes. We see that continued positive demand/supply environment is allowing corporates to grow profits despite the anaemic economic environment. Meanwhile, valuation support stems from an earnings yield on the UK market, as at 30 September, of just below 9% only slightly lower than at the start of the year and still meaningfully higher than other asset classes, including UK government bonds at 2.7%.

Within the market we continue to focus on well-run, attractively valued companies where there is positive operating momentum. We continue to find such companies across the market spectrum. Indeed, the broadening-out of the UK economic recovery is bringing new investment opportunities across a wider range of sectors. In particular, we have recently increased our exposure to the UK financial services sector where domestic players are benefiting from the severe shake-out of competition alongside the gradual pickup in demand, while global players are demonstrating that London remains a centre for innovative financial products. We also continue to favour companies exposed to positive demographic trends in emerging markets, particularly Prudential.

The opinions expressed herein are as at October 2013.

UK Blue Chip Fund (continued)

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 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 investments of the Fund are primarily concentrated in one country. This may mean that there are times when the value of the Fund decreases even while more broadly invested funds are growing.
- The Fund invests in a smaller than average number of holdings relative to other funds. This may lead to the Fund's returns fluctuating more widely than those of other more broadly invested funds.

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 i 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 the 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.

Conversion to protected cell status

From 19 February 2013 the Company took on protected status following FCA approval to the conversion. This means that from this date, under English law, the Funds are segregated portfolios of assets and the assets of a Fund now belong exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

Other changes during the accounting year:

- UK Blue Chip, R Accumulation Net, GBP share class was launched on 2 January 2013.

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

Change of registered office

On 8 October 2012 the registered office of each of the Company, the ACD and the Investment Manager to the Company changed from 2 Gresham Street, London EC2V 7QP to Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA.

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, to 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.

UK Smaller Companies Fund



Summary of the Fund's investment objective and policy

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

The Fund invests primarily in the shares of UK smaller companies and in related derivatives (financial contracts whose value is linked to the price of an underlying asset).

UK smaller companies are companies considered to be small based on the size of their issued capital (the value of all shares held by their shareholders added together) and which are included in the Numis Smaller Companies excluding Investment Trusts plus AIM Index.

The Investment Manager is free to choose how the Fund is invested within the limits of its investment policy and will not track 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 March, 30 September

30 November

Ongoing charges as per the
Key Investor Information Document (%)

Share class	2013	2012
'A' Class – accumulation	1.60	1.61
'A' Class – income	1.60	1.61
'I' Class – accumulation	0.85	0.85
'I' Class – income	0.85	0.86
'R' Class – accumulation**	1.11	-
'S' Class – accumulation	0.10	0.10
'S' Class – income	0.10	0.10

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 i Prospectus.

Summary

Distributions

Share class	Distributions as at 30.09.13	Distributions as at 30.09.12
'A' Class – accumulation	-	-
'A' Class – income	-	-
'I' Class – accumulation**	0.51	0.42
'I' Class – income	14.27	18.94
'R' Class – accumulation*	0.33	n/a
'S' Class – accumulation	31.01	30.13
'S' Class – income	28.03	27.59

*Share class was launched 2 January 2013

**Share class was launched 2 May 2012

Performance

Share class	Net Asset Value per share as at 30.09.13	Net Asset Value per share as at 30.09.12
'A' Class – accumulation	2,944.43	2,239.03
'A' Class – income	2,735.72	2,080.59
'I' Class – accumulation	136.44	102.93
'I' Class – income	3,951.39	2,992.77
'R' Class – accumulation	124.36	-
'S' Class – accumulation	3,080.94	2,307.80
'S' Class – income	2,757.20	2,086.09

Share price range

UK Smaller Companies Fund 'A' Class (Net accumulation shares)

Calendar year	2013†	2012	2011
Highest Price	2,986.12	2,342.89	2,141.10
Lowest Price	2,374.54	1,887.31	1,776.99
Net revenue per accumulation share	-	-	-

	2010	2009	2008
Highest Price	1,926.95	1,472.62	1,344.71
Lowest Price	1,357.50	788.21	768.81
Net revenue per accumulation share	5.71	8.49	5.54

UK Smaller Companies Fund 'A' Class (Net income shares)

Calendar year	2013†	2012	2011
Highest Price	2,774.49	2,177.66	1,989.58
Lowest Price	2,207.07	1,754.29	1,651.21
Net revenue per income share	-	-	-

	2010	2009	2008
Highest Price	1,790.58	1,372.97	1,262.39
Lowest Price	1,265.67	743.05	717.80
Net revenue per income share	5.30	7.95	5.00

UK Smaller Companies Fund (continued)

UK Smaller Companies Fund 'I' Class (Net accumulation shares)⁽²⁾

Calendar year	2013 ¹	2012	2011
Highest Price	138.31	107.91	-
Lowest Price	109.38	91.41	-
Net revenue per accumulation share	0.51	0.42	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

UK Smaller Companies Fund 'I' Class (Net income shares)

Calendar year	2013 ¹	2012	2011
Highest Price	4,021.69	3,137.73	2,874.79
Lowest Price	3,180.30	2,524.54	2,387.49
Net revenue per income share	14.27	18.94	18.17
	2010	2009	2008
Highest Price	2,577.24	1,971.02	1,828.40
Lowest Price	1,821.17	1,063.55	1,034.35
Net revenue per income share	22.22	21.29	20.42

UK Smaller Companies Fund 'R' Class (Net accumulation shares)⁽³⁾

Calendar year	2013 ¹	2012	2011
Highest Price	126.11	-	-
Lowest Price	99.90	-	-
Net revenue per accumulation share	0.33	-	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

UK Smaller Companies Fund 'S' Class (Net accumulation shares)⁽¹⁾

Calendar year	2013 ¹	2012	2011
Highest Price	3,124.04	2,424.17	2,166.75
Lowest Price	2,457.22	1,923.81	1,800.68
Net revenue per accumulation share	31.01	30.13	28.48
	2010	2009	2008
Highest Price	129.00	96.83	86.62
Lowest Price	89.67	51.36	49.90
Net revenue per accumulation share	1.82	1.49	1.59

UK Smaller Companies Fund 'S' Class (Net income shares)⁽¹⁾

Calendar year	2013 ¹	2012	2011
Highest Price	2,824.19	2,191.50	2,015.28
Lowest Price	2,221.37	1,761.95	1,666.96
Net revenue per income share	28.03	27.59	26.48
	2010	2009	2008
Highest Price	149.98	114.40	106.50
Lowest Price	105.95	61.72	59.98
Net revenue per income share	2.14	1.81	1.99

¹Up to 30 September 2013

(1) Consolidation 18 July 2011

(2) Launched 2 May 2012

(3) Launched 2 January 2013

Performance record

For the 12 months ending 30 September 2013 the 'A' share class of the Fund returned 31.3%*. Over the same period a composite index (Numis Smaller Companies (ex IT) plus AIM Index, and prior to 1 July 2013, FTSE Small-Cap (ex-IT) Index) returned 39.1% while the IMA UK Smaller Companies Sector returned 30.7%**.

UK smaller companies enjoyed a strong 12-month period, as equities continued to be supported by increased allocations from investors, as reflected in industry fund flow statistics. The switch by investors from fixed income into equity has been dubbed by some as 'the great rotation' given the attractive valuations offered by equities, while bond yields generally hit lows during the period (yields move in the opposite direction from bond prices). Indeed the majority of the price swings in equity markets over the period can be attributed to gyrations in fixed income due to US Federal Reserve (Fed) policies. After the Fed expanded its bond-buying programme in September 2012, yields on US government bonds moved to extremely low levels while US employment continued to improve. This led Fed chairman, Ben Bernanke, to comment in May 2013 that a winding down or 'tapering' of the bond-buying programme may need to commence sooner than many had expected. The prospect of the withdrawal of the support provided to markets by this programme led to a sharp rise in bond yields. This particularly affected emerging markets, exacerbating recent underperformance.

This is in contrast to a significantly improved outlook for European economies. Continental European countries have widely reported an improvement in leading economic indicators, bringing an end to six quarters of negative growth. However, the strongest data was produced by the UK, with a sharp revival in UK GDP growth in the second quarter of 2013 supported by positive data. This has resulted in a significant boost to domestically oriented UK companies compared to emerging market exposed companies.

The Fund's performance over the period was helped by both UK cyclically exposed companies and globally oriented structural growth companies. The Fund's best performer was Optimal Payments, which provides online payment services and online wallets – particularly to the booming online gaming industry. Having invested in high-quality offerings, the company is taking market share in a high growth market. Meanwhile, Blur Group is an example of a company exposed to global growth. The Fund supported a fund raising by the company to increase the growth potential of its global online services exchange. Acting effectively as a business-oriented eBay for services (such as marketing, accountancy and technical services), Blur has enjoyed growth of more than 200% per annum as word of mouth spreads about the effectiveness of being able to tap into a global pool of service suppliers.

Among the detractors from performance, Cupid hit the headlines with sharp swings in its share price, despite the company repeatedly confirming that trading was strong. This was due to negative rumours about its ability to thwart spam profiles which have affected some user experiences. We closed our position in the company as results revealed it was investing in extra costs, leading to earnings downgrades.

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

Keller, Blinkx, Mears, Bovis Homes, Hellermann Tyton

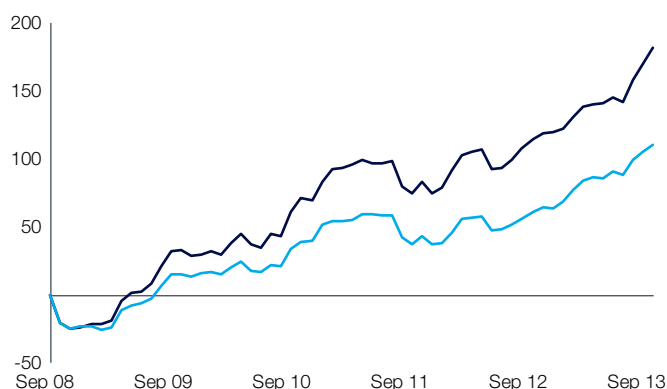
Significant sales (2% of Net Asset Value and above or a minimum of five holdings) during the year comprised:

Ashtead, Keller, Anite, NMC Health, Cineworld

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

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

5 year performance graph (%)



—UK Smaller Companies 'A' Acc Shares: 182.5%
—IMA UK Smaller Companies: 111.1%

Past performance will not necessarily be repeated.

Source: Lipper, 30.09.08 to 30.09.13, total return, net of UK basic tax, no initial charge, net of fees in sterling.

IMA sector shown for performance comparison only.

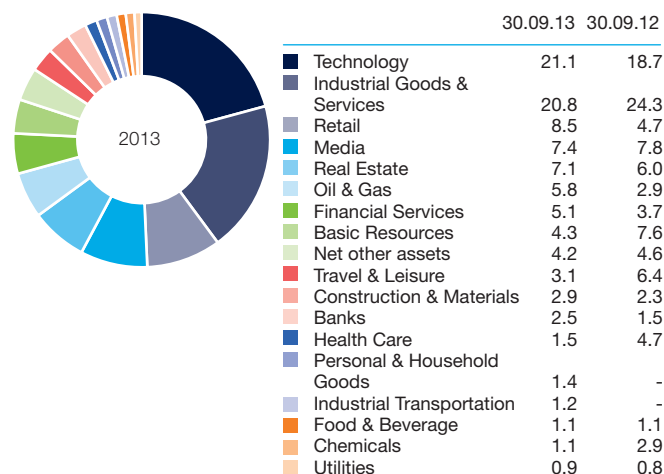
Portfolio analysis

Top 10 holdings (%)

Security	30.09.13
Blinkx	3.3
Quindell Portfolio	3.3
Optimal Payments	3.2
Sierra Rutile	3.1
Entertainment One	2.3
Amerisur Resources	2.3
Blur	2.0
Utilitywise	2.0
Staffline	1.8
Regeneris	1.7

Security	30.09.12
Sierra Rutile	4.5
Quindell Portfolio	3.0
Cupid	2.7
EMIS	2.4
Entertainment One	2.4
Ashtead	2.2
Smart Metering Systems	2.1
Vectura	1.9
Anite	1.8
Raven Russia	1.7

Sector split (%)



UK Smaller Companies Fund (continued)

Outlook

After three years trading in a broad sideways range, UK equity markets, along with many others around the world, broke upwards delivering acceleration to the uptrend which commenced in June 2012. Indeed, certain broader markets, such as the FTSE 250 Index, have surged to new all-time highs as part of this move. The 'great rotation' can also be seen in significantly improved net flows directed towards equities, compared with the trend of the past five years, and it can be seen when observing the market reaction to macroeconomic newsflow. While many of the headlines about continued weakness in the European financial system, and the stop-start economic growth observed in the UK and US, have a sense of déjà vu about them, the market reaction has been significantly more resilient.

This resilience is warranted, in our view, when acknowledging that corporate profitability of UK-listed companies has proven to be remarkably robust, despite the fluctuations in headline macroeconomic developments. This meant that each stockmarket correction has pushed valuations lower, providing support for markets to trade within their broad range. This proven track record, and relatively cheap valuations compared to fixed income, has recently promoted the rerating of equities, which in our view is by no means over. The FTSE All-Share Index still offers strong value at a price earnings ratio of only 11.5x and 3.8% dividend yield (well above government bond yields).

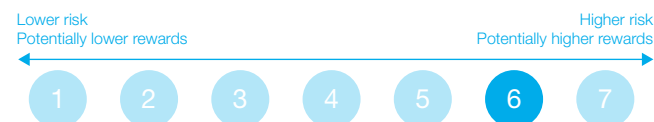
Recently, macroeconomic data has become increasingly positive, with Continental Europe joining the US and UK with improved momentum. Indeed, certain indicators in the UK have surged to multi-year highs, providing further impetus to an improving economy. Even though the UK market's heavy exposure to global-leading businesses, enjoying very diverse earnings from around the globe, means that exposure to the UK economy is lower than first appears, it is encouraging to observe that the UK is, in any case, currently among the most attractive economic global profiles.

Against this improving backdrop we continue to see this environment as healthy for a focused stock picking approach. As such, we continue to focus on high quality, attractively-valued companies, where there is positive operating momentum. These stocks can be found across the market spectrum: from domestically-focused companies, where structural drivers are in place, to the global leaders that the UK market is fortunate to benefit from.

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

The opinions expressed herein are as at October 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 at the higher end of the Risk and Reward Indicator scale. This is because it invests into 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 investments of the Fund are primarily concentrated in one country. This may 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 Fund invests in a smaller than average number of holdings relative to other funds. This may lead to the Fund's returns fluctuating more widely than those of other more broadly invested funds.

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 i 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 the long form report and accounts of Investec Series i.

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:

- Notice was given on 31 July 2012 of an update to the name of the investment universe index named in the investment policy of UK Smaller Companies Fund (from Hoare Govett Small Cap plus AIM (excluding Investment Trusts) to Numis Smaller Companies plus AIM (excluding Investment Trusts)), effective on 1 October 2012.
- 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.

Conversion to protected cell status

From 19 February 2013 the Company took on protected status following FCA approval to the conversion. This means that from this date, under English law, the Funds are segregated portfolios of assets and the assets of a Fund now belong exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

Other changes during the accounting year:

- UK Smaller Companies, R Accumulation Net, GBP share class was launched on 2 January 2013.

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

Change of registered office

On 8 October 2012 the registered office of each of the Company, the ACD and the Investment Manager to the Company changed from 2 Gresham Street, London EC2V 7QP to Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA.

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, to 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.

UK Special Situations Fund



Summary of the Fund's investment objective and policy

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

The Fund invests primarily in the shares of companies in the UK and in related derivatives (financial contracts whose value is linked to the price of an underlying asset). The Fund will use a contrarian approach (investing in a way that is likely to be different to current general market views) in selecting investments.

The Investment Manager is free to choose how the Fund is invested. However, the FTSE All Share Index is 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 March, 30 September

30 November

Ongoing charges as per the
Key Investor Information Document (%)

Share class	2013	2012
'A' Class – accumulation	1.60	1.60
'A' Class – income	1.60	1.60
'B' Class – accumulation	1.10	1.10
'B' Class – income	1.10	1.10
'I' Class – accumulation	0.85	0.85
'I' Class – income	0.85	0.84
'R' Class – accumulation**	1.10	-
'S' Class – accumulation	0.10	0.10

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 i Prospectus.

Summary

Distributions

Share class	Distributions as at 30.09.13	Distributions as at 30.09.12
'A' Class – accumulation	21.03	21.14
'A' Class – income	8.92	9.21
'B' Class – accumulation	24.37	23.90
'B' Class – income	10.08	10.26
'I' Class – accumulation	3.84	3.73
'I' Class – income	3.16	3.21
'R' Class – accumulation*	2.69	n/a
'S' Class – accumulation	28.33	26.97

*Share class was launched 4 January 2013

Performance

Share class	Net Asset Value (p) per share as at 30.09.13	Net Asset Value (p) per share as at 30.09.12
'A' Class – accumulation	976.52	793.59
'A' Class – income	405.04	336.38
'B' Class – accumulation	1,021.88	826.32
'B' Class – income	415.71	344.27
'I' Class – accumulation	153.58	123.88
'I' Class – income	125.13	103.46
'R' Class – accumulation	117.80	-
'S' Class – accumulation	1,005.75	805.28

Share price range

UK Special Situations Fund 'A' Class (Accumulation shares)

Calendar year	2013†	2012	2011
Highest Price	999.17	826.17	766.87
Lowest Price	831.99	719.88	645.66
Net revenue per accumulation share	21.03	21.14	17.99
Calendar year	2010	2009	2008
Highest Price	734.08	656.68	594.14
Lowest Price	607.79	396.48	394.14
Net revenue per accumulation share	15.91	16.51	19.38

UK Special Situations Fund 'A' Class (Income shares)

Calendar year	2013†	2012	2011
Highest Price	423.57	352.32	343.27
Lowest Price	352.70	313.50	283.45
Net revenue per income share	8.92	9.21	8.05
Calendar year	2010	2009	2008
Highest Price	328.59	301.34	290.93
Lowest Price	278.64	186.69	185.59
Net revenue per income share	7.30	7.81	9.46

UK Special Situations Fund 'B' Class (Accumulation shares)

Calendar year	2013 ¹	2012	2011
Highest Price	1,044.75	861.20	793.58
Lowest Price	867.43	746.82	668.47
Net revenue per accumulation share	24.37	23.90	20.45
	2010	2009	2008
Highest Price	757.70	674.42	604.44
Lowest Price	625.80	405.51	402.37
Net revenue per accumulation share	18.06	18.23	21.06

UK Special Situations Fund 'B' Class (Income shares)

Calendar year	2013 ¹	2012	2011
Highest Price	435.32	361.34	350.92
Lowest Price	361.43	320.41	289.33
Net revenue per income share	10.08	10.26	9.04
	2010	2009	2008
Highest Price	335.05	306.67	294.51
Lowest Price	284.12	189.83	188.34
Net revenue per income share	8.19	8.50	10.31

UK Special Situations Fund 'I' Class (Accumulation shares)

Calendar year	2013 ¹	2012	2011
Highest Price	156.95	129.18	118.60
Lowest Price	130.12	111.75	99.92
Net revenue per accumulation share	3.84	3.73	3.12
	2010	2009	2008
Highest Price	113.16	100.72	90.07
Lowest Price	93.46	60.81	60.34
Net revenue per accumulation share	2.70	2.93	3.32

UK Special Situations Fund 'I' Class (Income shares)⁽¹⁾

Calendar year	2013 ¹	2012 ¹	2011
Highest Price	131.10	108.71	100.46
Lowest Price	108.69	96.23	86.75
Net revenue per income share	3.16	3.21	0.73
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per income share	-	-	-

UK Special Situations Fund 'R' Class (Accumulation shares)⁽³⁾

Calendar year	2013 ¹	2012	2011
Highest Price	120.43	-	-
Lowest Price	100.96	-	-
Net revenue per accumulation share	2.69	-	-
	2010	2009	2008
Highest Price	-	-	-
Lowest Price	-	-	-
Net revenue per accumulation share	-	-	-

UK Special Situations Fund 'S' Class (Accumulation shares)⁽²⁾

Calendar year	2013 ¹	2012	2011
Highest Price	1,026.55	841.04	764.04
Lowest Price	847.42	722.60	644.21
Net revenue per accumulation share	28.33	26.97	23.04
	2010	2009	2008
Highest Price	120.97	106.62	94.04
Lowest Price	99.43	63.72	63.00
Net revenue per accumulation share	3.39	3.33	3.58

¹Up to 30 September 2013

(1) Launched 15 July 2011

(2) Consolidation 18 July 2011

(3) Launched 2 January 2013

Performance record

For the 12 months ending 30 September 2013 the 'A' share class of the Fund returned 23.0%*. Over the same period the FTSE All-Share Index returned 18.9%** while the IMA UK All Companies Sector returned 22.5%**.

The Fund has benefited in the last 12 months from having exposure to cyclical stocks (those that have greater sensitivity to the business cycle and hence tend to move in the same direction as the economy). Investors have supported these stocks in the belief that an improving economic backdrop would boost company's operating performance. Therefore, much of the outperformance over the period can be attributed to the strong gains generated by our stock holdings in building material suppliers: Grafton Group, Travis Perkins, SIG and Kingspan. However, with the weak gold price acting as a drag, the portfolio's gold mining stocks did not fare so well. Investors were also less than convinced that management actions were made in the best interests of shareholders. Expensive acquisitions and wasted capital spending have long been features of the industry but shareholders are keen for change.

Portfolio activity has continued to be fairly low during the year as we found that many of the companies we analysed had valuations which had already reflected a recovery in earnings. There were a number of new additions to the portfolio over the period including holdings in Direct Line Insurance and Chemring. In our view, with the Royal Bank of Scotland having sold down its stake in the insurer, Direct Line's current share valuations have yet to fully recognise the potential for closer

UK Special Situations Fund (continued)

performance alignment with industry peers. Now independent, we believe there is scope for the company's management to firmly focus on profit generation moving forward. Chemring, a defence company with a history of multiple acquisitions attracted our attention as investor sentiment fell after it became clear these acquisitions had not been properly integrated. The profit warnings which accompanied the news also increased the concerns around the company's finances. As part of its restructuring process, we believe the new management team can reduce business costs, improve its operational structure and repair the balance sheet. If they are successful, we believe the share price will prove to be cheap.

At a time when relatively few new stocks are being purchased, it is vital to ensure that we continue to sell stocks as they reach a level we judge to be fairly valued. During the course of the year, we sold our entire holding of alcoholic drinks manufacturer, marketer and distributor C&C Group and US medical device company, Medtronic and significantly reduced positions in Games Workshop as well as Travis Perkins.

During the year, the data providers responsible for administering the IMA sector categories were changed. The new data providers reclassified some of our holdings as international stocks thus leaving us short of the required minimum that needs to be invested in UK equities (at least 80% according to IMA classifications) and over-invested in international stocks. Consequently, we purchased a FTSE100 Index future and sold a S&P 500 Index future to correct this imbalance.

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

United Kingdom Treasury 2.25% 07/03/2014, HSBC, GlaxoSmithKline, Direct Line Insurance, United Kingdom Treasury 4.5% 07/03/2013, Royal Dutch Shell 'B' Shares, BP, Vodafone, British American Tobacco, Unilever, BT, Carnival

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

United Kingdom Treasury 4.5% 07/03/2013, United Kingdom Treasury 2.25% 07/03/2014, AstraZeneca, Travis Perkins, C&C

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

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

5 year performance graph (%)



Past performance will not necessarily be repeated.

Source: Lipper, 30.09.08 to 30.09.13, total return, net of UK basic tax, no initial charges, net of fees in sterling.

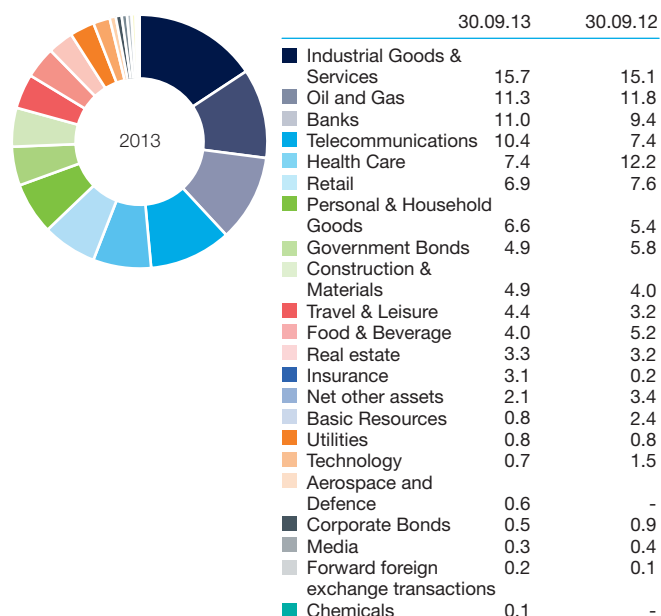
IMA sector shown for performance comparison only.

Portfolio analysis

Top 10 holdings (%)

Security	30.09.13
HSBC	8.0
GlaxoSmithKline	7.5
Royal Dutch Shell 'B' Shares	6.9
Vodafone	5.7
Grafton	5.6
Signet Jewelers	5.0
United Kingdom Treasury 2.25% 07/03/2014	4.9
BT	4.7
BP	4.4
Unilever	4.0
Security	30.09.12
Royal Dutch Shell 'B' Shares	7.9
HSBC	7.0
GlaxoSmithKline	6.4
United Kingdom Treasury 4.5% 07/03/2013	5.8
Signet Jewelers	4.7
Vodafone	4.2
BP	3.8
Grafton	3.8
Unilever	3.6
Travis Perkins	3.5

Sector split (%)



Outlook

The portfolio consists of a number of stocks from different sectors purchased at a time when they were particularly out of favour with the market, albeit still offering a large discount to what we assessed to be their fair value. Over the past few years we have found fewer opportunities among medium-sized companies – which we believe generally to be a function of their very strong share price performance. On the whole, we believe this part of the market is now fully valued. As a result we have increased our attention towards many of the largest companies in the market. These companies may not have the most compelling outlooks, however, what they do have are positively strong market positions, good balance sheets and attractive dividend yields. We believe in this market, these characteristics are very attractive.

The opinions expressed herein are as at October 2013.

Risk and Reward profiles*



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 investments of the Fund are primarily concentrated in one country. This may mean that there are times when the value of the Fund decreases even while more broadly invested funds are growing.
- A proportion of the Fund's expenses are charged to the capital account of the Fund rather than to its income, 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 i 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 the long form report and accounts of the OEIC.

UK Special Situations Fund (continued)

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.

Conversion to protected cell status

From 19 February 2013 the Company took on protected status following FCA approval to the conversion. This means that from this date, under English law, the Funds are segregated portfolios of assets and the assets of a Fund now belong exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

Other changes during the accounting year:

- UK Special Situations, R Accumulation Net, GBP share class was launched on 2 January 2013.

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

Change of registered office

On 8 October 2012 the registered office of each of the Company, the ACD and the Investment Manager to the Company changed from 2 Gresham Street, London EC2V 7QP to Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA.

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.

Other relevant changes

The CME Group was added to the prospectus as an eligible derivatives market for UK Special Situation Fund with effect from 10 July 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 year under review, 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 30 September 2013 and will be distributed to shareholders, where applicable, on 30 November 2013.

For accumulation shares payments are deemed to be paid on 30 November 2013.

Telephone calls

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

Ratings

Provided as at 30.09.13. 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.

Please note, a rating is not a recommendation to buy, sell or hold a fund.

Authorised Corporate Director (ACD)

Investec Fund Managers Limited

Contact address PO Box, 9042, Chelmsford CM99 2XL
Telephone +44 (0)20 7597 1900
Freephone 0800 389 2299
Email enquiries@investecmail.com
Indicator online valuation service
www.investecassetmanagement.com
Registered address Woolgate Exchange, 25 Basinghall Street
London, EC2V 5HA

Investment Adviser

Investec Asset Management Limited
Woolgate Exchange, 25 Basinghall Street
London, EC2V 5HA

Registrar

International Financial Data Services (UK) Limited
IFDS House,
St Nicholas Lane,
Basildon,
Essex, SS15 5FS

Depository

State Street Trustees Limited
20 Churchill Place,
London, E14 5HJ

Fund Administrator

State Street Bank and Trust Company Limited
20 Churchill Place,
London, E14 5HJ

Independent Auditors

KPMG Audit Plc
15 Canada Square,
Canary Wharf,
London, E14 5GL

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Asset Management